2023 UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

MAISONS DU MONDE

Contents

AFR *Items in the Annual Financial Report are identified by this pictogram.*

NFPS *Items in the Non-Financial Performance Statement are identified by this pictogram.*

2023 Universal Registration Document
including the Annual Financial Report

Maisons du Monde, creator of original universes in the homeware business, offers a unique range of home decoration items and furniture in a wide variety of styles and themes at affordable prices that allow its customers to express their own styles and tastes.

This Universal Registration Document was filed on 27 April 2024 with the AMF, in its capacity as competent authority in respect of (EU) regulation 2017/1129, without prior approval in accordance with article 9 of the said regulation.
The Universal Registration Document may be used for the purpose of a public offering of financial securities or the admission to trading of financial securities on a regulated market if it is supplemented by a prospectus and, if applicable, a summary and all amendments made to the Universal Registration Document. This set of documents is approved by the AMF in accordance with (EU) regulation 2017/1129.
This is a translation into English of the (Universal) Registration Document of the Company issued in French and it is available on the website of the Issuer (article 3 de l'instruction AMF DOC-2019-21).

The Universal Registration Document may be obtained free of charge from the Company, or via its website (https://corporate.maisonsdumonde.com/en/finance), as well as on the AMF website (https://www.amf-france.org/en/homepage).

For our Customers, Inspire Everyday is above all a promise to be more inspiring, more accessible, more committed, more experiential and more service-oriented.

François-Melchior de Polignac
Chief Executive Officer

Message from the Chief Executive Officer

François-Melchior de Polignac

Ladies and Gentlemen,
Dear Shareholders,

2023 was a year of transition for Maisons du Monde, marked by a difficult context for the Home & Decoration market, intensified by unfavourable macroeconomic factors (geopolitical uncertainties, unprecedented inflation, deteriorated consumer confidence).

Despite these headwinds, all Maisons du Monde's teams have mobilised around Customers. I would like to warmly thank them for their passion and commitment, which make our iconic brand resonate every day.

The 3C Plan, focused on Customers, Costs and Cash, has produced tangible results that have enabled us to lay solid foundations for our 2024-2026 transformation plan, Inspire Everyday.

Based on the valuable feedback from our Customers, Inspire Everyday is above all the promise to be more inspiring, more accessible, more committed, more experiential and more service-oriented.

This plan was designed to drive the transformation of our business model to success, while streamlining our operating model.

By focusing on customer needs and operational excellence, we are laying the groundwork for sustainable profitable growth.

With a strong focus on simplification and financial discipline, we are increasing cash returns.

Over the next three years, Maisons du Monde will transition into a more asset-light operator and evolve further into a lifestyle brand.

This shift will improve returns on capital employed and enhance shareholder value.

I thank you for your trust.

About us

Our Purpose

> Inspiring everyone to ***open up to the world***, so that we create unique, warm and sustainable places to live, together

The Maisons du Monde spirit: INSPIRE EVERYDAY!

For nearly 30 years, Maisons du Monde has been shaping homes everywhere by making style accessible to all!

Together, we capture the spirit of the times and imagine unique, warm and sustainable interiors. From the timeless to the trendy, we design lively and original collections where «elsewhere» is an inexhaustible source of inspiration. Designed with passion and daring, they meet all tastes, all budgets and all ages. We are proud of being accessible to as many people as possible! Our showcases enhance our collections and offer our Customers a magical journey.

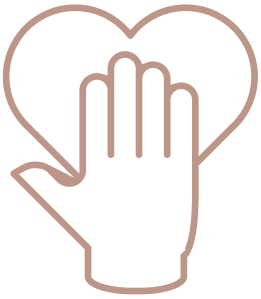
Our warm and committed teams are proud to share our passion for decoration with our Customers. Thanks to our openness to the world, we offer a unique decoration ecosystem for our customers: Marketplace, Rhinov, Hotels, B2B services… And this is only the beginning!

With "Good is beautiful", our CSR commitments for people and the planet are a real source of inspiration and meaning for our daily actions. We choose our manufacturers in good faith and contribute to enhancing and perpetuating the world's know-how.

Today and even more tomorrow, creativity and responsibility are at the heart of our businesses.

Thanks to our optimistic, creative and committed teams, with a strong collective sense, we proudly carry a single voice: inspiring everyone to open up to the world to create unique, warm and sustainable places to live!

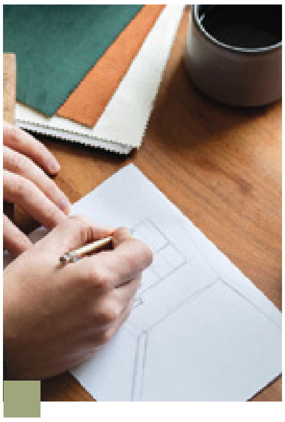
Our values

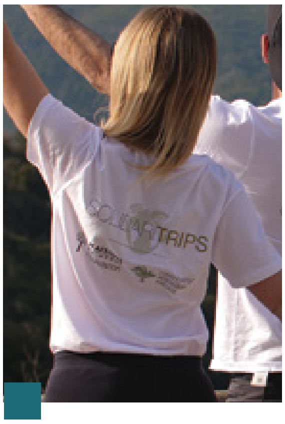


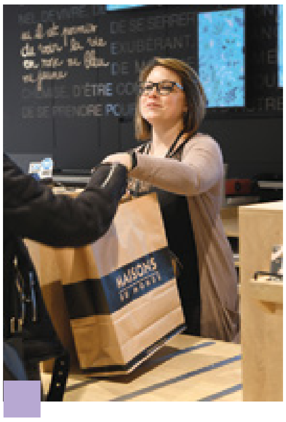
Maisons du Monde's values are in line with its Purpose, with openness as a watchword.

OPTIMISM, CREATIVITY, COMMITMENT, PROXIMITY

According to the principle of symmetry of attentions, we have chosen to align the values of our culture with those of our brand in order to have the same commitments for our Collaborators as for our Customers.







OPTIMISM

"We radiate our positive energy through all our collections, within our stores and through our day-to-day relationships."

CREATIVITY

"We create dreams through our unique, affordable and sustainable multi-style creations."

COMMITMENT

"We are mobilising to inspire a more joyful and responsible world."

PROXIMITY

"We bring together a collective committed to our Customers, our Collaborators and the world."

The history of Maisons du Monde

Almost 30 years of style and inspiration

2024

Deployment of the medium-term transformation plan, **Inspire Everyday. For our Customers, it is above all the promise to be more accessible, more inspiring, more committed, more experiential and more service-oriented..**

2023

François-Melchior DE POLIGNAC succeeds Julie WALBAUM as Chief Executive Officer

Maisons du Monde: **#2 favourite brand of the French people** for the 7th consecutive year *Furniture/Decoration category - EY Parthenon study - March 2023)*

New **Marketplace** in Germany.

Implementation of the **AppShop,** in stores.
(Award for best in-store digital service - 8th edition of the LSA 100% omnichannel awards.)

First step in the **circular economy approach** with the deployment of **Second Chance** in all stores.

Launch of the **MDM wallet** card, adigital card that can be activated on smartphones, which allows our customers to receive our personalised offers, to easily identify themselves at the check-out and to stay informed of the best deals of the moment.

2022

Launch of **the "Good is beautiful" brand** movement around five CSR pillars

Creation of the "Good for Women" Club

Launch of **the Maisons du Monde Marketplace and decoration** service (Rhinov) **in Spain and Italy**

Launch of Maisons du Monde **collaborations: Lisa GACHET and Sakina M'SA**

Inauguration of **a second distribution centre** in the North West of France

Opening of a first series of ***Business corners*** in stores in **France**

New **omnichannel split payment solution** in partnership with the ***fintech* Alma**

2021

Definition of **our Purpose**

Creation of a returns management and furniture **repair division** in Saint Martin de Crau

Two new hotels in **Marseille** and **La Rochelle**

Launch of **Click & Collect**

Disposal of Modani (US)

2020

Launch of the Maisons du Monde **Marketplace** in **France**

2019

Opening of the first store in **Portugal** and acquisition of **Rhinov**

Launch of Maisons du Monde Hôtel & Suites in **Nantes** in collaboration with Vicartem

2017

Launch of rounding at check-outs

2016

IPO - **Euronext Paris**

2015

Creation of **the Maisons du Monde Foundation**

2014

Opening of the first store in **Switzerland**

2013

Opening of the first store in **Germany**

Opening of the Maisons du Monde factory in **Vietnam**

1% for the Planet

2011

Launch of the **junior** collection

2009

Launch of the **outdoor furniture** line

2007

Opening of the first store in **Italy** and launch of the textile product offering

2005

Acquisition of Maisons du Monde by **Equistone and Nixen**

2004

Opening of the first store in **Belgium**

2003

Opening of the first store in **Spain**

1996

Creation of Maisons du Monde by Xavier MARIE

Opening of the first four Maisons du Monde stores in **France**

Our strengths and fundamentals

Leading player in the inspiring, accessible, and sustainable home

A LOVE BRAND

Inspiration

#1
Inspirational Brand
Source: IPEA Decoration Study 2023 (France)

Passionate business experts

30
stylists

4,000
Decoration advisors

Fans

#1 Instagram & Pinterest communities*

2.6 m
Instagram followers (France)

500 k
Pinterest followers (France)

A BALANCED BUSINESS MODEL

Omnichannel

A unique omnichannel model

50% Share of digital sales

Categories

Decoration & Furniture

58% Share of Decoration sales

Geographical presence

Europe continentale

55% Share of sales in France

Un modèle rentable

Best in class gross margin

63%-65%

AN ESG LEADER

ESG commitments

#2
brand committed to social and environmental causes
Source: Consumer survey 2023 (France and Italy)

36%
of "Good is beautiful" products in the offering

List **A** 2023
CDP CLIMAT
CDP (Carbon Disclosure Project)

Our 2023 key figures

2023 adjusted guidance fully met across all criteria

	Achievements in 2023	2023 adjusted guidance[1]
Sales	-9.3% vs. 2022 at EUR 1,125 million	c. -10%
EBIT margin	EUR 45.8 million	EUR 40 million - EUR 50 million
Free cash flow[2]	EUR 27.4 million	EUR 20 - EUR 30 million

Basic earnings per share:

EUR 0.21

Proposed dividend:

EUR 0.06

i.e. a payout ratio of 30%

1 Initial guidance: Sales down by "low-to-mid single digits" with a sequential improvement in the second half year vs first half-year / EBIT between EUR 65 million and EUR 75 million / Free cash flow between EUR 40 million and EUR 50 million / Dividend: payout ratio between 30% and 40%. See press release of 9 October 2023

2 Free Cash Flow

Non-financial achievements in 2023 on our five commitment pillars

1

DELIVER A TRENDY AND RESPONSIBLE OFFER

36% of our offering includes the "Good is beautiful" selection

2

WORK WITH GRASSROOTS ASSOCIATIONS TO PRESERVE THE ENVIRONMENT AND HELP THOSE IN NEED

- **EUR 1 million allocated to** Maisons du Monde Foundation
- **53** new "Good is beautiful" living spaces, redeveloped pro bono for needy or vulnerable people, in partnership with non-profit organisations

3

PROMOTE EQUAL OPPORTUNITIES

- **91/100** Gender equality index
- **43%** of women among the Group's Top 100 employees
- **72%** of women from internal promotion
- **254** work-study students within the Group

4

PROPOSE A CIRCULAR, SOCIAL AND SOLIDARITY-BASED LIFE CYCLE

- **30,440** products repaired and **34,441** products reconditioned in our dedicated workshop

5

TRANSFORM OUR BUSINESSES TO REDUCE OUR ENVIRONMENTAL FOOTPRINT

- **-17.9%** reduction in the carbon intensity of the Group's activities vs. 2018 (tCO_2 eq per million euros of sales)

What we do

Our Mission

Enable everyone to create their own ***inspirational, accessible and sustainable*** home

Our Offering

To create our collections, our Internal style office build on 3 types of homes, illustrating our Customers' interiors and habits.

THE CLASSIC HOME

THE ETHNIC HOME

THE NEO CONTEMPORARY HOME

Stylish and responsible collections

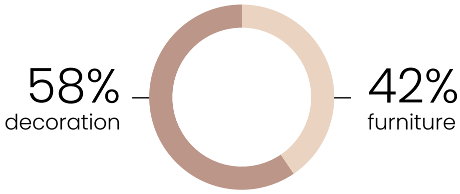
Decoration

11,000
SKUs

Furniture

5,000
SKUs

Breakdown of sales in 2023



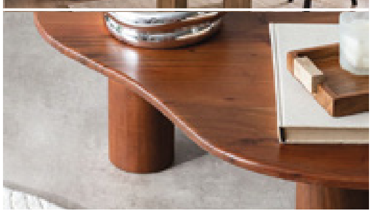
Treat yourself in an increasingly responsible way

36% of our offering included in the "Good is beautiful" selection

At Maisons du Monde, we strive to respect human rights, the health of our customers and the preservation of natural resources when developing our offering.

Responsible materials
to reduce environmental impact

Made in Europe
to develop local manufacturing



Know-how preserved
to support creation

39 KG of CO_2 avoided by purchasing Seconde Chance furniture

Maisons du Monde takes a new step in its circular economy approach by offering damaged products up to -50% to give them a Second Chance.

The promise

to be more accessible, more inspiring, more committed, more experiential, more service-oriented for our customers

More accessible

Fairer prices, down on more than 2,000 products

More inspiring

Catalogue back in stores

More committed

Strengthened proximity for better customer satisfaction

More experiential

In-store events and meetings: exclusive evenings, meetings, workshops

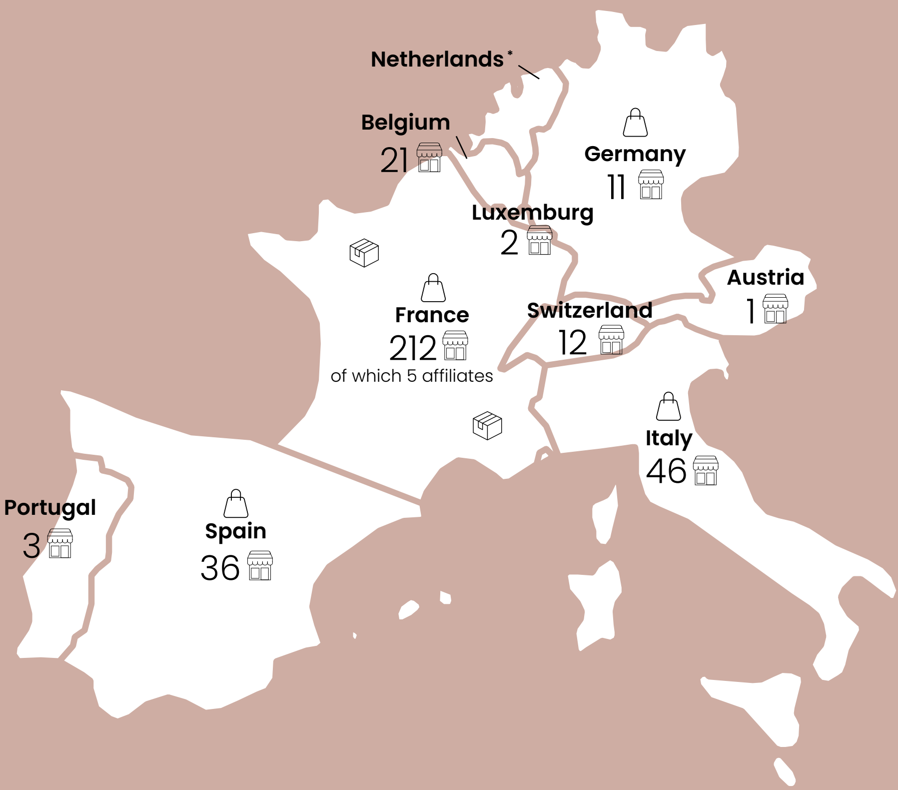
More service-oriented

Professional interior designers to help our Customers project themselves and support them in the realisation of their projects thanks to our online decoration service, Rhinov

RHINOV

Key player

in the inspiring, accessible and sustainable home



349 stores
- 340 owned directly
- 5 affiliates
- 4 franchises Algeria, Morocco, Reunion Island, Martinique

Online sales in **100%** of countries

Marketplace in 4 countries
France, Spain, Italy, Germany

2 logistics distribution centres
Surface area: **470,000 m²**

Number of stores

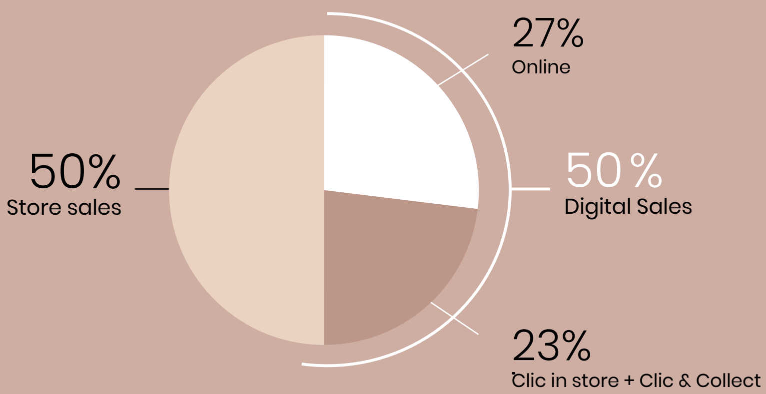
Marketplace

Logistics warehouse / Distribution centre

* Online sales platform

7,350 Employees 66% 34%	**Women's club** GOOD FOR Women	**36 years** Average age **5.31 years** Average length of service (permanent contracts)

A unique omnichannel model in Europe



Renewed and committed governance

Strong Retail/Brand expertise

Executive Committee

François-Melchior de Polignac
Chief Executive Officer
Carrefour, L'Oréal/ Lancôme

Christophe Lapotre
Chief Store Operations Officer
Celio, Kiabi

Guillaume Lesouef
Head of Marketing, Merchandise and Sustainability
Louis Vuitton, Galeries Lafayette-BHV

Constance Fouquet
Digital, IT and B2B Director
Veepee

Cédric Paris
Chief Supply Chain Officer
STEF

Sophie Mouhieddine
Chief Human Resources Officer
Aigle, Groupe Flo, Sephora

Denis Lamoureux
Chief Financial Officer
Lacoste, LVMH

Seniority less than two years

Employee representatives

Board of Directors

Composition of the Board of Directors at 31 December 2023

Françoise Gri
Chairwoman of the Board of Directors
IBM, Center Parc/Pierre & Vacances Group

Cécile Cloarec
Independent Director
FM Logistic, Monoprix, Carrefour

Laure Hauseux
Independent Director
PPR/Kering

Victor Herrero
Independent Director
Inditex (Zara, Massimo Duti, etc.)

Alexandra Palt
Independent Director
L'Oréal

Michel-Alain Proch[1]
Vice-Chairman of the Board of Directors
Publicis

François-Melchior de Polignac
Chief Executive Officer
Carrefour, L'Oréal/Lancôme

Gabriel Naouri
Director
AEON, Casino, Majorelle Investments

Adam Epstein
Director
Teleios Capital Partners

Sylvie Colin
Permanent representative of Teleios Capital Partners
Kenzo, Maje, Caroll, ETAM, Chantellezo,

Anouck Duranteau-Loeper
Permanent representative of Majorelle Investments S.A.R.L.
Isabel Marant, Paco Rabanne, LVMH/Maison Céline

Samira Mouaddine
Maisons du Monde, Carrefour

Gregory Crozzolo[2]
Maisons du Monde

1 Michel-Alain PROCH's term of office will expire at the end of the Annual General Meeting of 21 June 2024. This Annual General Meeting, in accordance with the recommendations of the Nomination and Compensation Committee, will therefore be asked to appoint Michel SIRAT as a director for a period of four years expiring at the end of the 2028 Annual General Meeting called to approve the financial statements for the previous financial year. See Sections 4.1.1.1 - "Overview of the Board of Directors" and 4.1.1.12 - "Position of the members of the Board of Directors", of Chapter 4 Corporate governance of this Universal Registration Document.

2 By letter dated 13 February 2024, the representative union that initially appointed Gregory CROZZOLO informed the Company of his replacement by Christophe RICHARD as director representing the employees. See Section 4.1.1.8 - "Representation of employees and employee shareholders", of chapter 4 Corporate governance of this Universal Registration Document.

Our strategy

Inspire Everyday is a pragmatic medium-term transformation plan, built on the valuable feedback of our customers.
This plan capitalises on Maisons du Monde's unique strengths, resolutely addressing the customer experience and execution challenges. It is resolutely focused on cash generation, by adopting an "asset light" approach.

Two fundamental pillars that pave the way for Maisons du Monde's operational and financial trajectory from 2024 to 2026

1

Drive the transformation of our business model to success

Rethink our offering

Improve the in-store experience

Strengthen growth drivers, in particular marketplace and B2B

Enhance our model with an ecosystem of services

2

While streamlining our operating model to create value

Simplify the value chain

Develop a "Think global/Act local" approach for store operations

Reduce the capital intensity of the model

2024-2026 financial trajectory

Restore growth, achieve operational excellence and maximise financial efficiency.

Achieve EUR 85 million in gross savings in 3 years

Generate cumulative free Cash Flow above EUR 100 million

Reduce the capital intensity of our model:

- **a more normalised Capex to sales ratio of around 3%;**
- **further optimisation of inventory, with a one-month reduction of available inventory;**
- **a more balanced and optimised store network,** increasing from 340 own stores, five affiliates and four franchises at the end of 2023 to nearly 400 stores, of which around 30% under affiliation/franchise by 2026.

Find the video webcast of the presentation

https://edge.media-server.com/mmc/p/tvsty332/

Business model

A business model open to the world, actively engaged in the creation of sustainable value and shared with our ecosystem of stakeholders

Resources mobilised

A multi-style offering perfectly balanced between furniture and decoration

55% of products designed or adapted in-house
58% of sales in the decoration category

Expert teams

7,350 employees
64% network, **13%** headquarters,
13% production, **9%** logistics, **1%** Rhinov
66% of employees are women

Supplier partners

90 strategic suppliers
97% of strategic supplier factories are compliant with the Group's social requirements
83% of factories audited for their environmental practices

Agile organisation of the supply chain

Upstream transportation:
90% sea, **8%** road,
2% rail
2 logistic distribution centres covering a total surface area of **470,000 m²**

An international and omnichannel retail network

340 own stores, 5 affiliated stores and 4 franchise stores
50% of sales in digital

A disciplined financial model in a complex environment

Free cash flow of **EUR 27.4 million**
Leverage ratio[1] de **1.11x** at end-December 2023

Sustainably managed natural resources

62,799 MWh of energy consumed of **92%** renewable

Strategic drivers

The key player

#1 Inspirational Brand

Source: IPEA Decoration Study 2023 (France)

Passionate experts

30 stylists

4,000 Decoration advisors

A dynamic community of fans

2.6 million followers on Instagram (France)

500,000 followers on Pinterest (France)

A CSR leader

Climate **A** List 2023 CDP (Carbon Disclosure Project)

GOOD IS BEAUTIFUL

An Inspire Everyday 2024-2026 transformation plan serving Customers

Two fundamental pillars

1. Drive the transformation of our business model to success
2. While streamlining our operating model

By 2026, an optimised store network

More than 400 stores including 30% under affiliation by 2026

A gradual return to growth

Cumulative free Cash Flow above EUR 100 million

Market challenges:

Macroeconomic and demographic factors

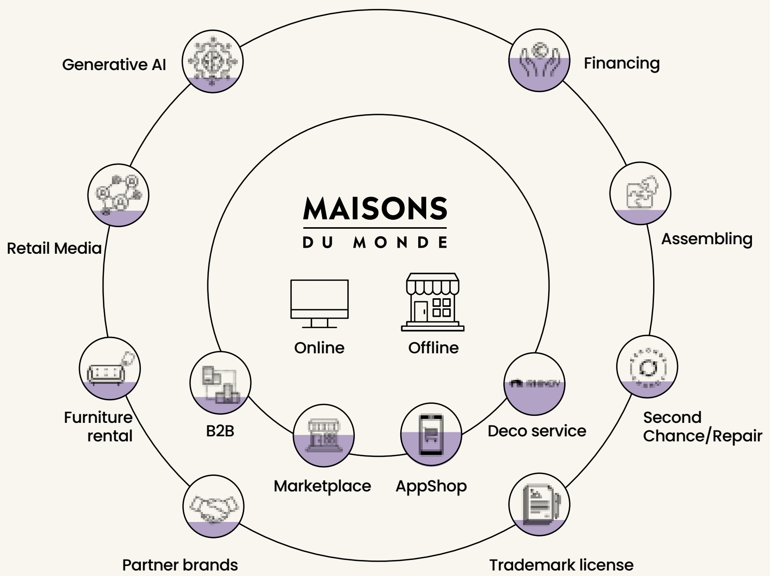
[1] Before application of IFRS 16 as of 31 December 2023.
[2] Annual General Meeting of 21 June 2024.

of value creation

Impacts and value sharing

of the inspiring, accessible and sustainable home

An enhanced service model for a unique omnichannel experience



Service deployment status

Fragmented and competitive sector

Evolution of Consumer trends

Digitisation

EMPLOYEES

Committed and inclusive teams

91/100 Gender equality index
8.6 hours average training per employee
72% of women from internal promotion
Deployment of «Good is beautiful» ambassadors in **100%** of stores

CUSTOMERS

A community of loyal and committed customers

7.2 million active customers
5.5 million Instagram followers in Europe
Nearly **EUR 465,000** collected *via* rounding at check-outs for associations supported by the Maisons du Monde Foundation

NGO

A real social impact

53 "Good is beautiful" living spaces
28 non-profit projects supported and **EUR 767,061** donated to field projects by the Maisons du Monde Foundation

INVESTORS

Shared financial value

30% dividend payout ratio, i.e. EUR 0.06 per share proposed[2]

PLANET

A controlled environmental impact

Carbon intensity: **-17.9%** vs 2018
ISO 50001 certification in the store network in France and
ISO 14001 certification on the production plant in Vietnam
98.9% of stores supplied with renewable energy
61% of waste is sorted for reuse (excl. production factory)

1 Presentation of the Group

1.1 Group's business

Maisons du Monde is the leading player in inspiring, accessible, and sustainable home and decoration. The brand offers a rich and constantly refreshed range of furniture and decorative items in a multitude of styles. Leveraging a highly efficient omnichannel model and direct access to consumers, the Group generates over 50% of its sales through its online platform and operates in 10 European countries.

1.1.1 PRODUCT CATEGORIES

Maisons du Monde offers a vast and exclusive selection of items for the home, presented in harmoniously organised “universes”. This collection includes both furniture and decoration items, arranged to recreate the warm atmosphere of an interior.

Maisons du Monde’s product range includes approximately 13,000 decoration SKUs (57.6% of sales in 2023) and just over 5,000 furniture SKUs (42.4% of sales in 2023).

1.1.1.1 Decoration

The Group’s product range in the Decoration category is diverse, including bed linens, carpets, candles, pillows and cushions, clocks, tableware, lamps, kitchenware, mirrors and picture frames, vases, storage, curtains and net curtains, as well as bath products.

The Group creates and presents various “themes” of decoration items, often inspired by new trends and taking advantage of existing items. These themes can integrate the items as they are or adapt them to match the concept. Around half of the most popular small decoration items in a given collection are reused and adapted for subsequent collections.

Maisons du Monde launches decoration item collections two times per year: for Spring/Summer and Autumn/Winter. Each collection typically includes six distinct themes. In addition, in October, the Group unveils a special themed holiday collection, which is much anticipated.

1.1.1.2 Furniture

The Group’s range of furniture offers a wide variety, including sofas, chairs, beds, mattresses and box springs, floor lamps, tables, junior furniture, as well as storage elements such as bookshelves, wardrobes and cupboards.

Maisons du Monde offers two furniture collections per year, spring/summer and autumn/winter, as well as an Outdoor line dedicated to outdoor furniture with around 650 SKUs. Each collection features a variety of styles. Most of the furniture is pre-assembled and delivered directly to customers.

In addition to these collections, the Group is developing a “Junior” line specially designed for children, as well as a “Business” collection adapted to the needs of professionals such as hotels, restaurants, shops and architects.

All of these collections are presented in stores, on online sales platforms and in catalogues, ensuring maximum visibility for customers.

1.1.2 GEOGRAPHICAL AREAS

Maisons du Monde has been operating in the European market since 2003, through an omnichannel network in nine countries, including France, Italy, Spain, Belgium, Luxembourg, Germany, Switzerland, Portugal and Austria. This network includes e-commerce sites as well as 340 own stores, five under affiliation in France and four under franchise in Morocco, Algeria, Reunion Island and Martinique.

The Group operates an e-commerce platform in the Netherlands.

Maisons du Monde also hosts a marketplace within its e-commerce sites in France, Spain, Italy and Germany.

In terms of sales distribution, Maisons du Monde generated 55.3% of its sales in France and 44.7% outside France at 31 December 2023.

1.1.3 DISTRIBUTION CHANNELS

1.1.3.1 Store network

The following table sets forth the number of own stores in each country where the Group operates, as well as the retail trading space a 31 December 2023:

Country	Number of stores
France	207
Italy	46
Spain	36
Belgium	21
Switzerland	13
Germany	11
Portugal	3
Luxembourg	2
Austria	1
Total network of owned stores	**340**
Total sales area *(in thousands of sqm)*	**429**

The breakdown of affiliated and franchise stores is as follows:

Country	Typology	Number of stores
France	Affiliation	**5**
Algeria	Franchise	**1**
Morocco	Franchise	**1**
Reunion Island	Franchise	**1**
Martinique	Franchise	**1**

As of 31 December 2023, Maisons du Monde's global network had 349 stores, of which 340 were directly owned, 5 were affiliated and 4 were franchised.

Managed in a uniform manner at the international level, this network is administered according to an optimised management approach.

The product offering is adapted to the local customer base and the size of the store.

These are located in:

- City centres (11% of stores), mainly offering decoration items, contributing to brand awareness.
- Shopping centres (18% of stores), offering a similar selection in larger spaces located on the outskirts of cities.
- Retail parks (71% of stores), offering a wider range of furniture and generally located along major roads.

For the selection of new locations, the Group uses a rigorous approach:

- A specialised team searches for new sites or assesses existing proposals.
- Potential sites are thoroughly analysed taking into account profitability, accessibility, visibility, and other demographic and competitive factors.
- The CSR aspect is included in the negotiations, including the possibility of installing photovoltaic shades and charging stations.
- An opportunity study is then prepared and submitted to the Group's Development Committee for approval.
- Once the lease has been negotiated, a team is responsible for the layout, recruitment and initial launch of the store.

The Group proactively manages its store network, which includes strategic openings, extensions or repositioning in favour of better located sites or larger surface areas, while also considering closures and transfers to affiliates where appropriate.

At 31 December 2023, in-store sales represented 72.5% of the Group's total sales.

1.1.3.2 E-commerce

The Maisons du Monde e-commerce platform, launched in 2006, is an essential sales channel that also contributes to increasing footfall in physical stores.

The e-commerce platform includes an in-store inventory check function to direct consumers to the nearest store to pick up their order (click & collect).

The e-commerce platform offers customers a simple and user-friendly experience of discovering the worlds of Maisons du Monde. Visitors can easily navigate through the different product categories, browse by room or style, and search by size or colour. In addition, suggestions for combinations of decoration items and furniture are also made available to inspire buyers.

In 2020, the e-commerce platform was enhanced with a marketplace in France, followed by similar deployments in Spain and Italy in 2022, and in Germany in 2023. The Gross Merchandise Value (GMV) of the online marketplace at the end of 2023 amounted to EUR 161.5 million, up 44% compared to the previous year.

As of 31 December 2023, online sales represented 27.5% of the Group's total sales.

1.1.3.3 A unique omnichannel positioning combined with a service ecosystem

The growing expertise in e-commerce, the development of the marketplace in four countries and the optimisation of the store network, make Maisons du Monde one of the undisputed players in the Home & Living sector in terms of omnichannel positioning.

Maisons du Monde continues to fuel its omnichannel model with web-to-store and store-to-web application and the implementation of click-in-store, as well as new of delivery options, such as free in-store deliveries or in relays.

The implementation in 2023 of an innovative digital platform in stores, called AppShop, has enriched the omnichannel experience with personalised services and recommendations. This app won the award for best in-store digital service at the 8th edition of the LSA 100% omnichannel awards.

As part of the Inspire Everyday transformation plan, the Group will continue to develop its ecosystem of services, in particular the B2B activity of sales to professionals, support for customers in their interior design and decoration projects based on photo realistic 3D technology, the furniture rental, etc.

At 31 December 2023, digital sales represented 50% of the Group's total sales (including 21.5% of click-in-store sales, 1.2% of click & collect sales and 27.5% of sales from the Group's e-commerce platform).

1.2 Value chain

1.2.1 PRODUCT DESIGN

Maisons du Monde's approach to product design and pricing is anchored in an industrialised procurement process that merges the creative expertise of the in-house team of stylists and graphic artists with the analytical and structured approach of the experienced product managers and sourcing professionals.

The design of the collections is managed by the collectioning teams, in close collaboration with the other departments of the Offering, Brand and CSR Department:

- First of all, the Style Department is made up of around thirty designers, product stylists and graphic designers from Maisons du Monde, who contribute to the design of the products and ensure the consistency of the offering's positioning. The Style Department oversees the entire collection as a key contributor.
- The Quality Department supports the teams to ensure that the collections meet quality standards and sustainability objectives, by drawing up specifications and conducting supplier audits. Quality validation is essential to guarantee the normative and functional compliance of products, which can go as far as a veto if necessary.
- The Purchasing Department launches calls for tenders from several factories, based on product creations, and finalises the selection of suppliers taking into account feedback from the collection, style and quality teams.

The collection teams also identify "picking" products or products to be co-developed with suppliers and factories. The Purchasing department can also make proposals for this type of product, following visits made to factories.

The Purchasing team is subdivided into two functions in order to strengthen the expertise of employees:

- The collection function, responsible for the product and the development of the collections in collaboration with the style office, and
- The purchasing function, which is responsible for sourcing and allocating product developments to the most appropriate suppliers based on financial, quality and corporate social responsibility (CSR) criteria.

The design of the furniture and decoration item collections is based on:

- The positioning of the Maisons du Monde brand, defined by its brand platform and its purpose.
- Guidelines from the Artistic Department regarding trends, style and products to be developed in the various lifestyle segments.
- The creation of style themes by the Style and Artistic departments.
- The specific positioning of each product category, based on performance analyses, market, customer and competition data, as well as feedback from the field (stores and online).
- The targeted structuring of the collection in terms of the role of the product (offering pyramid), price positioning, status (new or renewed) and origin of the product (in-house creation, co-development with suppliers, supplier picking).
- Commitment to the social responsibility of products, with criteria defined by the product managers, by responsible raw material and by year.
- The contribution of all employees, in particular stylists and product managers, who can make proposals.

The final collections are approved by two committees which analyse:

- The balance of the collections.
- Their alignment with the Maisons du Monde concept.
- Their degree of novelty.
- Sourcing recommendations.
- The sustainability of the selected products.

Aspects with regard to sustainability and the use of eco-designed materials are becoming increasingly important. They aim to improve the assortment for a unique balance between desirability and sustainability. The process of designing a collection generally takes nine months.

The Group's ability to renew its collections with innovative designs sets it apart from other retailers specialising in Home & Living. This increases its attractiveness to customers.

Maisons du Monde relies on the analysis and gradual adaptation of its offering, based on an "early adopter" approach. The in-house team of designers identifies emerging consumer and design trends in the market and shapes subsequent collections around these trends.

Maisons du Monde's in-house design capabilities enhance the originality of its products. The specific nature of the Maisons du Monde offering makes it difficult to compare with that of its competitors. Indeed, only 25% of products could have an equivalent among competitors [1]. This differentiation allows the Group to benefit from a better pricing power and positions the brand as a unique source of inspiration in the field of Home & Living. The rest of the products were selected from external suppliers to meet the needs of the season's collection.

1.2.2 SUPPLY AND MANUFACTURING

The Group obtains its supplies in two distinct ways:

First, through its own production plant, entirely owned in Vietnam, which constitutes a significant part of its supply.

Then, through external manufacturing, which is divided into two distinct sectors:

- Manufacturing by "partner" suppliers, who produce according to the Group's own designs and specifications.
- Manufacturing by other suppliers, providing individual references of decoration items that can complement existing collections.

For the financial year ended 31 December 2023, approximately 16% of the Group's products were manufactured in Europe. France represents approximately 4% of this production, mainly sofas, while the rest of Europe accounts for around 12%, mainly glassware.

The rest of the Group's products are manufactured in Asia, with around 84% of production, mainly broken down as follows:

- China: 54%
- Vietnam: 12%
- India: 18%

This sourcing model provides access to a large supplier base while maintaining an optimal balance between style, quality and price.

The Group's subsidiary, Mekong Furniture ensures the supply of raw materials by directly purchasing its own materials. Its raw material suppliers are diverse, including manufacturers, distributors, as well as local, regional and international resellers.

Thanks to the diversification of its supply sources, the Group guarantees a stable supply without depending on a specific supplier. Purchases of raw materials and products are mainly made in US dollars and Dong for Vietnam.

As part of its corporate social responsibility (CSR) objectives, the Group is gradually increasing the purchase of certified timber. This wood comes from sustainable forestry systems or recycled wood from various sources. For more information on the Group's sustainable wood supply, refer to Section 3.7.1 "Measures for more responsible use of resources and deployment of practices around the circular economy" in Chapter 3 "Non-financial performance statement" of this Universal Registration Document.

1.2.3 DISTRIBUTION

1.2.3.1 Logistics

Shipping from production points

The majority of the Group's products are manufactured in Asia (84%) and are shipped by sea to the port of Marseille-Fos, from the nearest production points, such as Shanghai or Ho Chi Minh City.

Faced with the significant inflation of sea freight rates in 2021 and 2022, Maisons du Monde has adjusted its contracting strategy with its partners. It is moving from annual contracts negotiated one year in advance and settled in US dollars exclusively with shipping agents, to a more diversified approach combining short- and long-term contracts as well as partnerships with freight forwarders and shipping companies. Distri-Traction, the Group's dedicated transfer subsidiary, handles the transport of the containers from the port of Marseille-Fos to the Group's warehouses. For products manufactured outside Asia, such as sofas made in France, road and rail freight to the Group's warehouses in Marseille is organised.

Warehousing

The Group rents warehouses in the south of France to store products in addition to stores, thus offering logistical support to all its distribution channels.

(1) *Study conducted by Simon Kucher & Partners.*

Distrimag, the Group's subsidiary in charge of storage in France, operates 9 warehouses in the port area of Marseille-Fos, centralising warehousing and inventory management activities. This enables the Group to improve the efficiency of its quality control and reduce the inventories of each store, thereby optimising the retail trading space.

The Group has developed a scalable infrastructure with significant capacity to support its future growth. It has thus been able to increase the storage space of its existing warehouses by optimising shelving space. Initiatives to improve order fulfilment, delivery performance and inventory management are continuously implemented.

Since July 2022, the Group has had a new logistics distribution centre, Leolog, a Group subsidiary, in north-west France. The automation phase began in 2023. The warehouse located in Heudebouville is managed by an external service provider.

At end 2023, the Group managed approximately 470,000 square metres of warehousing and distribution space.

Distribution to stores and end-customers

The Group subcontracts the road transport of its products to several external carriers and logistics providers.

The replenishment of stores is a key element of the Group's business model, making it possible to maintain reduced inventory levels in stores. On average, the Group ships products from its warehouses to its stores on a bi-weekly basis and up to four times a week depending on store size and footfall. The distribution model is broadly similar for all channels, particularly for furniture delivery.

1.2.3.2 Quality control

Quality control is integrated into all stages of supply, from manufacturing to the Group's logistics process. This also includes the rigorous selection of suppliers and service providers.

Favouring suppliers with internationally recognised certifications, such as those of the International Organisation for Standardisation (ISO), the Group aims for uniform quality regardless of the supplier chosen. Pre-production samples as well as products received in our distribution centres are selectively selected for quality controls.

Quality control teams based in China, Indonesia and India conduct on-site visits and inspections. Their mission is to ensure that suppliers comply with the Group's quality standards, covering various aspects such as product quality, compliance with standards, as well as compliance with social and health standards.

Please refer to Section 3.4.1.1 "Managing risks in the supply chain" and Section 3.9 "Sustainable relations with suppliers" in Chapter 3 of this Universal Registration Document.

1.2.3.3 Merchandising

The Group deploys a unique merchandising approach, which aims to create universes to position the brand as desirable and sustainable.

In its stores, the Group creates immersive shopping environments; products are kept on hand next to the relevant displays for easy placement in shopping baskets, in order to encourage purchases.

As part of the Inspire Everyday transformation plan, Maisons du Monde is renewing its concept by testing a revisited store journey in three pilot stores opened in March 2024 (Rouen, Pau and Hognoul in Belgium), in order to affirm its inspirational, accessible and sustainable model and to meet the ever-changing tastes and needs of its customers.

The Maisons du Monde website is also designed to create environments that encourage purchases. It offers customers:

- numerous search functions;
- several filters; and
- different display options to sort through its wide range of products.

They aim to be a source of inspiration for customers' home design and decoration plans. The Group's online platform builds on the approach adopted by its catalogues. It incorporates videos and photos taken from several angles, to allow a better conceptualisation of the products.

Collection catalogues are also an important element in the presentation and marketing of Maisons du Monde products. They show customers the diversity of the Group's product offering through series of magazine-type photos.

1.3 Market challenges

1.3.1 COMPETITIVE ENVIRONMENT

Players in the European decoration and furniture market can be divided into four main segments:

- functional and affordable;
- inspiring and affordable;
- high-end design; and
- single-category expert.

Maisons du Monde is positioned in the "inspiring and affordable" segment. This market segment is characterised by distributors that focus on style and originality and market their products at affordable prices. This segment of the market is more fragmented than the average for the sector.

The Group also competes with functional players. Department stores, hypermarkets and DIY stores also sell decoration items and furniture as part of a more diversified offering. The Group also experiences competition from independent retailers. Lastly, with the crisis, low-cost retailers from Asia have taken positions.

In the online sales segment, Maisons du Monde competes with e-commerce pure players which are accessible from many European countries. Additionally, e-commerce platforms do not specifically focus on the sale of decoration items and furniture, but mainly sell these products through other distributors and manufacturers. Most of the Group's retail store competitors also operate online channels.

1.3.2 MACROECONOMIC AND MARKET ENVIRONMENT

The European decoration and furniture market is generally correlated with macroeconomic indicators, such as:

- GDP;
- consumer confidence; and
- residential construction.

In 2023, the Home & Decoration sector was hit hard by the deterioration of macroeconomic trends (geopolitical uncertainties, unprecedented inflation), leading to lower consumer confidence across Europe and the reduction in discretionary consumer spending.

New constructions authorised and started have fallen sharply since mid-2022, and have reached a lower level than at the end of 2020 according to data from the SDES (Data and Statistical Studies Department), a momentum in older constructions should resume in 2025. At the same time, a recovery is expected in the older constructions by 2025. In addition, the post-Covid demand for household equipment has not yet been fully absorbed, as evidenced by the average conservation life of a sofa, which is 5 years.

As a result, the furniture and decoration market is expected to remain stable over the 2024-2026 period at around +1% per year (source: Euromonitor 2023, constant prices).

The European decoration and furniture market can also be correlated with demographic factors. While the population of the European Union (EU) is expected to grow slightly, from nearly 447 million in 2019 to just over 449 million in 2030, millennials will represent 75% of the working population by 2030, making them the largest market that has ever existed, and therefore the priority for most companies offering services and consumer goods.

1.4 Solid fundamentals

Maisons du Monde is the leading player in inspiring, affordable and sustainable homes and stands out for a series of unique assets and fundamentals that make it an essential brand:

- A strong and emblematic brand that has created an emotional connection with its customers, thus positioning itself as a true Love Brand.
- A diversified and multi-style offering, proposing a varied range of products to meet all tastes and styles of interior decoration.
- Design expertise, with a team of talented stylists and designers who create original and inspiring collections.
- A strong network of stores and e-commerce platforms in Europe, offering customers a seamless and omnichannel shopping experience.
- Strong leadership in terms of social and environmental responsibility (CSR), illustrated by concrete initiatives to promote sustainable development and the well-being of communities.

1.5 Strategy and outlook

In early 2024, Maisons du Monde implemented a medium-term transformation plan for 2024-2026, Inspire Everyday, which capitalises on its unique assets and the solid foundations laid by the 2023 3C Plan.

Inspire Everyday is designed to restore growth at Maisons du Monde and improve Free Cash Flow generation. Built around the Customer, this transformation plan prioritises operational excellence and financial efficiency.

1.5.1 A PRAGMATIC TRANSFORMATION

This plan is based on two fundamental pillars that will guide Maisons du Monde from 2024 to 2026:

Structural optimisation of the business model to better meet customer needs

- Rethinking the offering to better meet customer expectations.
- Improving the in-store experience and strengthening growth drivers, in particular the Marketplace.
- Enhancing the model with innovative services.

Simplification and rationalisation of the operating model to promote value creation

- Simplifying the value chain to increase efficiency.
- Developing a “think global/act local” approach to optimising store operations.
- Reducing capital intensity to optimise resources.

1.5.2 A FINANCIAL TRAJECTORY AROUND CASH GENERATION

2024 will be a key year for transforming the business model and laying the foundations for a gradual return to growth between 2025 and 2026.

Over the 2024–2026 period, the Group is expected to generate a cumulative Free Cash Flow above EUR 100 million.

FCF generation should increase over the duration of the plan. The Group expects positive Free Cash Flow to continue in 2024, despite a significant portion of our FCF being reinvested into the transformation of the Group, and seizing opportunities to accelerate this transformation.

To secure FCF generation, Maisons du Monde will notably focus on:

- The rationalisation of costs with EUR 85 million gross cost savings over 3 years, building upon the EUR 25 million and EUR 35 million cost saving plans of 2022 and 2023;
- Reduction of capital intensity with:
  - a more standardised CapEx on sales ratio of circa 3%, already achieved in 2023, representing a notable reduction compared to 2019-2022 period,
  - continued optimisation of inventory, with a one-month reduction of available inventory,
  - a more balanced and optimised store network, increasing from 340 own stores and five affiliated stores and four franchises at the end of 2023 to nearly 400 stores, of which approximately 30% under affiliation/ franchise by 2026.

Over the three-year period, the Group will maintain its 30%-40% dividend pay-out ratio.

1.6 Legislative and regulatory environment

1.6.1 REGULATIONS

The following is a brief description of the main laws and regulations that govern the Group's activities and personnel. References and discussions to directives, laws, regulations and other administrative and regulatory documents are entirely qualified by the full text of such directives, laws, regulations and other administrative and regulatory documents themselves.

Regulation of Furniture Production and Products Liability

The Group is regulated as a manufacturer, importer and distributor of decoration items and furniture pursuant to European Union (EU) laws and regulations as well as the national laws of the EU Member States in which it operates. The following Sections briefly summarise the EU and Member State regulations that are most material to the Group's activities.

European Union regulations

The furniture that Maisons du Monde produces and sells incorporates timber. The Group must take into account the European Union (EU) Forest Law Enforcement Governance and Trade ("FLEGT") action plan that the EU adopted in 2003, which is aimed at reducing deforestation by regulating imports of timber and timber products into the EU. FLEGT regulates where the Group can source its timber and timber products. FLEGT includes a timber licensing system to certify the legality of imported wood products: in order to obtain a FLEGT licence, Voluntary Partnership Agreements are required. Voluntary Partnership Agreements (VPA) are bilateral trade agreements between the EU and a partner country (producing or processing timber). This is an example of an effective market mechanism, designed to promote better forest governance. VPAs incorporate the commitments and actions of both parties to end the illegal timber trade, mainly through the implementation, by the partner country, of a system of authorisations for timber exported outside the EU. Once the system is in place, only recognised legal timber from this country can be authorised to enter the EU. Each Member State is responsible for setting up an exclusion mechanism for unauthorised timber from a partner country that has entered into a VPA. Each authorisation system will be supported by a Legality Verification System (LVS) that monitors and verifies legal compliance throughout the supply chain, from forests to ports and markets.

Furniture and decoration items contain chemicals for a wide variety of applications, including as varnishes and in paints and other coatings. As a result, the Group is also subject to Regulation 1097/2006 (known as the Registration, Evaluation, Authorisation and Restriction of Chemicals Regulation, or "REACh"). REACh, which entered into force on 1 June 2007, requires all companies manufacturing or importing chemical substances into the EU in quantities of one tonne or more per year to register these substances with the European Chemicals Agency (ECHA). REACh also imposes requirements on substances of very high concern (or "SVHC") because of their negative impact on human health or the environment. Since 1 June 2011, the ECHA must be notified of the presence of any SVHCs in items where it equates to more than 0.1% of the mass of the item and the total value is at least one tonne annually. The Regulation also sets out in Annex XVII a number of substance restrictions, some of which are applicable to the Group's products (*e.g.* azo dyes in textiles, phthalates in toys).

The Group must comply with a number of other EU regulations, including:

- Regulation 2019/1021 (known as the Regulation on Persistent Organic Pollutants or "POPs"), which, among other things, limits the presence of certain substances in items placed on the market, such as C10-C13 chlorinated alkanes;
- Directive 2001/95/EC (known as the General Product Safety Directive), which requires manufacturers to put only safe products into the marketplace, requiring the Group to supply products that comply with general safety requirements, monitor the safety of products on the market, provide the necessary documents guaranteeing product traceability and to provide consumers with information that enables them to evaluate the potential risk of a product if the risk is not easily apparent;
- Directive 1999/44/EC which regulates certain aspects of the sale of consumer goods and associated guarantees. This Directive regulates fitness for purpose of consumer goods and the liability of the seller by providing basic protection to consumers against inferior products. Under the Directive, consumers are entitled to a guarantee period of half a year. Consumers may also hold the seller liable in cases where the lack of conformity has become apparent within two years of the delivery of the goods;

- Directive 94/62/EC, which regulates the packaging requirements for shipments made to end-consumers. This Directive is designed to reduce waste through and provides for recycling of packaging materials to help achieve this goal;
- Sectoral Directives applicable, for example, to toys (Directive 2009/48/EC), electrical and electronic equipment (Directive 2011/65/EU) or materials in contact with food (Regulation (EC) No. 1935/2004).

Mandatory regulations in France

FRANCE

Decree No. 86–583 of 14 March 1986 requires sellers of new furniture to include specified information on all product labels. Any advertising document that includes the price information of the relevant information must also contain the information disclosures mandated by the law. This information includes, but is not limited to: the materials used in production, the words “do-it-yourself” (*à monter soi-même*) if the furniture is not assembled, the world “style” or “copy” (*copie*) must precede any reference to a time period, a century, a school, a state or a region other than the place of production and the word “imitation” to indicate that the style attempts to mimic a theme, style or process that was not used in the manufacturing process.

Regulation of the Group’s Retail Activities in France

Laws on commercial leases

Commercial leases for the Group’s operations in France are regulated by Decree No. 53–960 of 30 September 1953 (“Decree 53-960”), codified in part in Articles L. 145-1 *et seq.* and R. 145-1 *et seq.* of the French Commercial Code. Decree No. 53-960 as modified by law No. 2014-626 on craft industries, trade and small enterprises (the “Pinel law”). Most of the Group’s stores are leased under commercial leases subject to the provisions of Articles L. 145-1 *et seq.* and R. 145-1 *et seq.* of the French Commercial Code and non-codified articles of Decree No. 53-960, which confer certain rights to the tenant.

French commercial leases have a minimum initial duration of nine years, but rarely exceed 12 years. The lessee generally has the right to terminate a commercial lease at the conclusion of each three-year period. The lessor may only terminate the lease at the conclusion of each three-year period in certain limited circumstances. At the end of the contractual term of the lease, the lessee is entitled to a renewal. If the lessor does not accept such renewal, the lessor will be required to compensate the lessee, unless the lessor can show good cause (*un motif sérieux et légitime*). Upon expiration of the lease agreement, if the lessor and lessee take no action to renew or to terminate the lease, the original lease will be automatically extended until a notice of termination is served by either the lessee or the lessor. An automatically renewed lease (*tacite reconduction*) may be terminated at any time by either the lessee or the lessor upon providing six months’ prior notice.

The parties are free to determine the initial rent, generally according to the current market value of the property. The rent may be fixed, variable or composed of a fixed portion and a variable portion. Generally, the lease contains an annual rent indexation clause. The agreed index must have some connection with the activity carried out by one of the parties or to the purpose of the lease. Alternatively, parties can choose to refer to the Commercial Rent Index (“ILC”) or the Index Applicable to Leases of the Service Sector (“ILAT”) (*indice des loyers des activités tertiaires*), both published by INSEE, the French public statistics institute.

Certain of the Group’s premises may be subject to the safety standards applicable to buildings open to the public (*établissements recevant du public*), as defined in Articles L. 123-1 to L. 123-4 and Articles R. 123-1 to R. 123-55 of the French Construction and Housing Code. Builders, owners and operators of buildings open to the public are required, both during construction and operation, to comply with certain preventive and protective measures to ensure safety, and must also ensure that the facilities and equipment are maintained and repaired in accordance with applicable regulations.

Employment regulations

French working time regulations generally provide for a statutory weekly average working time of 35 hours. An employer may be prosecuted for offences of “undeclared work” (travail dissimulé) in connection with the failure to properly declare the time worked beyond 35 hours per week, which may result in fines and imprisonment. As a result of undeclared work, an employer may also be liable to employees for the payment of a fixed penalty representing six months of salary, in the event of the termination of the employee’s contract. In addition, noncompliance with legal provisions regarding overtime may expose the Group to additional fines. Moreover, because any compensation paid to an employee is subject to the payment of social security contributions, social security contributions related to overtime hours may be reassessed, which may result in the payment of additional social security contributions, as well as additional charges for the late payment of contributions, penalties for late declarations and fines. The Labour Code, however, provides for a certain degree of flexibility in applying the statutory weekly average working time of 35 hours per week for certain categories of employees. Under French law the relationship between an employer and an employee is additionally subject to collective bargaining agreements at both the national and local level. The requirements under a collective bargaining agreement vary by industry and govern employment relationships in conjunction with the French Labour Code.

The majority of the Group’s stores are generally not open on Sundays, as French law imposes restrictions on Sunday trading, except for certain Sundays a year when stores are permitted to open. Stores in certain urban shopping zones and certain shopping centres are allowed to open on Sundays year-round, subject to reaching agreements with the relevant labour unions or employee representative bodies. Labour law requires that additional compensation be paid to employees for Sunday work.

Protection of privacy and personal data

In France, the Group is subject to law 7817 of 6 January 1978 (amended on 6 August 2004) as well as to Regulation No. 2016/679, known as the General Data Protection Regulation ("GDPR"), when it collects and processes personal data, most commonly that of customers, prospects, employees and suppliers. This law notably strengthens individuals' right of access to their personal data and gives the competent authorities (the French Personal Data Protection Authority "CNIL" and equivalent authorities in each country of the European Union) the power to intervene on their behalf. Each competent authority has many powers, including the power to:

- monitor an organisation's compliance with regulations;
- issue warnings, *i.e.* warn a body that the data processing it intends to carry out, at a stage when it is not yet operational, is likely to infringe the applicable texts;
- give formal notice to organisations that do not comply with the applicable regulations to comply within a specified period of time. Letters of formal notice may be made public depending on the seriousness of the shortcomings observed or the number of persons concerned;
- impose sanctions on non-compliant organisations, including monetary penalties of up to EUR 20 million or 4% of annual worldwide turnover. These sanctions may be made public.

French law No. 2004-575 of 21 June 2004 on Trust in the Digital Economy (LCEN), in application of European Union Directive 2000/31/EC of 8 June 2000 on certain legal aspects of information services and e-commerce, sets out the rules for the liability of Internet service providers, website publishers, e-merchants and website hosting companies, notably dealing with how e-commerce and encryption are managed.

The Maisons du Monde group, which is responsible for processing the personal data of customers, prospective customers, employees, etc., is carrying out work to maintain and continually improve its GDPR compliance. With special attention paid to protecting the personal data of customers and employees of the brand, the project brings together all divisions concerned (Marketing, Customer Relations Department, IT Department, Legal Affairs, Internal Control, HR, etc.) with the aim of designing privacy into all systems.

Import-export restrictions

The Group sources many of its products from Asia, mainly China, Vietnam, India and Indonesia. Within the European market, the principle of free movement of goods applies. With respect to the import and export of goods from countries which are not members of the EU, the Group must comply with national and EU foreign trade and customs regulations. At the EU level, the Group's relevant regulatory framework is based on the Modernised Customs Code (Regulation (EC) No. 450/2008). Whereas imports and exports within the European Economic Area ("EEA") are in principle not liable to customs duty, the movement of goods beyond the frontiers of the EEA is subject to customs control. The customs control charges include statutory import duties. Customs offices may from time to time initiate customs inspections to assess whether customs regulations have been infringed. In France, the Group may also pay specific stamp duties, such as the tax for the development of the wood and furnishing industries (*taxe pour le développement des industries de l'ameublement ainsi que des industries du bois*), currently set at 0.18% (furniture) and 0.09% (wood) of the value of the goods imported.

1.7 Property, plant and equipment

Maisons du Monde S.A.'s registered office is located in Vertou (44), in France. The Group operates primarily from administrative premises, manufacturing sites and commercial stores.

As of 31 December 2023, the property portfolio formed by these sites was as follows:

- three offices, with an additional modular site, housing the Group's registered office, one located at "Le Portereau", 44120 Vertou, France and the other at ZAC de Bel Air, 44120 Vertou, France.
- office premises leased to third-party landlords and intended for the Group's Web and Network services (55 rue d'Amsterdam 75008 Paris, France), the IT Support department (6 rue Anne de Bretagne -Viséo building, 44120 Vertou, France) and lastly the B2B and DRC services (2 rue des Grands Châtaigniers - Koad building, 44120 Vertou, France);
- 10 warehouse buildings serving all of the Group's sales channels in Europe;
- a showroom located at 30 avenue de la Vertonne, 44120 Vertou in France, leased from a third-party lessor;
- 340 own stores located in France (including a showroom located in 100 rue du Bac, 75007 Paris), Italy, Spain, Belgium, Switzerland Germany, Portugal, Luxembourg, and Austria;
- a furniture manufacturing facility in Vietnam, spread over three sites, operated by the Group's wholly owned subsidiary Mekong Furniture.

1.8 Research and development, patents and licenses

The Group's ability to design and launch new products and improve existing products is an important aspect in view of its business. The Group seeks to promote a corporate culture in which employees can be creative, promoting its long-term success. Designers review the market and its trends, define themes – each season – together with buyers and product managers, design new products based on those themes and also regularly adjust the product range to meet sales criteria and changes in trends and designs.

1.8.1 THE GROUP'S PROPRIETARY RIGHTS

The Group owns the intellectual property rights needed to exercise its activities, in particular:

- commercial trademarks: Maisons du Monde France S.A.S. owns the right to the "Maisons du Monde" name, its most important trademark, which it has registered in the form of figurative and semi-figurative trademarks in the territories in which Maisons du Monde operates;
- domain names: the Group owns a portfolio of "Maisons du Monde" domain names and has registered them with the relevant authorities. The Group periodically renews them.

In addition, Maisons du Monde files the drawings and models designed by its style office with a bailiff (*huissier de justice*). This process makes the brand's creative process more secure, since Maisons du Monde has a guarantee that it will be able to produce proof of ownership of its rights for those works should they ever be misappropriated by third parties.

For more information on the risks relating to the Group's intellectual property, please refer to Chapter 2 "Risk factors and management", Section 2.1 "Internal control" of this Universal Registration Document.

1.8.2 THIRD-PARTY LICENCES

Some of the Group's products integrate third-party technologies. In order to obtain the rights to use these third-party technologies, the Group has entered:

- inbound licence agreements: the Group relies on licensed software for its back-office, finance, Human Resources and store management systems.

1.8.3 SECURITY INHERENT TO THE GROUP'S INTELLECTUAL PROPERTY RIGHTS

Not applicable.

2 | Risk factors and management

Investors should carefully consider the risks described below, before making an investment decision. Any of the following risks may have a material adverse effect on the Group's business, financial position, results of operations or prospects. The risks described below are not the only risks the Group faces. Additional risks and uncertainties, of which the Group is currently unaware or that it currently deems immaterial, may also have an adverse effect on the business, reputation, financial position, results of operations or prospects.

2.1 Internal control and risk management system

This section on internal control and risk management is part of a corporate governance framework that complies with the AMF reference framework on risk management and internal control.

2.1.1 DEFINITION AND OBJECTIVES OF THE GROUP'S INTERNAL CONTROL DEPARTMENT

Risk management refers to the measures that the Group implements to identify, analyse and manage the risks to which it is exposed in its ordinary course of business. The Group considers risk management and internal control to be closely related and a priority.

The Group's internal risk management and control systems are based on a combination of appropriate resources, procedures, behaviour and actions. Therefore, under the impetus of the Board of Directors, the Audit Committee, the Executive Committee and the Internal Control Department, the Group's current internal risk and internal control procedures aim to provide reasonable assurance for realising the following objectives:

- to ensure that acts of management or execution of operations as well as the behaviour of individuals fall within the framework of the guidelines set by the corporate bodies and respect the laws and regulations in force as well as the values, standards, internal procedures and rules of the Company;
- to identify, assess and control risks that could have a material impact on the Group's assets, results, operations or its ability to implement its objectives and strategy, whether these risks are operational, commercial, legal, financial or related to compliance with applicable laws and regulations, or resulting from the risk of fraud or error;
- to ensure the reliability of the financial information and compliance with laws and regulations, particularly in the area of producing accounting and financial information.

By helping to prevent and manage the risks to which the Group is exposed, the purpose of the Internal Control system is to facilitate the Group's sustainable economic development in a control environment that is adapted to its businesses.

Risk management and internal control are subject to limits arising from many factors, including uncertainties in the outside world, the exercise of judgement, or dysfunctions that may occur due to technical or human failure, or simple mistakes.

Risk management choices are made by weighing the opportunities against the cost of risk management measures, with due consideration of their potential effects on the occurrence and/or consequences of the risk.

2.1.2 RISK MANAGEMENT PROCESS

The internal control procedures form part of the ongoing process of identification, evaluation and control of the Company's risks. The risk management and internal control mechanism is based on the internal control reference framework laid down by the AMF. This system covers the following components:

- control environment: integrity, ethics, competencies, etc.;
- risk assessment: risk identification, analysis and management;
- control activities: standards and procedures;
- information and communication: collection and exchange of information;
- steering: monitoring and possible modifications of processes.

The Internal Control Department is committed to constantly updating internal management procedures in order to keep them in line with changing organisational structures. The Group monitors the effectiveness of control systems and manages risk management systems. As part of an ongoing drive to improve the Internal Control system, the Group continued with its efforts in 2023 by notably taking the following actions:

- the implementation of a decision support tool (Finance Report Planning) to improve the quality of financial information and to industrialise, automate and accelerate the production and revision of accounts. This project aligns Maisons du Monde with the best market standards and best practices to support its development; This new information system has been rolled out to part of the Group's operations and will be extended to all of Maisons du Monde in 2024;
- in order to strengthen its internal control system, the Group launched an update of the Group's risk and control matrix in 2021 through:
  - the diagnosis, by process, of the existing levels of risk and control according to their type (financial, operational, compliance, asset protection, fraud and reputation),
  - the definition of a series of action plans to achieve an optimal control target and their monitoring,
  - the update of the internal control manual describing the Group's risk and control matrix.

The Group aims to have updated all key processes by the end of 2024:

- updating of the books of procedures relating to the management of checkouts and inventories in all the Group's stores;
- the performance of some one hundred audit assignments in France and abroad on controls of the operational cycles of stores, such as cash management and cash receipts, the fight against breakage and mark-down, the management of store inventories and customer orders or the physical security of goods and people. A self-audit campaign of 100% of the stores network focused on the key operational procedures has been added to this exercise.

The Maisons du Monde group is exposed to a number of risks in the course of its business activities. The main measures for managing and controlling these risks are described in Section 2.2 "Risk factors".

A review of major risks at parent company level and in the store network is carried out by the Group's Internal Control Department in collaboration with the various Management bodies in order to identify major risks, the assessment of which includes:

- assessment of the inherent and residual risk;
- the principal causes and consequences of the risk;
- the processing of risk aimed at improving the internal control system (there are four possible ways of processing: conservation, reduction, outsourcing, abandonment);
- written action plans aimed at reducing the level of residual risk.

The aim of this is to define action plans, tailored to the Group's business and designed to improve its systems through better efficiency and broader coverage.

2.2 Risk factors

2.2.1 EVALUATION METHODOLOGY

In 2023, the Group updated its risk matrix, which summarises the risks according to their scale of impact and probability of occurrence. It is reproduced below to visualise the issues, but does not replace the developments explained that follow. The scale of impact is assessed according to three criteria:

- financial;
- image/reputation;
- legal and regulatory.

Depending on the levels of probability and impact of the risk, a positioning of the criticality of the risk is obtained (critical risk, major risk, moderate risk, low risk). This risk map reflects the exposure of Maisons du Monde, thus integrating the control measures implemented to limit the probability and impact of the risks. This matrix is a risk management steering tool.

The updated risk mapping for 2023 was presented and approved by the Audit Committee. The Group is striving to simplify and improve readability of the presentation of information relating to the main risk factors. Only significant risks specific to the Group are presented below.

PROBABILITY

	– Risks related to the management of the Group's image	– Risks related to talent or employee management – Foreign exchange, financing and liquidity risks	– Risks related to macroeconomic, political, health and economic events in the Group's key markets – Risks linked to the competitive environmentl – Risks related to the logistics chain: in warehouses or on upstream/downstream transport flows
	– Risks related to litigation, intellectual property rights and the fight against counterfeiting	– Risks related to poor anticipation regarding developments in the market, demand, consumer preferences and behaviour – Risks related to the confidentiality and protection of personal data – Risks related to non-compliance with laws and regulations – Risks related to the Group's agility and transformation	– Risks related to quality, safety or compliance of products – Risks related to information systems and cybercrime – Risks related to the availability of products on source markets
	– Risks of corruption or fraud	– Risks related to non-compliance with the Group's CSR commitments	– Risks related to the impacts of climate change

IMPACT

2

2.2.2 PRESENTATION OF THE MAIN RISK FACTORS

The following paragraphs set out the main risks identified in 2023 and measures for dealing with these risks. These are divided into four categories:

- risks related to the Maisons du Monde business segment;
- risks related to the strategy and organisation of the Company;
- legal and regulatory risks;
- financial risks.

In each category, the significant risk factors are presented in decreasing order of importance as determined by Maisons du Monde at the date of this Universal Registration Document. However, the four categories are not classed by order of importance. The Group's specific risks related to CSR issues are the subject of a more specific overview in Chapter 3, in accordance with the non-financial performance declaration obligations.

Risks related to the Maisons du Monde business segment
Risks related to macroeconomic, political, health and economic events in the Group's key markets
Risks linked to the competitive environment
Risks related to poor anticipation regarding developments in the market, demand, consumer preferences and behaviour
Risks related to the strategy and organisation of the Company
Risks related to the Group's agility and ability to transform
Risks related to the logistics chain: in warehouses or on upstream/downstream transport flows
Risks related to the availability of products in those markets where they are sourced
Risks related to quality, safety or compliance of products
Risks related to information systems and cybercrime
Risks related to talent and employee management
Risks related to the management of the Group's brand image
Legal and regulatory risks
Risks related to non-compliance with CSR commitments
Risks related to the impacts of climate change
Risks related to the confidentiality and protection of personal data
Risks related to litigation, intellectual property rights and the fight against counterfeiting
Risks related to non-compliance with laws and regulations
Risks of corruption or fraud
Financial risks
Foreign exchange, financing and liquidity risks

Impact of the geopolitical context on the main risk factors for Maisons du Monde

The geopolitical crisis in the Middle East, in particular the conflict in the Red Sea involving the Houthis in Yemen, has added a new dimension to existing challenges for the Group. These events represented a significant risk for the Group's value chain by generating potential disruptions in the availability of products in those markets where they are sourced but also by amplifying risks related to the logistics chain. These areas of impact are described in particular under the risks related to i. major macroeconomic, political and health events occurring in the Group's key markets, ii. Risks related to the availability of products in those markets where they are sourced Risks related to the logistics chain: in warehouses or on upstream/downstream transport flows.

2.2.2.1 Risks related to the Maisons du Monde business segment

Risks related to macroeconomic, political, health and economic events in the Group's key markets

Description of the risk	Potential effects on the Group
The Group is active in the decoration and furniture market. Consumer purchases, particularly of furniture, are essentially discretionary and could be affected by economic factors such as: • employment situation; • level of wages; • household debt ratio; • inflation; • interest rates; • the health context. The Group may be impacted by a deterioration in market condition or in the overall economic or political situation or of any other kind, like a global public health crisis which could impact all of the countries in which the Group does business, international conflicts on the doorstep of our source/sales markets as well as any weather event likely to disrupt operations. The Group could be impacted by a change in the energy renovation support policy in the countries/markets in which it operates. This change could result in a reduction in incentives for consumption, which would have a negative impact on the Group's sales. Furthermore, since consumers often purchase furniture as part of the purchase, leasing or renovation of a home, the demand for the Group's products is generally partly related to: • trends in the real estate market; • situation of the real estate lending sector; • the start of construction of new homes; • other aspects of consumer financing in the housing sector.	This risk is likely to lead to: • in the context of a health crisis, the implementation of a legislative system to contain the spread of the virus could lead to the closure of points of sale or restrict access to our stores, as was the case during the Covid crisis in France. This situation would lead to a decline in revenue; • in an uncertain macroeconomic climate, characterised by a rise in inflation accompanied by a decline or stagnation in available income, or during periods of a decline in new housing developments or a reduction in housing-related expenses by consumers, these factors are likely to rule on the various categories of household expenses to the disadvantage of decoration and furniture stores and to opt for the purchase of products considered more essential or of lower range. For the Maisons du Monde group, this would have an unfavourable impact on store footfall and on the average consumer shopping basket, and thus more generally on the Group's revenue.

Management of the risk

Maisons du Monde cannot affirm that its results would not be affected by a disruption in economic conditions or by a health and political crisis in the countries in which it operates. To address this risk, the Group has integrated into its strategy the diversification of its activities in terms of geographies, categories, and distribution channels.

Indeed, the international development of Maisons du Monde is at the heart of the Group's strategy and leads to a geographical distribution of its activities that contributes to diversifying and, to a lesser extent, limiting the concentration of risk related to the economic situation.

The Group also relies on its omnichannel strategy to absorb this risk. Since the pandemic, more and more customers have been shopping online. Since 2018, Maisons de Monde has focused on omnichannel development, the most recent examples of which are:

- roll-out of click and collect during the second lockdown;
- deployment of a more sophisticated mobile platform;
- launch of a selective marketplace in France in November 2020, then roll out in Italy and Spain in 2022, and more recently in Germany in 2023.

The Group also relies on its ability to respond to new consumer trends. By promoting its "Second Chance" offering, the Group is responding to growing consumer demand for responsible products. This programme aims to extend the life of the Group's products at affordable price ranges, thus creating an opportunity for consumers to acquire quality items at affordable costs. In this way, the Group is adapting to the different economic levels of consumers, thus broadening its customer base and confirming its commitment to sustainability and social responsibility.

Since 2020, MDM has organised itself within its Management Committee to closely monitor the evolution of these risks with the implementation of the following system:

- on a monthly basis, the Executive Committee reviews the allocation of resources, in particular capital expenditure relating to the store opening plan, in order to find the right balance between investments for future sales growth and the preservation of results and short-term cash generation;
- the Executive Committee oversees the performance of the Group's sourcing strategy both geographically and by securing the production of certain product lines with several suppliers;
- the Executive Committee closely monitors political, macroeconomic and health developments in order to observe the measures put in place by the authorities in the countries in which the Group operates. This enables the Group to ensure that action plans, precise monitoring of economic indicators in each country – particularly inflation – and local support measures are all implemented.

Risks linked to the competitive environment

Description of the risk	Potential effects on the Group
Maisons du Monde could be unable or find it difficult to compete effectively against direct competitors or new offerings because: • the Group operates in a highly fragmented and competitive market (specialised distributors, but also stores that sell decoration and furnishing articles in addition to their products) and the Group considers that this fragmentation is increasing; • in particular, the Group believes that its decoration business competes in the “original and accessible” segment of the market, characterised by retailers who insist on style and originality, but above all on affordability. The average prices of the Group’s products are for the most part in the intermediate range, with a positioning that could be out of step with competitors who are engaging in an increasing price battle; • the Group changed its prices between 2021 and 2023. If this new price range does not correlate with the market, this could impact customer demand, which would have a negative impact on the Group’s sales and results. The Group’s online activity is in competition with: • e-commerce pure-players that compete with others on criteria such as user interface usability, SEO strategy, online advertising and social network campaigns to drive traffic, payment methods, shipping and delivery options, technical and online support, and click and collect solutions; • social platforms that extend their value proposition to distribution, some of them offering their own marketplace. The Group’s offline activity also competes with certain e-commerce players that are opening physical stores.	Competitors are likely to adopt aggressive pricing policies, carry out large-scale marketing campaigns, offer more attractive products or respond more quickly to changing market trends, which could give them a competitive advantage and lead to a decline in the Group’s market share. In addition, the Group may have to respond to competitive pressures by reducing its prices or increasing its advertising and promotional expenses impacting its margins and results. The arrival of new players in the furniture and decoration market may have a significant impact on Maisons du Monde’s market share as well as on the Group’s target margins: • through their agility and ability to innovate, and by offering a range adapted to Maisons du Monde’s target market, these players can exert pressure on the Group’s market shares; • by capitalising on lower production costs, these players could offer lower-quality products, but at more competitive prices. This could have the effect of lowering the perceived value of furniture and decoration products in the market. The Group may have to revise its prices downwards in order to remain competitive.

Management of the risk

Maisons du Monde limits the effects of competition from the main players in its markets through its strategy of:

- monitoring of demand with regards to price changes accompanied by a price watch on the prices charged by a panel of competitors. This monitoring, carried out by a team dedicated to products similar to Maisons du Monde, makes it possible to adjust the Group’s pricing policy in line with our strategic positioning;
- using the marketplace and its B2B offering as a tool for incrementality, complementarity and market exploration;
- setting the Group apart from its competitors, in terms of product offering, with products developed in-house, a responsible offering, as well as a strong brand and concept. With a view to differentiation, in 2022, the Group increased the share of items developed or adapted in house, with a quality/price ratio and positioning, a strategy of segmentation of the collection by lifestyle, offering a range of assortments to a wide variety of customers. The Group, by launching its Second Chance programme, is creating a second market by offering to extend the life of its products while offering ranges at affordable prices;
- developing the attractiveness of the brand by signing collaborations that position the Group as a benchmark for the desirable and sustainable house. In 2023, the Group collaborated with creators, as well as various Business, non-profit organisations and events/ press;
- balancing the structure of its collections with an adaptation of the price positioning on the most competitive product families;
- managing the Group’s commercial strategy with an omnichannel approach to centralise the brand’s voice and bring consistency to the pricing policy as well as to the messages intended for the market;
- developing new activities/new services. For example, by including in its offering, *via* the start-up Rhinov, the possibility of obtaining professional advice from an interior decorator, adapted to their style and budget and at a very competitive price;
- improving product quality through higher standards in the design and choice of products and better monitoring of our suppliers.

The Group believes that its strong online presence and seamless integration across distribution channels provides it with a distinct advantage over its competitors. For example, a customer may view a product in a Maisons du Monde store and later decide to purchase this product *via* the Group's website. Similarly, a customer may view a product on the Group's social media, website or e-catalogue and then visit one of the stores before making a final decision. This year, the Group resumed production of the paper edition of its catalogues and plans to release two publications per year (spring/summer and autumn/winter) as part of a strategy to make the brand accessible to its most loyal customers.

Elements relating to the Group's competitive positioning are detailed in Section 1.3.1 “Competitive environment”. The Group seeks to further fuel the success of its omnichannel model through the creation of options such as free in-store delivery or click and collect sales. The Group wants to capitalise on the acceleration of online sales and has launched its selective marketplace in France (2020), Spain and Italy (2022) and Germany (2023).

This digital acceleration is part of a vision that remains resolutely omnichannel. In 2022, Maisons du Monde deployed its marketplace in stores, thereby accentuating the differentiation of its model in a universe of pure player marketplaces. The Group continued to strengthen its relationships with its customers, focusing on the personalisation of its communication and the strengthening of its brand visibility through social media, influence and press relations as well as distribution, in 2023, of a digital advertising spot *“Chez moi je suis moi”* (“At home, I can be myself”).

The Group takes legal measures, in particular through infringement and/or unfair competition actions, to protect and defend its intellectual property rights both locally and internationally.

Risks of poor anticipation of market trends/consumer preferences

Description of the risk

The decoration and furniture industry is generally characterised by continually evolving customer preferences and trends. Maisons du Monde may be unable to:

- adapt to new trends, prepare and predict the impact of change;
- monitor, interpret and respond appropriately and in a timely manner to changes in consumer demand, particularly if, in the markets where Maisons du Monde has developed, customers have different tastes and follow divergent trends;
- adapt to the digital age and to the new demands of consumers in terms of e-commerce.

The Group considers that certain e-commerce pure-players in the market have been able to impose new trends in the online market such as free delivery and returns, improved customer experience at all points of contact, etc.

In addition, consumers are increasingly concerned about the environmental footprint of products and packaging. Maisons du Monde may not be able to continue to adapt its product/service offering in this regard.

Consumer habits have evolved to include usage scenarios that are no longer limited to property alone, now involving a dimension of leisure and service. This trend has a formative effect on the markets in which the Group operates, and constitutes a challenge in terms of gaining market share and setting itself apart.

The Group cannot assure investors that it will be able to continue to develop products that resonate with its customers or that it will successfully respond to consumer preferences in the years to come.

Potential effects on the Group

Any inability of the Group to anticipate, identify or respond effectively to consumer preferences could have an adverse effect on the number of visitors to its stores and its website, on the conversion rate and therefore on sales of the Group's products, causing them to lose market share or end up with inventory levels that are higher than forecasts.

As a result, the Group could experience an increase in storage costs or be forced to reduce its selling prices, which would lead to a reduction in margins. The Group might also be required to record impairment of inventory charges.

Conversely, higher-than-expected sales could result in inventory shortages, which could cause the Group to lose sales and damage its reputation with customers.

The arrival of new Asian players could lead to rapid changes in the market, impacting consumer expectations and preferences. These players could offer lower-quality products at more competitive prices, with the effect of lowering the perceived value of furniture and decoration products on the market. Failure to adequately anticipate these changes could lead the Group to make inappropriate strategic decisions, such as uncompetitive price adjustments, poorly targeted marketing investments or a product offering that is out of step with market demands.

Management of the risk

The Group constantly innovates to respond to changing tastes and the preferences of customers by adding new themes, styles and universes. The Group has a brand department which is responsible for analysing the strategy, on an international scale, regarding societal trends, lifestyles and demographic factors that affect emotional and functional needs.

The Offering Department translates these needs in terms of trends and product ranges. This work is supported by the style department which translates these trends into collections and products. The marketplace is also part of this process and enables the Group to:

- monitor changes in trends in order to adapt its offering in an agile manner;
- strengthen the Group's product offering by promoting items that complement its product range.

The Group focuses on improving the customer experience, particularly its after-sales experience, in order to meet new consumer requirements at all points of contact with Maisons du Monde. The various stages of consumption are monitored *via* the collection of customer opinions (CSAT) enabling the Group to continually improve its operational processes (stores, web, delivery, after-sales service). In addition, customer reviews and product-related disputes are analysed by the offering teams as part of a continuous improvement process.

The Group carries out an annual assessment of satisfaction levels with a panel of customers and prospects, in addition to using operational opinion polls and monitoring changes in its Net Promoter Score. The Group then uses the results of these studies to adapt its offering; for example, with the 2023 launch of B2B leasing, the second chance offering and product repair services.

The CRM (Customer Relationship Management) system provides the Group with the information needed to develop new products and categories that respond to current trends and changing customer preferences. At last, being aware of the potential impacts of its activities on biodiversity and the heightening concerns of consumers regarding these challenges, the Group is focusing its efforts on its impact on the supply chain.

To adapt to new pricing trends in the market, the Group implemented a new promotional strategy aimed at boosting sales by capitalising on high-demand events and responding to consumer expectations in terms of affordable prices.

In addition, the Group reassessed the thresholds for free shipping on products in order to offer competitive advantages to its customers. This strategy helps make the online shopping experience more attractive and better tailored to consumers' expectations for convenience and savings.

Through the launch of the Good Is Beautiful responsible programme, the Group has offered a wide range of products in line with its purpose since 2022, reflecting its environmental and societal commitments. In line with its social and environmental commitments, in 2023, the Group launched its in-store Second Chance offering, enabling the sale of second-hand products and thus increasing the sustainability/circularity of its products. The wood purchasing policy and the development of a responsible product offering contribute directly to reducing impacts on biodiversity. For more information on the measures implemented by the Group, see chapter 3 "Non-financial performance statement" page 67 Non-financial performance statement.

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2.2.2.2 Risks related to the strategy and organisation of the Company

Risks related to the logistics chain: in warehouses or on upstream/downstream transport flows

Description of the risk

The Group uses external and internal logistics providers for the import of its goods from Asia and certain other European countries to the delivery of products to customers.

The logistics part is handled as follows:

- the importation of goods to the warehouse is entrusted to external service providers;
- the transfer of products from ports to warehouses:
  - goods are transported from the port of Fos to Distrimag, a Group subsidiary, by Distri-Traction, a subsidiary of Distrimag,
  - goods are transported from the port of Le Havre to Leolog, a Group subsidiary, by an external transport provider;
- warehouses located in St-Martin de Crau and Fos-Sur-Mer, cities located in the South of France, are managed by Distrimag, a Group subsidiary, and the one located in the Heudebouville area in the North of France is managed by an external service provider;
- goods from warehouses are delivered to end-customers (in store or at home) by external service providers.

The management of services by the Group is subject to certain risks such as:

- the unfavourable modification or loss of agreements with these carrier service providers;
- economic changes (increase in shipping rates, temporary scarcity of containers), political and global health developments that may lead to a decline in the quality of service, availability of containers and/or an increase in sea freight rates;
- limited storage or transport capacities caused by:
  - a shortage of drivers and logistics agents leading to a decline in service level of carriers and warehouses,
  - strikes, work interruptions limiting the ability of service providers to provide delivery services that adequately meet the Group's needs. This situation is reinforced by the dependence on the ports of Marseille and Le Havre, which are sometimes subject to blockages and strikes,
  - the safety of warehouses or sea freight/road transport lines due to incidents (fires/major incidents), and major climate, geopolitical or health events resulting in an interruption to business;
- unfavourable changes in national or local regulatory environments on fuel taxes, customs duties, CO_2 emissions, transport of goods in urban and peri-urban areas, etc. that could have a negative impact on the Group's logistics costs.

Potential effects on the Group

A partial or total interruption of the logistics chain (*e.g.* blockage of the port of Marseille or Le Havre, an interruption of or deterioration in delivery services, etc.) could lead to delays in deliveries, an inability to deliver products triggering customer dissatisfaction and a loss of revenue, and additional costs relating to incident management.

Management of the risk

To address these risks, the Group implements action plans at various levels. In order to limit dependence on the port of Marseille, the Group has created a logistics centre located in the north-west of France (Rouen *via* the port of Le Havre) which opened its doors in 2022. This new logistics model, in addition to improving the Group's operational performance and contributing to the continuous improvement of the customer experience, makes it possible to limit the risk related to the blockage or unavailability of the port of Marseille-Fos. The management of this subsidiary is entrusted to an external service provider.

Each year, the Group reviews all of its contracts with the main players in international sea freight, combining annual or multi-year contracts, thus guaranteeing agility in these relationships in the event of changes in the market and volumes by seeking to optimise the service rate. These contracts are subject to regular calls for tenders, which allows the Group to maintain a competitive approach between its service providers and to limit the risk of changes in contractual and pricing conditions.

For delivery of the Group's products to its stores and customers, the Group outsources the road transport to a number of third-party transportation and logistics providers.

To mitigate the risk of strikes or work stoppages at its logistics warehouses, the Group implements a number of measures to maintain close social dialogue. Employees and management are the focus of social dialogue, in both directions and there are many opportunities for discussion. A LEAN management programme is at the heart of management methods and enables everyone to be involved in continuous improvement.

The Group's warehouses, located near the port areas of Marseille-Fos and Le Havre, are independent units, all equipped with sprinklers. The storage and preparation centres are guarded with access and exit control for the main warehouses. The capital expenditure associated with this new warehouse are detailed in section 5.3.1 "Analysis of cash flows".

In order to manage risk, the Group is deploying management tools to strengthen its upstream control, including forecasting and procurement tools, as well as the deployment in 2021 of a supplier portal for furniture. These tools were implemented in the furniture division in 2021 and the Group plans to roll them out in other product categories.

Risks related to the availability of products in those markets where they are sourced

Description of the risk	Potential effects on the Group
The Group is dependent on third-party suppliers to manufacture the products it markets. If the Group's suppliers do not deliver quality goods within a suitable period of time, the Group's reputation and activities may suffer serious consequences. The Group's products are manufactured mainly in Asia, more particularly in China, India, Indonesia and Vietnam. The Group is therefore exposed to the various usual risks associated with importing products from these countries, including, among others: ● natural or health-related disasters can severely disrupt supply to Group when they affect countries where a large portion of the Group's products are manufactured; ● political and economic instability in the regions in which our partners operate; ● the strengthening of security requirements for foreign goods and import restrictions; ● risks related to labour practices and social conflicts, manufacturing and product safety standards; ● environmental issues. The global context in which Maisons du Monde's sourcing operates generates availability risks for our manufactured products. This situation may be impacted by the following factors: ● the drop in the availability of raw materials due to health, political (conflict in Ukraine and on the Red Sea) or climate crises; ● the increase in global demand for finished products and responsible materials, according to consumer trends in the United States, Asia and Europe. The Group's suppliers may face: ● financial difficulties, bankruptcy, insolvency or a lack of liquidity; ● failures of production facilities or disruption of the production process for reasons internal or external to the supplier's organisation exposing Maisons du Monde to a risk of disruption of its supply chain. For some products, the Group depends on a limited number of external suppliers, which entails a number of risks of economic dependence.	Any instability that disrupts the production cycle of a partner supplier or the Group's strategic stock could result in an operating loss in relation to: ● an increase in supply lead times and therefore the Group's inability to deliver products to its customers at the right time, which could adversely affect its relationship with its customers and impact its revenue; ● an impairment of the Group's ability to adequately supply its warehouses and stores and therefore face inventory shortages on certain products, which could cause the Group to lose sales and damage its reputation with customers.

Management of the risk

The Group has strengthened collaboration with its strategic partners by implementing framework contracts, through:
- the optimisation of the supplier base with a significant reduction in the number of suppliers;
- improved steering and management of the supplier relationship;
- integration of the Group's non-financial objectives in the selection and management of suppliers;
- the integration into the sourcing strategy of a management of the Asia/Europe mix combined with a consideration of the changing political, economic and health contexts of these regions.

As part of the Group's efforts to meet its high standards of quality and timely delivery of products, the Group engages in co-development of certain products with its subsidiary in Vietnam for exclusive sale in its stores and on its websites.

The Group is working on strengthening the management of its suppliers with increased monitoring of order flows from Asia in order to fine-tune the management inventory levels as accurately as possible. The Group's medium-term ambition is to rebalance its sourcing strategy both geographically and by securing the production of certain product lines from several suppliers.

Risks related to quality, safety or compliance of products

Description of the risk	Potential effects on the Group
As a manufacturer-distributor, the Group is responsible for the safety, traceability and quality of the products it sells. Being a manufacturer also exposes the Group to obligations of traceability and transparency, as well as compliance and guarantees against defects in the goods sold. This exposes the Group to an obligation to warn its customers as well as a duty to provide advice or information on the products it markets. Non-compliance with manufacturing and product safety standards by the Group's suppliers could lead to serious product non-compliance issues, which may not be detected in the Group's quality procedures and which could in turn lead to product recalls. The Group may be held liable in the event of the marketing of defective products, particularly where there are major defects involved, such as products that may violate standards and which may cause bodily harm or other health problems to consumers. Failure to meet consumer expectations and comply with regulatory requirements in terms of transparency and product circularity could expose the Group to a decline in trust, leading to a decline in revenue.	These serious defects could mean for the Group: • an increase in operating costs for compliance or remediation following such incidents; • a risk of litigation, in the event of a serious incident related to a defective or non-compliant product, resulting in a significant financial impact, all the more so if it was not covered by the Group's civil liability insurance; • appropriation of the integrity of the brand and its image with consumers, with a negative impact on the Group's sales. In addition, a major non-compliance of a product could lead to an investigation by the control agencies responsible for ensuring compliance with the laws inherent in international trade. Resulting penalties or enforcement actions could delay future imports or negatively impact the Group's business. In all such cases, especially if there is a prolonged impact on product quality, the Group's business, financial position, results of operations and reputation may be materially and adversely affected.

Management of the risk

The Group is regulated as a manufacturer, importer and distributor of decoration items and furniture pursuant to European Union (EU) laws and regulations as well as the national laws of the EU Member States in which it operates. Details of these regulations are provided in Section 1.6 “Legislative and regulatory environment”.

The Quality Department, supported by a specialised firm as well as the Legal Department, constantly monitors regulations relating to the quality of Furniture and Decoration products in order to guarantee the compliance of products purchased by the Group. Quality control is present during all phases of the products creation process and the sourcing, manufacturing and logistics operating model.

In addition to the Quality teams in charge of the offering, a CSR department is responsible for ensuring that products meet quality criteria and comply with the Group's commitments and promises in terms of social and environmental responsibility.

The Group regularly implements monitoring, inspection and control procedures, which take place during the selection or manufacturing process and upon receipt of products in the Group's warehouses. The Group ensures compliance with the quality standards of its products as well as the consistent execution of product specifications from one supplier to another, by selectively controlling:

- prototypes and pre-production samples. Material, product and packaging specifications are sent to suppliers and included in contracts for certain types of products to serve as a framework for manufacturing. The Group also ensures the continuous improvement of products based on customer feedback and disputes;
- deliveries in its warehouses. The Group's Quality Departments have set up procedures for checking products on reception at the logistics warehouses. These control procedures are notably adapted to the types of products, depending on whether they are new or renewed products, the number of past disputes and the control results on previous receptions.

These control procedures have been strengthened for certain categories of products that are subject to strict regulations, and where the risk of non-compliance is greater (Kids, Furniture and Electronics).

In order to strengthen compliance with changes in regulatory standards relating to product transparency and traceability, and to facilitate the preparation of digital product sheets, the Group is working to update its S&OP process and plans to implement a management tool to link each stage of the value chain of its products.

The Group has a quality control team, consisting of employees and suppliers, the majority of whom are based in China and India, who conduct site visits and inspections and are responsible for supervising suppliers' adherence to the Group's standards.

A process of monitoring the quality of the offering makes it possible to identify products that do not comply with the Group's requirements and to withdraw them from sale.

Audited suppliers are selected on the basis of their history, criticality or specific product development.

Risks related to information systems and cybercrime

Description of the risk	Potential effects on the Group
Information systems support all Group processes on a daily basis. Operations could be seriously disrupted as a result of a failure in its systems. These risks concern the stores, website and warehouses through critical information systems such as check-out systems, warehouse and store supply systems, and customer order management systems, etc. Despite the measures implemented, the Group could be exposed to: ● risks specific to the processing, such as a logical attack, cyberattack, illicit modification of and/or interference with algorithms, disclosure of information or any other manipulation for the purpose of misappropriation; ● risks specific to equipment (theft, fire or other malicious damage) or buildings (intrusion, destruction or sabotage). In addition to the risks related to cybercrime, the Group could face: ● the non-availability or disruption of data communication infrastructures, applications or networks, preventing from carrying out its activities; ● the non-integrity of data relating to both transactions and the production of financial statements; ● difficulties to adapt to the digital transformation. If changes in technology cause the information systems to become obsolete, or if they prove to be inadequate to handle growth, this could negatively impact the Group's business. In addition, costs and potential interruptions associated with the implementation of new technologies or with the maintenance or adequate support of existing systems could also disrupt or reduce the efficiency of the Group's operations; ● the failure of the disaster recovery plan.	Any major failure in the information systems or any vulnerability to a cyberattack could expose the Group to operational disruption, financial losses, regulatory action or consumer complaints that could damage its reputation and its business, in particular: ● operating losses related to the costs of interim measures to maintain the functionality and performance of the systems and to enable continuity of operations; ● loss of information that cannot be retrieved, resulting in operational impacts related to the loss of this data; ● loss of confidential information and know-how. Any breach and/or questioning of security could result in: ● adversely impacting the Group's reputation with existing and potential customers; ● leading to a loss of stakeholder confidence; ● giving rise to litigation or fines; ● forcing the Group to allocate financial and management resources away from more profitable uses. More generally, any significant breakdowns or interruptions in information systems or any loss of sensitive data could result in: ● blocking or slowing down the normal operation of the Group's business: partial or total interruption of in-store activity, unavailability of the Group's websites or supply chain; ● bias in some decision-making; ● more generally, have unfavourable financial, operational or image consequences for Maisons du Monde.

Management of the risk

Information systems are supervised by the Group's Digital Director and are managed internally by a team of nearly 200 IT and data professionals supported by third parties. In order to strengthen the protection of information systems and data, the Group ensures that digital security is taken into account from the design phase of IT projects, with a strategy of convergence of digital, data and core IS technologies in the cloud.

The Group has secured its production environments by switching them to the Google Cloud Platform in 2022 and deployed all remaining environments in 2023.

This system is reinforced by the presence of a Chief Information Security Officer, reporting directly to the Group's Digital Director and working in direct collaboration with the Data Privacy Officer.

The Group is developing materials specific to this issue in order to raise employee awareness of cybersecurity risks through practical guides and IT security e-learning modules for new employees and all head office staff. This system is strengthened by the provision, by the Group's Chief Information Security Officer (CISO), who is in charge of the digital Workplace, of secure work and collaboration tools.

The Group secures its infrastructures *via* a duplicated data centre architecture as well as an important system for securing this information *via* cloud technologies ensuring the continuity and connectivity of the Group's IT systems. This system enables a high availability IT and data architecture. All stores are connected to the registered office, as well as to backup sites and the Group's data is backed up every day.

The Group secures the connection of its employees through the use, for all new applications, of a single sign-on technology (SSO) combined with strong authentication of the Group's users (Multi-Factors Authentication) but also *via* the implementation of regular checks on authorisations and access.

An analysis of the maturity of the Group's cybersecurity environment and an overall information system master plan were carried out, with a logic of implementation of market solutions and separation of roles and responsibilities to limit risks. This system is accompanied by the periodic information systems security assessment performed on an annual basis. For example the Group performs "Ethical Hacking" campaigns to identify risks of intrusion into the Group's operating system. An anti-bot solution (DataDome) was also rolled out in 2023 to protect the E-Commerce site. Campaigns to detect security breaches of the Group's e-commerce site ("Bug Bounty") are conducted annually. At the same time, in 2022, the Group partnered with an external service provider, Crowdstrike Falcon Complete, (managed EDR) to alert or remedy cyberattacks on the Group's operating systems.

The Group's management of the risk of cyberattacks is based on an information systems security strategy deployed to prevent the risk of cybercrime, detect security incidents as fast as possible and provide solutions in the event of a security incident, with as an indication only:

- Group incident management, which makes it possible to centralise and govern responses to incidents, with an escalation mechanism, is constantly being updated to reflect changes in the IT environment;
- the use of standard tools for monitoring, detecting and processing security incidents (24/7) with a leading supplier.

Risks related to talent and employee management

Description of the risk	Potential effects on the Group
The Group must ensure employee engagement and be sure to retain the talent needed to implement the strategy and develop the various activities. To carry out its strategic plan, the Group relies on its management and employees. In a highly stressed labour market environment, the Group faces risks associated with talent management. The risks that could potentially prevent the Group from achieving its objectives are difficulties in attracting and retaining talent and the loss of key skills in relation to the Group's ambitions: • inability to recruit and retain suitable profiles to maintain strategic capabilities. The Group faces the challenge of attracting, training and retaining qualified personnel while controlling labour costs. The risk is accentuated in certain businesses (rare skills and competition in the digital and retail sectors, for example) and certain geographical sectors; • risks of loss of "key" skills: the Group's success depends in part on its ability to retain "expert" employees in the furniture and decoration market, in particular product designers and product managers with a decisive role to play in the definition of a unique product offering adapted to the expectations of its customers. In addition, as the Group is in the process of structuring its processes and its organisation, the ability to retain key employees is crucial to the success of this transformation. The Group may also be exposed to the risk of major disruptions to its operations due to strikes, work stoppages or other labour disputes specific to the Group. The Group is committed to its purpose aimed at promoting openness to the world. In this respect, Maisons du Monde must be vigilant in complying with its equal opportunities policy and ensure that its practices do not conflict with its ambitions and commitments. Compliance by each manager with the rules on diversity and equal opportunities represents a challenge in terms of regulations and employer image. Finally, as part of its duty of vigilance, Maisons du Monde must ensure the health, safety and security of its employees at all sites. Failure to provide an appropriate level of safety and security could compromise the level of employee commitment and damage the Group's reputation, particularly in the event of an accident. In addition, the generalisation of remote working may reveal or reinforce certain psychosocial risks, such as isolation, which would require the implementation of appropriate actions.	The Group is aware that talent management remains an area of long-term vigilance to ensure the sustainability of operations and guarantee the transmission of key know-how within the organisation. Difficulties in recruitment, excessive turnover rates, long vacancies could result in: • an inability to maintain strategic capabilities and/or a slowdown in the implementation of the Group's key development projects. The Group could be faced with a loss of talent, which would deprive it from capitalising on the experience of its employees and could thus create obstacles to its operational efficiency; • an inability to retain key employees leading to a loss of skills and knowledge, particularly in strategic positions (insufficient promotion or internal mobility); • the demotivation of the teams in place; • a rise in labour costs that could adversely affect the Group's business, financial position and results of operations. In 2021, the Group made societal issues related to diversity, equality and inclusion a priority in its purpose. The risk of non-compliance with these principles could lead to the departure of certain talents and harm the Group's image as an employer. The occurrence of strikes, work stoppages or other labour disputes could disrupt its operations, result in a loss of reputation, increased wages and benefits, or have a material adverse effect on the Group's business and results of operations.

Risks related to talent and employee management

Management of the risk

The systems for managing these risks are the subject of a strengthened Group-wide plan for the next few years aimed at:
- strengthening processes and organisation to attract, recruit and retain talent with:
  - the creation of an employer brand,
  - the professionalisation of our recruitment and integration processes to attract and retain talented people suited to our Group's transformation challenges,
  - the implementation of an attractive, consistent and competitive compensation policy for the network and the head office.

The improvement of the processes for assessing, developing and valuing employees' skills is based in particular on:
- the implementation of a training programme dedicated to the Group's managers to acquire the fundamentals of management and team leadership;
- the strengthening of training programmes for in-store operational staff in order to bring the skills of the teams in line with the expected customer experience, through:
  - the roll out of the My MDM Coach application to the entire Group in 2022,
  - the creation of a professional training courses for each position in retail;
- the structuring and ritualisation of an HR cycle allowing a review for all Group employees in terms of both skills and performance assessment and compensation reviews. In this respect, the Group has set up a Compensation Committee to guarantee equal compensation between employees. Also, people reviews aim to identify, with the help of managers, the key talents in their teams and their succession plan, making it possible to secure the organisation in the short, medium and long term. These reviews also make it possible to draw up action plans to develop and commit them.

Since 2021, the Group has undertaken to overhaul its compensation policy, with the following objectives:
- involving all employees in the overall performance of the Company by broadening access to variable compensation;
- reducing wage disparities between the market and the Group, a process which will extend to all hierarchical levels within the Company.

In 2022, the Group launched a programme to roll out a new Human Resources Information System (HRIS) in order to strengthen the security and monitoring of human resources management at the company level during the whole employee's career path. This new tool was rolled out to include all employees in 2023.

At the same time, 2023 also saw the implementation of a Centralised Human Resources System (CoreHR) aimed at securing the entire recruitment and administrative management process for personnel throughout Europe. The programme will continue in 2024 with the implementation of Time and Activity Management, which aims to effectively manage the working time of all employees.

The Group has signed the following agreements on diversity, equal opportunities and inclusion:
- a three-year agreement on the employment of disabled people in 2021;
- the 2021 Diversity Charter;
- a three-year agreement on gender equality in 2022.

In 2021, the Group rolled out training to raise awareness on disability issues in recruitment procedures for the Company's 370 managers.

In 2023, the Group rolled out mandatory online training courses on the Company's Code of Conduct for all its employees. In addition, training to raise awareness on discrimination was provided to Group managers.

In 2021, the Board of Directors approved a gender equality plan providing for the following objectives for 2025:
- maintaining a percentage of 50% women in the Company's top 100;
- a minimum of 20% women on each of the management committees;
- a gender equality index measuring compensation gaps of more than 90 points.

For more information on the measures implemented by the Group for well-being at work, social dialogue, health and safety, training and employee employability, see Chapter 3 "Non-financial performance statement".

2

Risks related to the Group's agility and transformation

Description of the risk	Potential effects on the Group
Considerable challenges have arisen in terms of ensuring the Group's agility in order to achieve its strategic ambitions while adapting to rapidly changing consumer needs and competitive, geopolitical and environmental shifts. The Group must therefore anticipate the development needs of its information systems, processes, organisation and working culture in order to remain innovative, and to protect and grow its position in the market. These challenges, as well as the obligation to comply with the regulatory and legal requirements to which the Group is subject, underscore the need for a transformation plan to ensure the success of the transition.	The Group's inability to complete its transformation would expose it to: • a risk of a decline in sales and competitiveness on the market as the result of its offering of goods and services failing to be in line with customer expectations (quality, time to market, delivery times, etc.); • a risk of fines or convictions for non-compliance of its processes with regulatory requirements. Finally, the human and technological costs associated with the implementation of new systems, as well as the maintenance and servicing of existing systems, could impact on the efficiency of the Group's operations.

Management of the risk

The cross-functional management of this risk using a strategic approach is vital to ensuring a successful transformation and maintaining the Group's competitive edge. To this end, Maisons du Monde has strengthened its governance in terms of transformation by setting up, over the course of 2022, a Projects Department to ensure the prioritisation, implementation and appropriate monitoring of the implementation of its transformation plans.

This department plays an essential role in establishing a project management methodology. Each project is subject to a Stage Gate circuit enabling the Group to define:

- the priority level of each project and its alignment with the strategic plan;
- the level of maturity of each project and the human, technical and financial effort required to implement it;
- the nature of the risk and/or the opportunity concerned (revenue optimisation, compliance/regulatory compliance, etc.).

The Projects Department also closely monitors the progress of the Group's overall transformation.

In order to ensure the Group's compliance with regulations, a Finance transformation team, formed in 2021, ensures that compliance processes are implemented within specific timelines. The progress of projects relating to the Group's compliance is overseen by the Audit Committee.

As part of its strategic plan, the Group aims to transform its key functions. In this context, the following changes were made to the HR and Finance functions:

- in order to comply with legislation on paperless supplier invoices, the Group rolled out its supplier invoice digitisation platform in 2023. Also, a plan to roll out SAP4 HANA began in 2023 with the aim of covering all of the Group's entities;
- lastly, the Group implemented its new HRIS Workday in 2023, safeguarding the security of social processes and data while strengthening the employee experience (see Risks related to talent and employee management).

Risks related to the management of the Group's image

Description of the risk	Potential effects on the Group
The Group's financial performance is partly linked to the positive perception of the Maisons du Monde brand. In the context of the development of its network, its marketplace and its external collaborations and partnerships, the Group is increasingly exposed to the dissemination of opinions and feedback on its brand. Due to the constant increase in the number of social networks and their growing influence, the Group may be subject to damageable media coverage and inappropriate publications or messages. Products or a communication policy that does not match the brand image, inappropriate behaviour of its representatives or employees, as well as the circulation of harmful information could affect the Group's reputation and brand image and thus significantly impact its valuation.	An unfavourable media campaign or an incident related to the Group could seriously tarnish the Group's image and reputation and potentially erode consumer confidence in the Maisons du Monde brand and weigh on sales. The potential effects of this risk include the inability to address and manage crises in the media and on social networks in an appropriate manner, but also to develop and maintain the brand's success.

Management of the risk

The Group has built an internal control system covering all key processes to protect its assets, including its image and reputation. The Group also ensures the proper conduct of the various third parties with which it has a business relationship (suppliers, partners).

The Group uses a reputation barometer updated every two years to identify potential new risks associated with its image and to define the actions to be taken to remedy them.

The Group constantly monitors social networks and systematically submits its media campaigns for review by brand security providers such as DoubleVerify. A procedure is planned for the withdrawal of products unfit for sale in stores in the event of a quality problem detected with our products.

The Group also has ethics risk management systems and a crisis management manual whose role is to prevent, manage and limit the consequences of undesirable events on the Company.

Through its purpose and HR policy, the Group promotes its commitments to equal opportunities. This issue is an element of differentiation in the employer brand. In this respect, the Group makes its employees aware of recruitment and inclusive managerial practices and ensures their implementation through internal surveys.

As part of this approach to managing its employer brand image, the Group relies on annual "YourVoice" campaigns that poll employees about 22 engagement levers that reflect the Group's HR policy. The Human Resources Department shares the results of these campaigns with the departments concerned and helps them to identify and implement corrective action plans.

2.2.2.3 Legal and regulatory risks

Risks related to the confidentiality and protection of personal data

Description of the risk	Potential effects on the Group
As part of its operations, Maisons du Monde collects, processes and stores customer data from online and in-store sales, loyalty programmes and customer engagement campaigns, as well as data from employees, business partners and service providers. The Group must comply with European General Data Protection Regulations but also with the local legislation of the countries where its sites and points of sale are located and whose independent administrative authorities issue their own recommendations. The strengthening of regulations on the protection of personal data, including the GDPR, in force since 25 May 2018, increases the risk of non-compliance by the Group. Following complaints or reports, or as part of the CNIL's annual programme of controls, Maisons du Monde may be subject to an audit to verify that the processing implemented by the Group complies with the provisions of the law.	Changes in regulations regarding the protection of personal data are likely to lead to an increase in operating costs related to compliance. Failure to comply with this regulation could result in: ● a financial consequence, with a penalty of up to 4% of the Group's worldwide revenue; ● a reputational impact on existing and prospective customers in the event that the Group's security is breached or called into question, leading to a loss of confidence and a drop in revenue; ● a risk of suspension – or even cancellation – of the authorisation to process data for marketing purposes in particular, resulting in a loss of revenue.

Management of the risk

The Maisons du Monde group is responsible for processing the personal data of its customers, prospects and employees, etc., and is engaged in a compliance programme that began in 2017. As part of this programme, the Group has set up communication and employee awareness raising campaigns on a regular basis, particularly through the update of the IT charter as well as an online training course on the GDPR for in-store employees. This programme is led by the Group Data Protection Officer appointed in December 2018 and includes a governance body bringing together members of the Executive Committee with the aim of ensuring the Group's compliance with the GDPR. This work is presented to the Audit Committee each year.

Data protection is based on strict compliance with the principle of purpose (no recording of personal data that is not consented and not strictly necessary, so as to limit the risks of misuse by design as well as the management of personal data).

The Chief Information Security Officer is appointed by the Group's Digital Director as the main relay for Data Protection Officers to ensure the security of personal data.

The data protection programme is based on the following:

- a process for analysing personal data risks and a register for the processing personal data;
- the application of security measures adapted to the risks relating to personal data (*e.g.* anonymisation, encryption, etc.);
- a process for obtaining customer consent;
- an industrialised process for managing requests to exercise GDPR rights;
- a set of organisational and technical processes: data storage/minimisation/anonymisation policy and a data breach notification process.

The guarantee of personal data protection relies to a large extent on the good understanding by the people implementing the IT and data systems of the systems' security. To this end, the DPO manages, in direct partnership with the IT and Data teams, its roadmap enabling it to include personal data issues in the Group's technological developments. This cross-functional and multidisciplinary governance enables the Group to ensure the smooth implementation of the roadmap as well as the dissemination of a data compliance culture within the Group. The Group has a network of GDPR contacts within each department in charge of processing personal data and reporting any data management issues.

The Group thus integrates, upstream, the obligation of data protection by taking into account the GDPR from the design of new projects launched by the Group but also in the negotiation of contracts with the Group's subcontractors and partners.

Every year, the Group launches ethical hacking campaigns, like Bug Bounty, to verify the integrity of the systems, particularly when there are major changes affecting customer data.

Risks related to non-compliance with laws and regulations

Description of the risk	Potential effects on the Group
The regulations to which the Group is subject in the countries where it operates, as well as changes in regulations and actions taken by local, national or international regulators are likely to have an impact on the Group's business. The Group must guard against any unexpected change in the regulatory framework such as: • changes in tax regulations in the countries where the Group operates and consequently faces constraints or additional costs to respond to changes in regulations (electronic billing, specific taxation, etc.). Changes in tax laws could adversely affect the Group's tax position, including its effective tax rate or tax payments. In addition, the Group may be subject to tax audits in which there is no guarantee that the tax authorities will validate the positions taken by the Group; • changes in the regulatory environment specific to the Group's business and therefore impacting product standards (see Specific risks), customs duties, consumer protection, personal health and safety, environmental protection, etc.; • the Group must also comply with a certain number of labour regulations on weekly working hours or provisions of law relating to overtime, work on Sundays and social dialogue.	Regulatory developments in these specific areas could have a negative impact on the Group's business and results. Indeed, any change in the regulatory environment could: • increase the Group's operating costs to comply; • impact the price of certain goods or cause delays in delivery; • impose, in the event of non-compliance, fines and penalties or legal sanctions and tarnish the Group's reputation. In the event of non-compliance with these regulations, the Group could be prosecuted, obliged to pay penalties and also potentially have fines or sanctions imposed under criminal law.

Management of the risk

The Legal Department ensures that the Group's activities comply with applicable laws and regulations. The Legal Department also ensures, in partnership with the Internal Control Department, the identification of risks related to laws and regulations and the proper implementation of the related controls.

The Quality Department, supported by an external firm, constantly monitors regulations relating to the quality of Furniture and Decoration products in order to guarantee the compliance of products purchased by the Group.

The Social Affairs Department ensures the compliance of the Group's labour law practices in each of the countries in which it operates by relying on:

- a network of specialised lawyers based in the Group's various countries;
- centralised management of employee representative bodies.

Outsourcing payroll to local firms also enables the Group to protect itself against any risk of non-compliance with local legal or contractual regulations.

The various regulations to which the Group is subject are constantly monitored from a technical, legal and tax standpoint by Maisons du Monde, by operational management, by the Legal Departments or with the assistance of outside advisors and law firms that can provide updates on new laws and case law on specific issues.

The Maisons du Monde group is responsible for processing the personal data of its customers, prospects and employees, etc., and is engaged in a compliance programme that began in 2017. This programme, monitored by the Group's Data Protection Officer, appointed in December 2018, is described in detail in the chapter on the risk of personal data confidentiality.

The Group has had an anti-corruption system since 2016, which is described in the section on the risks of corruption and fraud.

2

Risks of corruption or fraud

Description of the risk	Potential effects on the Group
Due to the nature of its commercial activities and its relations with its commercial partners, as well as the magnitude of its geographical presence, Maisons du Monde is confronted with a number of strict international and national laws and regulations in terms of combating corruption, money laundering and fraud. As such, the Group is exposed to the risk of fraud, misappropriation of funds or infringement of anti-corruption laws and other similar regulations that could damage its reputation and result in financial penalties.	Any violation of applicable anticorruption regulations and a lack of transparency in this area could expose the Group to: ● significant reputational damage; ● significant financial, administrative and disciplinary sanctions. In France, failure to implement the measures for the prevention and detection of corruption provided for by the Sapin II law, could expose the Group to an administrative sanction of EUR 1 million, as well as the implementation of monitoring (5 years maximum), the cost of which would be borne by the Group if corruption were discovered; ● a weakening of investor confidence. Any act of fraud, whether internal or external, could result in the Group suffering: ● a financial loss related to the fraud or in the form of legal costs related to restitution of the sums or products that have been subject to fraud; ● an impact on the Group's image if fraud is proven.

Management of the risk

In order to combat this risk, the Group has a policy of zero tolerance for non-compliance with business conduct rules. As part of this approach, the Group implements, through its Legal and Internal Control Departments, all initiatives to comply with international and national anti-corruption laws, such as the Sapin II law (in France) and equivalent laws in other countries but also against money laundering.

With regard to the challenges posed by corruption, since 2017, Maisons du Monde has rolled out a series of procedures and practices to identify and manage the risks that are specific to the Group's business operations. These mechanisms fulfil the requirements of the "Sapin II" law on anticorruption and influence peddling. The system in place within the Group to combat fraud, corruption and money laundering includes:

- the anti-corruption risk map that identifies, analyzes and orders the Company's risks of exposure to corruption and enables proportionate internal procedures. This risk map was updated in 2022;
- the Maisons du Monde professional Code of Conduct that aims to formalise the ethical and legal frame of reference within which Maisons du Monde and its employees perform their day-to-day professional activities. The corruption risk map was updated in 2022. The Code of Conduct was updated and announced by the new Chief Executive Officer in 2023. This Code was also submitted for signature to all employees in the new HRIS (see Risks related to talent and employee management);
- the whistleblower charter as well as the whistleblowing alert line for confidential reporting of any situation contrary to the Code of Conduct through an online platform available to employees, customers, suppliers, other stakeholders and end-users to make anonymous and/or confidential alerts about Group employees in any language;
- a Compliance Committee comprising the Legal Department, the Director of Human Resources and the Director of Internal Control. The purpose of this Committee is to review the alerts reported *via* the platform as well as the Group's compliance with the anti-money laundering and anti-corruption system.

The Group has rolled out a training programme for all employees, that covers, among other topics, the following:

- a general presentation of the challenges of corruption, its forms and sanctions, the behaviour to adopt, as well as the roles and responsibilities of each party in a situation that may resemble corrupt practices;
- presentation of the anticorruption mechanism in place within the Group;
- the presentation of the Code of Conduct.

This training programme has been extended to all Group employees and included in the onboarding process for each new employee. This measure aims to train both new hires and employees who have moved to positions that face increased risks.

In addition, the awareness of those less exposed to the risks of corruption was raised by filtering information down through the ranks of line management. In addition, the Suppliers Code of Conduct, which sets out all the requirements relating to the social compliance expected of suppliers, was supplemented in 2018 to include the issues of the fight against corruptions, which was identified as a risk in the vigilance plan. This document, which is directly sent to suppliers by the purchasing team, is annexed to specifications for furniture suppliers and was also forwarded to key suppliers of decoration items since 2018. The Code is systematically signed by suppliers since 2021 and the Group manages their compliance thereto. At the end of 2022, the vast majority of merchant suppliers had signed the Code of Conduct.

With regard to the measures implemented to protect against the risk of fraud and, in particular, the misappropriation of funds, the Group has put in place:

- strict procedures for controlling and securing customer payments both in its stores and on its website;
- the installation of cash deposit machines, to reinforce the security of management of cash and staff in stores;
- secure procedures for payments from its suppliers;
- updated payment and cash reimbursement thresholds in line with regulatory changes in the countries in which the Group operates, accompanied by checks on markdowns and reimbursements made in stores.

The internal control system covers all the Group's activities in all the regions where it operates. This system is based on a set of principles that provide reasonable assurance as to the achievement of the following internal control objectives:

- effective implementation and optimisation of operations;
- protection of the Group's assets;
- reliability of financial information;
- compliance with the laws and regulations applicable to all the Group's operations and internal regulations.

The assessment of this mechanism is entrusted to the Group's Internal Control Department.

The Group's Internal Control Department may be required to carry out investigations to quickly respond to an urgent control requirement and/or deal with a new risk or malfunction.

Risks related to litigation, intellectual property rights and the fight against counterfeiting

Description of the risk	Potential effects on the Group
The Group's offering is one of the fundamental components of its competitiveness; Maisons du Monde thus faces the following risks: • being exposed to intellectual property claims by a third party, particularly when Maisons du Monde develops new product offerings and invests in new geographic markets; • suffering a violation of its intellectual property rights, including the counterfeiting of its products or the misappropriation of its trademark; • being exposed to the risk of loss or dissemination of sensitive information due to the fact that some employees have access to confidential documents in the course of their work.	Complaints from competing companies against the Group may have significant financial consequences: significant expenses may be incurred and may result in the sale of certain products in the collection. The Group may also be required to modify its products or acquire licensing rights from third parties. The Group's inability to protect its intellectual property rights may damage its reputation, diminish the value of its brand and weaken its competitive position. Finally, the loss or dissemination of sensitive and/or confidential information could harm the Group's interests and its image, and have a negative impact on its results.

Management of the risk

The Group takes legal measures, in particular through infringement and/or unfair competition actions, to protect and defend its intellectual property rights both locally and internationally.
In order to limit the risk of intellectual property claims by a third party, all of Maisons du Monde's in-house creations are reviewed and validated by the Group's Legal Departments.
In order to limit the risk of counterfeiting or misappropriation of the trademark by a third party, Maisons du Monde files the drawings and models designed by its Style Department with a bailiff on a weekly basis. This process makes the brand's creative process more secure, thereby ensuring the Group that it will be able to produce proof of ownership of its rights for those works should they ever be misappropriated by third parties.
The Group strives to raise awareness among people who have access to sensitive and/or confidential information and disseminates best practices to limit this risk, particularly with regard to the use of information systems and social networks. Maisons du Monde's Code of Professional Conduct reminds employees of the importance of keeping all information related to the Company's operations, organisation and products as confidential as possible.

Risks related to non-compliance with the Group's CSR commitments

Description of the risk	Potential effects on the Group
In the current context, regulations and societal expectations related to CSR issues are multiplying and can impose ambitious objectives on companies that are likely to represent real adaptation challenges for the Group. The Group's activities generate social and environmental impacts. Failure to control these impacts and non-compliance with the Group's CSR commitments represent a risk for the Group, the impacts of which are distinguished by their environmental, social or health/safety nature: • the environmental impact of the production of the raw materials used (*e.g.* deforestation, greenhouse gas emissions, alteration of biodiversity, depletion of natural resources), processing and transportation of products (*e.g.* overconsumption of energy and water, greenhouse gas emissions, air, soil and water pollution) and the Group's distribution operations (*e.g.* energy consumption, waste management, soil development); • the social impact of the working conditions practised by the Group's suppliers in the production, processing and transportation of raw materials and finished products as well as the working conditions of the Group's employees and partners; • the impact on the health and safety of suppliers, external service providers and the Group's employees exposed to risks related to working conditions and exposure to chemicals; • the impact on the health and safety of customers exposed to risks relating to the quality and safety of the products sold by the Group.	Failure by the Group to comply with its voluntary and regulatory CSR commitments could expose it to impacts of a different nature: • a deterioration in the Group's image leading to a loss of consumer/investor and employee confidence, which could lead to a drop in demand; • a deterioration in the Group's reputation and CSR assessment, limiting its ability to attract/retain potential investors; • the endangerment of workers (workplace accidents) and customers (chemicals in products) that could affect their health/safety; • the Group's liability in the event of failure to meet its social and environmental obligations.

Management of the risk

The Group has built a solid governance around responsibility issues, in particular through the creation, in 2022, within the bodies of the Board of Directors, of a CSR Committee to ensure the monitoring of the Group's roadmap and commitments. In addition, at the operational level, compliance with the Group's social and environmental commitments is managed by the CSR Commitments Department, which coordinates this work with the Human Resources, Responsible Offering and QSE teams in conjunction with the Internal Control Department. In addition, all Group stakeholders have access to the whistleblowing line to report any non-compliance with the Group's CSR commitments.

A new version of the Employee Code of Conduct was created in 2023 to also strengthen our practices in terms of ethics and corruption.

To ensure that our suppliers comply with the Group's environmental commitments, the following system is in place:
- signature by all suppliers of the Group's raw materials policy (exclusion of certain materials or high-risk sourcing regions);
- implementation of a traceability programme for high-risk raw materials (*e.g.* wood, leather, cotton);
- environmental audits of the factories of the Group's high-risk suppliers;
- development of responsible product offering incorporating raw materials with a limited environmental impact and subject to certifications from specialised organisations (*e.g.* wood certification, integration of recycled materials, organic cotton).

To ensure compliance with its environmental commitments within its operations, the Group has implemented the following measures:
- management of CO_2 emissions to ensure compliance with the commitments made by the Group by 2025 and 2030 (Science Based Targets trajectory);
- management of waste reduction targets for the Group's operations;
- ISO 14001 certification of the MDM factory in Vietnam;
- BREEAM certification for the Le Havre warehouse.

In order to ensure its partners' compliance with its social commitments, the Group ensures:

the signature by employees of the Code of Conduct incorporating the Group's social requirements as well as the fundamental conventions of the ILO;

the performance of social audits of its suppliers' factories. The proportion of strategic factories meeting the Group's assessment criteria is presented in the non-financial performance statement (See Chapter 3 - Section 3.9.2 "Measures put in place to limit the social impacts and risks at suppliers").

In order to ensure that its social commitments are respected internally, the Group monitors the agreements signed with its social partners. A CSR-HR Committee meets monthly to monitor the main HR indicators with a CSR impact.

In order to ensure the control of health and safety risks for our suppliers, our employees and our customers, the Group has implemented the following system:
- the signature, by all suppliers, of the Group's substance specifications (compliance with European regulations, exclusion of certain controversial substances);
- the performance of social audits integrating the risks to the health and safety of workers in the factories of the Group's suppliers;
- testing of substances on a sample of at-risk product families;
- training of the Group's teams and service providers in best safety practices and management of in-store accident data;
- implementing prevention campaigns among the Group's most exposed employees concerning safety in the workplace.

The Group has local safety representatives, ensuring that the Group's compliance with the new health and safety regulations is monitored.

Details of the controls and action plans implemented on CSR risks are presented in the Non-Financial Performance Statement page 67.

Risks related to the impacts of climate change

Description of the risk	Potential effects on the Group
As confirmed by scientific studies, the increase in the concentration of greenhouse gases of human origin is the main cause of climate change. The latter poses new physical or transition risks forcing companies to find adaptation measures. These risks may materialise as follows: • the increase in extreme weather events impacting: – the availability of raw materials, – the production capacity of the Group's suppliers, – the transport infrastructure, – the operating capacity of the Group's stores and warehouses; • the strengthening of regulations concerning the reduction of greenhouse gas emissions; • unfavourable market developments upstream of the value chain or in consumer behaviour; • the development of social conflicts as a consequence of the energy transition.	The impacts of climate change could expose the Group's activities in different ways: • an increase in the cost of raw materials and finished products purchased from the Group's suppliers; • supply chain disruption and/or increased transportation costs; • an increase in operating costs related to energy costs or the tightening of regulations related to climate issues; • a decline in sales of products considered too carbon-intensive or non-essential; • a deterioration of the brand image associated with the failure to achieve the Group's objectives and resulting in a loss of confidence among consumers, investors and recruitment candidates.

Management of the risk

Maisons du Monde has assessed, in a detailed map, the physical and transition risks that could impact the Company's value chain (see Section 3.3 “Reducing the environmental impact of activities and fighting climate change”). This map enables the implementation of a climate change adaptation plan.

This plan is based on:

- an assessment of the exposure of the Group's value chain to extreme weather events associated with a plan to relocate sourcing to less exposed suppliers and/or geographical areas. This relocation plan allows us to:
  - identify raw materials and areas of sourcing at risk,
  - adapt our purchasing strategy as well as the design of collections according to the risks identified;
- an SBTi (Science Based Targets initiative) validated greenhouse gas emissions reduction trajectory by 2030, including:
  - a programme to reduce energy consumption and decarbonise the electricity used by the Group,
  - a decarbonisation programme for the Group's product offering, in particular by developing collections incorporating recycled and/or lower-carbon materials,
  - the reduction of CO_2 emissions from transport, in particular by optimising loads and distances travelled.

Details of the risk map as well as the Group's commitments relating to the fight against climate change are described in the non-financial performance statement (Section 3.3 “Reducing the environmental impact of activities and fighting climate change”).

2

2.2.2.4 Financial risks

Foreign exchange, financing and liquidity risks

Description of the risk	Potential effects on the Group
Due to its international presence, the Group is naturally exposed to fluctuations in the foreign currencies in which its operations are carried out (transaction and translation risks): • the Group is exposed to the risks inherent in fluctuations in foreign currency exchange rates as purchases from its suppliers and marine freight costs are denominated in USD and are therefore exposed to fluctuations in the translation into euros of its foreign currency liabilities; • as a portion of its revenue is generated outside the European Union (Switzerland and the United Kingdom: non-euro revenue share < 5% in 2023), the Group is exposed to fluctuations in the exchange rates of the Swiss franc and the British pound when the results are consolidated. In the event of ineffectiveness of currency hedging contracts or in the event of incorrect recording and/or lack of monitoring of hedging transactions, the Group would be significantly exposed to currency risk. The Group could encounter difficulties in accessing the liquidity necessary for its business. In this respect, the Group must continue to anticipate its needs and continually secure access to financing resources provided by financial institutions and/or financial markets. This risk may arise from a variety of factors, such as unforeseen fluctuations in the financial markets, unfavourable economic conditions impacting access to financial resources or a deterioration in the Group's solvency as a result of a sudden decline in activity or an increase in its operating costs. The Group could face a significant risk of failure to comply with its financial covenants, which could have adverse consequences on its ability to borrow in the future. Such a breach of contractual obligations could result in an increase in the cost of debt, making financing more expensive and thus putting additional pressure on its cash flow.	Fluctuations in exchange rates may impact the Group differently depending on the currencies involved: • in the case of the US dollar (USD), increase the cost of supplier activities and thus the cost of products and therefore the margin rate; • in the case of the Swiss franc (CHF) and the British pound (GBP), impact the revenue downward. Financing risk may cause difficulties in meeting the Group's financial obligations, such as loan repayments, supplier payments and employee salaries. This risk could also: • limit the Group's ability to implement its strategic objectives; • make the Group more vulnerable to downturns in activity; • reduce the Group's operational flexibility, limiting its ability to seize growth opportunities or adapt quickly to market changes; • limit the ability of the Group and its subsidiaries to borrow additional funds or raise capital in the future, if the covenants are not respected. Finally, delays or defaults on payment could lead to a loss of trust from business partners, affecting relationships with suppliers, customers and other stakeholders.

Management of the risk

The Group adopts a centralised approach to managing exposure to transactional currency risks to minimise the impact on its results. The prior authorisation of the Group Chief Financial Officer is mandatory before carrying out a foreign exchange transaction. The hedging strategy as well as the internal decision-making process and timetable are presented and reviewed each year by the Hedging Committee, in which the Group's Senior Management participates, and then by the Audit Committee on the basis of various business development scenarios and foreign exchange rate projections.

The Group hedges most US dollar transactions using forward contracts and hedging strategies negotiated with leading banks, in order to hedge purchases foreseen over a period of 12 to 24 months. Hedging is part of the forecast/budget process. The closure of the UK market in early 2023 will also contribute a reduced foreign exchange risk.

Liquidity risk is monitored and managed by the Finance and Treasury Department, which routinely monitors its cash positions. The Group has set up a financing policy based on a relationship of trust with its partners in the banking sector, undrawn debt and short-term liquidity that enable it to absorb any sudden change in the level of cash.

The Group also closely monitors its debt/EBITDA ratios in order to take all appropriate measures to maintain its compliance with the financial covenants of its financing contracts.

The Group's financing and hedging situation is regularly presented by the Finance Department to the Audit Committee in order to prevent/anticipate any potential liquidity risk.

2.3 Insurance and risk coverage

The Group maintains insurance to cover risks associated with the ordinary operation of its business, including property and casualty insurance policies that are typical for the industry in which the Group operates, at levels that the Group believes are appropriate when taking into account its size and the risks incurred.

The Group's global insurance programmes are negotiated and coordinated by the Legal Department which is responsible for identifying the Group's insurable risks, quantifying their potential consequences for the Group, and designing or structuring adequate insurance programmes with the support of leading insurance brokers with international networks.

The Group aims to ensure the maintenance of adequate coverage for all of its activities and sites worldwide. It has established internal claims procedures for each of its insurance policies in the event of loss suffered by the Group.

It also periodically reviews its insurance coverage in light of innovative and new risk transfer solutions offered by the insurance markets in order to ensure that the terms and conditions of its coverage are adequate, to verify that its deductibles and premiums are at reasonable levels and to reflect changes in its risk profile that arise as a result of events such as mergers and acquisitions, new fields of activity and the development of new technologies.

The Group's comprehensive insurance coverage schemes generally take the form of International schemes (in particular for property and casualty and business interruption policies) applicable to the Group's activities worldwide. The Group enters into local insurance policies generated from these master programmes to comply with local insurance-related regulatory obligations, as applicable in certain countries.

The Group does not operate, rent or own any captive insurance vehicles.

The Group's main insurance policies cover the following exposure lines:

- liability insurance: This scheme aims to cover the Group in the course of its activities, against the financial consequences of its liability in the event of bodily, material or immaterial damage and/or injury caused to third parties;
- damage insurance to goods and business interruption: The purpose of this insurance is to protect the Group's assets through a policy issued on the basis of the guarantees available on the insurance market. In particular, it covers the following risks: fire, lightning, theft, natural events and subsequent operating losses;
- director and executive liability insurance;
- transport insurance: This scheme covers all Group goods for both import and distribution, regardless of the mode of transport concerned (sea, air or land);
- compulsory insurance: The Group takes out various insurance policies in compliance with local legislation; in particular, motor insurance and construction insurance (structural damage).

The Group's insurance policies contain exclusions, caps and deductibles that could expose it to unfavourable consequences in the event of a significant event or legal action against it. Moreover, the Group may be required to indemnify third parties for certain damages that are not covered by its insurance policies or to incur significant expenses that may not be covered, or may be insufficiently covered, under its insurance policies.

2

2.4 Financial and accounting information

2.4.1 RISK MANAGEMENT AND INTERNAL CONTROL SPECIFIC TO FINANCIAL AND ACCOUNTING INFORMATION

In addition to the risk management approach described above, which applies to all other Group departments, the Finance Department is responsible for defining and implementing the internal control system specific to the preparation and publication of accounting and financial information.

The internal financial and accounting control system aims to ensure:

- compliance of published financial and accounting information with the applicable rules;
- the reliability of information disseminated and used internally for management or control purposes insofar as the information contributes to the preparation of published accounting and financial information;
- the reliability of the published accounts and other information communicated to the market;
- the safeguarding of assets;
- the prevention and detection, as far as possible, of fraud and accounting and financial irregularities.

The scope of the internal accounting and financial control system, described below, includes the Parent company and the companies included in its consolidated financial statements.

2.4.2 ORGANISATION OF AND RESPONSIBILITY FOR THE PRODUCTION OF ACCOUNTING AND FINANCIAL INFORMATION

The accounts of the Group's subsidiaries are prepared by the Accounts Department with, in the case of foreign subsidiaries, the assistance of local accounting firms, under the control of the Group's Finance Department.

The consolidated half-yearly and annual results are prepared by the Accounts Department with the assistance of an accounting firm specialising in consolidated financial statements, and validated by the Finance Department.

The preparation of the Group's consolidated financial statements is a process carried out by the Accounts Department (also responsible for accounting standards), based on the "restated" accounts of the Group's companies, prepared in accordance with the IFRS and its interpretations as adopted by the European Union. Because of its centralised accounting and financial organisation, the Group has acquired the means to ensure that accounting and financial information is in compliance with current legislation and standards, with a view to giving shareholders and third parties the means to assess changes in the performance and asset value of the Company.

The Accounts Department draws up the Group's consolidated accounts, which meet the internal management requirements and the external publication requirements for the half-yearly and annual closing. It also draws up the restated financial statements of the subsidiaries. It takes into account the work of the Statutory Auditors who, in the course of their duties, verify the accuracy and compliance of the consolidated or local financial statements for the various Group companies audited. The Statutory Auditors also offer recommendations on internal control to the Finance Department and the Audit Committee.

Asset control systems are based on annual inventories of stocks held by the Group (stores and warehouses). These inventories are carried out according to strict procedures in terms of separation of tasks and checking the counts, which guarantee their reliability. Group Management ensures that the assets are properly monitored and protected. The separation of tasks, the use of common tools and the centralisation of the processing of financial flows make it possible to limit the risk of errors or fraud.

The investment and financing guidelines and the assessment of counterparty risks to which the Group is exposed as a result of its operations on the financial markets are validated by the Finance Department. A Finance and Treasury Department was created in 2021 to strengthen the Group's expertise in this area. It defines the medium-term financing strategy and ensures the application of management principles at Group level.

The Investor Relations Department is responsible for all communications with investors and the French Financial Markets Authority (AMF –*Autorité des marchés financiers*). The Finance Department coordinates the drafting of the Universal Registration Document and ensures compliance with the planning, preparation and dissemination of financial communication.

The Management Control Department is responsible for the preparation and presentation of summary financial data in terms of analyses of results or forecasts.

The Internal Control Department is committed to constantly updating internal management procedures in order to keep them in line with changing organisational structures. It monitors the effectiveness of control systems and manages risk management systems.

Lastly, the implementation of the Maisons du Monde group's internal control system is part of a continuous improvement process aimed at ensuring the dissemination and formal adoption of best practices in risk management within the Group.

The objective of the Group is to pursue the optimisation and formal adoption of existing systems.


DES AMOURS DE MAISON!
Joan Miró

3|

Non-financial performance statement

I. General information

3.1 Group CSR vision and strategy

3.1.1 GOOD IS BEAUTIFUL: MAISONS DU MONDE'S CSR STRATEGY IS ALIGNED WITH ITS PURPOSE

As the result of a collaborative process, Maisons du Monde's Purpose and Manifesto were formulated in 2021 to articulate how the Company intends to have a positive impact on society beyond economic performance: "Inspiring everyone to open up to the world, so that we create unique, heartful and sustainable places, together." This Purpose guides Maisons du Monde's strategic choices, is implemented through its projects, and is communicated to all stakeholders.

Maisons du Monde's CSR commitment is therefore a reflection of its purpose, through the transformation of the Group's business lines to integrate relevant social, environmental and societal issues. The impacts of Maisons du Monde's activities on its stakeholders (employees, customers, suppliers, investors, non-profits, communities, etc.) are therefore what determine the trajectory of the Group's CSR commitment. This CSR commitment, integrated into the Group's strategic plan, aims to support the development of Maisons du Monde's business while preserving resources and optimising the impact of its activities.

In February 2022, Maisons du Monde launched its Good is beautiful brand movement, which structures the Group's CSR strategy around five pillars and objectives for 2026:

Commitment #1: Deliver a trendy and responsible offer

To promote more responsible consumption and reduce the environmental impact of its products, Maisons du Monde has developed the Good is beautiful collection within its offering. Co-constructed with a panel of stakeholders, the Good is beautiful selection framework promotes products meeting one of the following objectives (see Section 3.7.1.2 "Development of a more responsible product offering"):

- incorporate responsible materials to reduce the environmental impact;
- expand European manufacturing;
- preserving know-how from here and elsewhere.

By 2025, the Group wants the Good is beautiful collection to represent 40% of the global offering.

Commitment #2: Work with grassroots associations to preserve the environment and help those in need

To act as a responsible company, the Group is committed to protecting forests alongside the Maisons du Monde Foundation (see Section 3.6.2 "Preserving forests and trees: the role of the Maisons du Monde Foundation endowment fund"), and through the donation of products by furnishing and decorating living spaces for disadvantaged or vulnerable people. These Good is beautiful living spaces bring comfort and reassurance to those who need it most in partnership with associations (see Section 3.10.1.2 "Good is beautiful living spaces").

By 2026, the Group is committed to creating 100 living spaces in Europe and to donating more than EUR 10 million to associations supported by the Maisons du Monde Foundation.

Commitment #3: Promote equal opportunities

Committed to equal opportunities as part of its HR policy (see Section 3.8 "Group HR policy"), the Group acts to develop the inclusion of people with disabilities, young people and gender equality (see Section on "Developing openness to the world: inclusion and diversity policy", page 111).

By 2026, Maisons du Monde wants to support 500 young people through its mentoring programme.

Commitment #4: Offer a circular, social and solidarity-oriented life cycle

To reduce its impact and promote more responsible consumption patterns, the Group's CSR strategy forms part of a circular economy approach. The Group is already working to repair and recondition its products (see Section 3.7.1.3 "Circular economy practices" - Promoting reuse and recycling, page 102). In 2023, Maisons du Monde launched the Second Chance service in stores, which offers exhibition models or slightly damaged products. In 2024, the Group will extend this service to the e-commerce site with the sale of products with slight defects coming from customer returns.

Commitment #5: Transform our businesses to reduce our environmental footprint

All of the Group's business lines are involved in reducing its environmental footprint, starting with the reduction of its greenhouse gas emissions (see Section 3.3.2 "Climate change mitigation plan" – "Promoting reuse and recycling"). This pillar makes it possible to include the reduction of the Group's environmental footprint in the overall brand strategy and to make it a key area of its commitments.

By 2025, the Group wants to reduce its carbon intensity by 25% (tCO_2/M EUR revenue) compared to 2018.

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3.1.2 GROUP'S MAIN CSR RISKS AND ISSUES

3.1.2.1 Dual materiality analysis

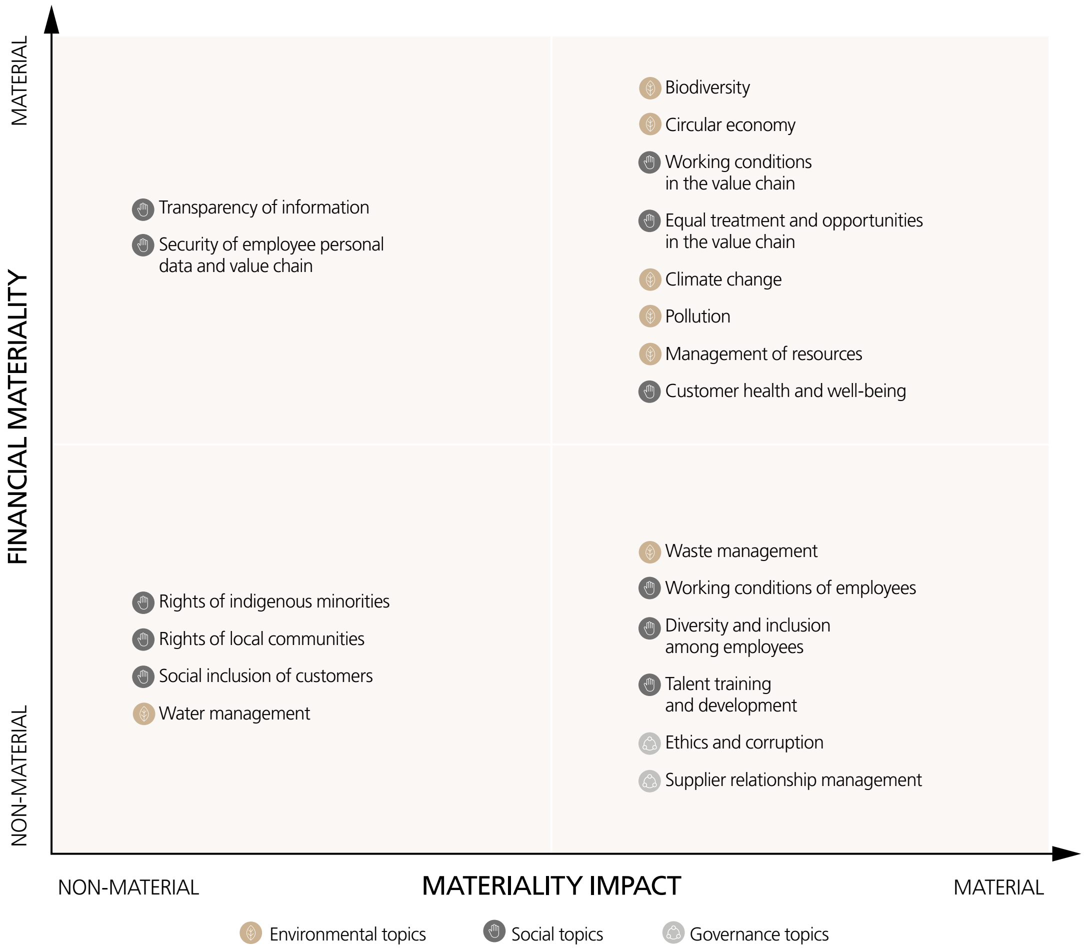
In order to ensure the alignment of the Group's CSR commitments and ambitions with the main impacts, risks, dependencies and opportunities of its business and the expectations of its stakeholders, Maisons du Monde updated its materiality analysis in 2023. The analysis was strengthened in a logic of dual materiality as recommended by the future Corporate Sustainability Reporting Directive (CSRD). This approach makes it possible to identify priority topics according to their financial materiality and impact by integrating stakeholders' expectations.

For each of the Environment, Social, Governance (ESG) issues identified by the CSRD, the materiality has been defined on the basis of the existing mapping within the Group (CSR materiality matrix, analysis of risks related to the duty of vigilance, analysis of CSR risks, see Section 3.1.2.3 "Mapping of non-financial risks"). This analysis, carried out jointly with the Audit and Internal Control Department, determines for each issue:

- the impact materiality, i.e. the effects of the Group's activities on the economy, the environment, individuals and human rights, thus indicating their contribution (negative or positive) to sustainable development. These effects are measured according to their probability and severity (scale, severity and remediable nature) in the short, medium and long term;
- the financial materiality, i.e. the effects of social and environmental issues on the Group's business from a financial, reputational or legal point of view.

This dual materiality analysis incorporates stakeholders' expectations and is based on a series of interviews conducted at the end of 2021 in order to identify the priority topics for the brand and its various activities, based on a list of social, environmental and governance issues deemed relevant for Maisons du Monde. Internally, a questionnaire was completed by more than 1,000 employees. Ten or so interviews were conducted with shareholders, service providers, investors, regulators, representatives from social and environmental non-profits and even from other retailers. Lastly, these interviews were also supplemented by a survey of the brand's customers, to which more than 3,600 customers responded in France, Italy and Spain.

To simplify the legibility of all these issues, some impacts, risks and opportunities (IROs) have been grouped by theme in the matrix below.



The following topics appear as non-material:

- water management: Maisons du Monde has a low impact on the use of water in its operations and its use is limited to sanitary purposes;
- the rights of local communities and the rights of indigenous minorities: these topics are addressed indirectly through the Group's vigilance over its supply chain and its sustainable sourcing policy;
- social inclusion of customers: even if this topic is deemed non-material, Maisons du Monde incorporates the issues of non-discrimination and access to its products and services in its actions (see Section 3.10.1.2 "Customer accessibility").

3.1.2.2 Group objectives aligned with the material issues

The Group relies on the dual materiality analysis, the review of non-financial risks and the procedures implemented under the law on the duty of vigilance to ensure that its commitments and CSR strategy is aligned with the main impacts of its activity, the associated risks and the expectations of its stakeholders.

Through its CSR commitment, the Group has the threefold ambition to:

- control non-financial risks, secure the right to operate;
- reduce the environmental impact of all Group activities;
- make its commitment a factor of differentiation and brand preference for its customers and employees, in the service of its ambition to be the benchmark of the inspiring, accessible and sustainable house.

The CSR commitment is part of the Group's strategic ambition for 2026 through a series of quantified objectives. These objectives contribute to 13 of the 17 Sustainable Development Goals (SDGs) supported by the United Nations and guarantee the integration of CSR issues in the Group's strategic plan. The performance at the end of 2023 with regard to these objectives is presented in the various sections of this chapter.

ESRS	Material theme	SDGs	Objective	23 performance	Progress	Section
E1	Climate change		Reduce CO_2 emissions by 25% for the main items in Scopes 1, 2, 3 between 2018 and 2025	- 17.9%		3.3
E1	Climate change		Achieve 100% renewable electricity in the energy mix of our sites (network and administrative premises) by 2026	98.90%		3.3.2.2
E2	Pollution		100% of high-risk strategic manufacturing plants audited for their Tier 1 or 2 environmental practices by 2026	83%		3.4.1.1
			EUR 10 million donated to associations by 2026	8 million		3.6.2
			40,000 people reached by 2026	16,000 people informed		
			40% of Maisons du Monde's offering coming from the Good is beautiful selection by 2025	36%		3.7.1.1
			50% responsible textiles in 2026	27%		
E4 / E5	Biodiversity; Management of resources		80% responsible wood in 2026	61%		
E5	Circular economy		Second Chance web launch in 2024	-	-	3.7.1.3
E5	Waste management		80% of the waste sorted for recycling by 2026	61%		3.7.1.4

ESRS	Material theme	SDGs	Objective	23 performance	Progress	Section
S1	Working conditions of employees	8	Maintain the team commitment rate at the market level in 2026	53%		3.8.2.2
S1	Working conditions of employees	3, 8	An occupational accident frequency rate with lost time of less than 24 accidents per million hours worked (store network) in 2026	22.49		3.8.2.2
S1	Diversity and inclusion among employees	10, 17	4% of employees with disabilities in France by 2026	2.59%		3.8.2.1
S1	Diversity and inclusion among employees	4, 10	500 young people mentored in 2026	87		3.8.2.1
S1	Diversity and inclusion among employees	5, 10	Achieve 50/50 gender parity among the Group's top 100 employees, with no Management Committee having a gender balance of under 20% in 2026	43%		3.8.2.1
S1	Talent training and development	4, 8, 10	Reach 300 work-study students by 2026	254		3.8.2.1
S1 / S2 / S4	Security of employee personal data and value chain	16	/	-	-	
S2	Working conditions in the value chain	8, 10, 16	100% of strategic plants meeting our social assessment criteria	97%		3.9.2.2
S2	Equal treatment and opportunities in the value chain	8, 10, 16	100% of strategic plants meeting our social assessment criteria	97%		3.9.2.2
S4	Transparency of information	16	/			
S4	Customer health and well-being	3	/			
G1	Ethics and corruption	16	/			
G1	Supplier relationship management	8	/			

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3.1.2.3 Mapping of non-financial risks

This risk map, developed jointly by the CSR Department and the Internal Control Department, includes 35 CSR risks. These risks are analysed with regard to their likelihood and the magnitude of potential impacts (legal/regulatory, image/reputation, financial/strategic). The risk analysis is carried out for each of the CSR pillars and enables the Group to ensure that it covers, through appropriate policies and due diligence procedures, all CSR issues, risks and opportunities relevant to Maisons du Monde's business model.

In 2022, the risk analysis was updated to take into account developments in regulations and context. When the map was updated, nine gross priority risks were identified among the 35 covered.

Priority gross risks

- Risk of disclosure of an environmental impact related to raw materials in the supply chain: wood (deforestation), leather (deforestation, animal welfare, GHG impact), cotton (pesticides, water consumption, GHG impact, etc.).
- Risk of disclosure of a social impact related to raw materials on the supply chain: cotton/agricultural production (forced labour, child labour, exposure to pesticides), timber (forced labour), etc.
- Risk of non-compliance with social requirements at a supplier, highlighting major non-compliance issues.
- Risk of pressure on the availability of responsible raw materials: climate change, regulatory changes (CITES), increase in demand.
- Risk of non-compliance with the ban on the destruction of non-food products.
- Risk of environmental pollution at our suppliers or highlighting the environmental impact of the supply chain.
- Risk of an extreme climate event which impacts suppliers (flooding, etc.).
- Risk of non-compliance with the requirements of the European Union Timber Regulation (EUTR).
- Risk of non-compliance of products with the REACH regulation.

3.1.2.4 Duty of vigilance

In accordance with the regulatory obligations resulting from law No. 2017-399 of 27 March 2017 on the duty of vigilance and in order to be aligned with current issues, the mapping of the vigilance plan was overhauled in 2022 with the help of the various business lines in order to have a more comprehensive view of the risks of serious harm to human rights, fundamental freedoms, health and safety of people and the environment generated by Maisons du Monde's direct or indirect activity.

For each of these issues, the analysis made it possible to identify the risks at the various stages of the Maisons du Monde product life cycle: raw materials, manufacturing, transport, distribution, use and end-of-life.

A list of 22 risks was formalised and analysed to identify the relevant activities and assess the control of those risks by Maisons du Monde and its partners. The main risks identified can be summarised into 12 risk families:

Duty of vigilance risk families

- Freedom of association, fair compensation and working hours
- Forced labour
- Child labour
- Hazardous work and chemical exposure
- Physical or psychological harassment
- Energy consumption and greenhouse gas emissions
- Non-compliance with social and environmental requirements by marketplace sellers
- Discrimination
- Corruption and theft
- Overexploitation of resources
- Pollution and hazardous substances
- Water management

This document serves as a vigilance plan.

3.1.3 CSR GOVERNANCE

3.1.3.1 Integration of ESG criteria in the compensation of the Group's executives and employees

In line with its purpose and to reflect its internal strategy, Maisons du Monde's executive compensation policy goes beyond economic performance and incorporates criteria associated with the Group's CSR performance.

In 2023, 15% of the Group Chief Executive Officer's short-term variable compensation was based on environmental and social criteria related to:

- Maisons du Monde's ambition to reduce CO_2 emissions by 25% in terms of carbon intensity (tCO_2eq / EUR million revenue) between 2018 and 2025;
- the Group's ambition in terms of equal opportunities and integration of young people through work-study programmes.

These criteria are detailed in Section 4.2.2.1 "Compensation of Senior Management".

The compensation of all Executive Committee members also includes a variable portion linked to the achievement of the CSR objectives aligned with the objectives of Senior Management.

3.1.3.2 Integration of ESG issues in employee compensation

Twenty per cent of the allocation of profits under the 2023 long-term incentive plan depends on the achievement of the target share of the Good is beautiful offering in the overall Maisons du Monde offering at 31 December 2025, as well as on the employee commitment rate established through the "Your Voice" survey.

RESPONSIBLE PRODUCT OFFERING

Scope: Group – 100% of Maisons du Monde's products (1)

Percentage of responsible offering	2023	2022
Number of SKUs that include an eco-responsible material	6,179	6,068
Percentage of responsible SKUs	39%	34%

(1) *Excluding marketplace products; this old standard lists traced, recycled or certified products*

EMPLOYEES UNDER THE LONG-TERM INCENTIVE PLAN INCORPORATING ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) CRITERIA

Scope: beneficiaries of the LTIP plan

	2023	2022	2021
Number of employees benefiting from the long-term incentive plan which includes ESG criteria (including the Executive Committee & CEO)	206	209	283

At the same time, since 2023, a CSR objective has been included in all the individual objectives of head office managers, defined during the annual reciprocal assessment campaigns.

3.1.3.3 Integration of ESG criteria in the Group's financing mechanisms

In order to integrate its social and environmental commitments into all of its actions, in 2022 the Group voluntarily integrated ESG objectives into its financing transactions.

The Group has thus committed to donating 100% of the outperformance of its ESG-focused share buyback programme carried out in 2022 to social and environmental causes. The outperformance of the programmes generated a sponsorship grant of EUR 500,000. These funds were divided, over the 2022-2024 period, *via* a grant to the Maisons du Monde Foundation, in the amount of EUR 325,000 (see Section 3.6.2) and support for the Emmaüs movement (see Section 3.7.1.3) in the amount of EUR 175,000. The partnership with Emmaüs makes it possible to support the structuring of the textile and furniture upcycling sectors in France.

In 2022, the Group also took out a sustainability-linked loan of EUR 150 million with a pool of banking partners. Three ESG criteria whose annual performance impacts the margin have been integrated with annual targets and an objective for 2025. The achievement of these targets on these indicators (Group carbon intensity (tCO_2/EUR M of revenue) and the share of the Good is beautiful responsible offering) at the end of 2023 is presented in Sections 3.7.1 and 3.8.2.1 of this report.

3.1.3.4 ESG performance management: mobilisation of the Board of Directors and Executive Committee

In order to involve each of the business lines and ensure the achievement of the objectives set, a dedicated governance has been put in place within the Group. Coordinated by the Maisons du Monde CSR Commitments Department, roadmaps have been formalised for each of the Group's departments. These 2026 CSR roadmaps are sponsored by each member of the Executive Committee and managed by a CSR champion (Executive Committee) within each department. They reflect the challenges determined beforehand, the objectives defined and the action plans identified.

The Maisons du Monde CSR Commitments Department reports to the Offer, Brand & CSR Department within its Executive Committee in order to amplify the strategic importance of CSR, in line with the Group's ambition and purpose.

Each department takes on a part of the Group's commitment and manages the achievement of objectives:

- Supply Department: reduction of CO_2 emissions from upstream and downstream transport, reduction of volumes and recovery of waste from logistics activities in a circular economy approach and increase in the share of sustainable packaging;

- Consumption Department: reduction of the environmental impact of stores, energy consumption and waste management, monitoring of the regulatory compliance rate;
- HR Department and Internal Communication: training and skills development, employee well-being, equal opportunities;
- IS, Digital & B2B Department: energy performance and rationalisation of IT equipment, digital sobriety, visibility of the responsible product offering and the brand's commitment to digital levers, reduction of the environmental impact of digital, development of services for professionals (B2B responsible offering, product range leasing);
- Finance Department: management of non-financial risks, promotion of CSR performance with financial partners, integration of ESG criteria in financing transactions, responsibility for non-market purchases, recyclability and reduction of packaging volumes;
- Offer, Brand & CSR Department:
  - support for suppliers on social and environmental aspects, responsible management of resources and chemical substances used in products, and traceability at plant level,
  - development of the Good is beautiful offering in the collections and highlighting of the commitments in the brand's communication,
  - overall management of the commitment strategy, coordination of the Group's low-carbon strategy actions, development of sponsorship actions via the Maisons du Monde Foundation.

The progress made on roadmaps is overseen by the Executive Committee on a regular basis to ensure the continuous progress of the commitment process. The main ESG issues and the Group's commitment policy are also discussed by the Board of Directors through its CSR Committee. Since 2022, the Board's CSR Committee has been supporting the transformation of the business model towards a low-carbon model, with a lower environmental impact and a strong positive impact on society. The Committee's objectives are to examine the Group's CSR strategy, ambitions, policies, commitments and results (ethics and compliance, human rights, personal health and safety, environment and climate, and sponsorship with the Maisons du Monde Foundation, etc.) and to formulate opinions in this regard.

The Committee comprises four Directors:

- Alexandra PALT, Chairperson of the Committee, independent Director;
- Cécile CLOAREC, member of the Committee, Independent Director;
- François-Melchior de POLIGNAC, Director, Chief Executive Officer of Maisons du Monde:
- Samira MOUADDINE, member of the Committee, Director representing the employees and store manager.

Four Committee meetings were held in 2023 to review all of the Group's CSR topics as part of its Good is beautiful strategy. Details of the meetings can be found in Section 4.1.3.3.

This non-financial performance statement has been reviewed by the CSR Committee.

3.1.3.5 Team engagement

Good is beautiful ambassadors

To ensure the engagement of its employees in its CSR commitment, Maisons du Monde has deployed a network of ambassadors in all its stores, to promote the brand's commitments to the its teams and customers since 2017.

Identified within the team, the CSR officers work together with store managers. Their daily role is to implement concrete actions to reduce the environmental impact of points of sale, encourage the sharing of best practices between the brand's stores (particularly in terms of energy consumption and waste management), disseminate the Company's actions/operations to in-store teams and raise their awareness and unite them around the Good is beautiful movement.

NUMBER OF GOOD IS BEAUTIFUL AMBASSADORS IN STORES

Scope: store network – 100% of the stores

	2023	2022	2021	2020
Number of Good is beautiful ambassadors in stores	340	358	311	251
Percentage of stores covered by an ambassador	100%	100%	87%	71%

Training on CSR issues and raising awareness of teams

Employee engagement is key to achieve Maisons du Monde's CSR ambitions and transform its business lines. Since 2022, training on the Group's CSR commitment has been put online on the mobile training application dedicated to in-store teams: My MDM Coach (see Section 3.8.2.1).

Lastly, two training sessions are held each year for the new Good is beautiful ambassadors in order to familiarise them with the Company's CSR commitments, bring them into the stores and give them an overall vision of their role. In 2023, 84 new Good is beautiful ambassadors were trained.

Lastly, in order to bring the commitments of Maisons du Monde to life, a week of mobilisation and information entirely dedicated to the Good is beautiful movement was held in April 2023 among employees. Each day was punctuated by the presentation of one of the pillars of the brand movement around a variety of events. In total, several hundred participants in our stores and at the head office were involved.

3.1.4 ONGOING DIALOGUE WITH STAKEHOLDERS

3.1.4.1 External commitments and main collective bargaining agreements relating to CSR commitments

External commitments

2012: Member of the "Collectif Génération Responsable" community

2019: Member of the Science Based Targets Initiative

2020: Committed company of Act4Nature International

2021: Signatory of the Responsible e-commerce Logistics Charter of FEVAD

2021: Member of the FRET21 initiative

2021: Signatory of the Diversity Charter

2022: Signatory of the EcoWatt Charter

Main collective bargaining agreements

2018: Agreement on the organisation of working time

2019: Agreement on equal opportunities for men and women

2020: Agreement to promote the professional inclusion and job retention of workers with disabilities (scope Maisons du Monde France)

2022: Agreement on equal opportunities for men and women

2022: Agreement to promote the professional inclusion and job retention of workers with disabilities (scope Distrimag)

3.1.4.2 Dialogue with stakeholders

Mobilisation of stakeholders and dialogue on CSR issues is vital for the success of the Group's engagement strategy. The Group's main stakeholders are listed below:

Social sphere	Employees and trade unions
Financial sphere	Shareholders, analysts
Economic sphere	Customers, business customers, suppliers and providers, economic partners
Public sphere	Citizens, professional bodies, social and environmental NGOs, regulatory bodies and local authorities

EMPLOYEES AND TRADE UNIONS

In order to engage the Group's employees in the commitment process, various training, ambassador and awareness-raising mechanisms have been put in place (see Section 3.8.2.1). In addition to these mechanisms, the dialogue with employees also involves regular meetings with the Economic and Social Committee (ESC) in order to discuss with elected employee representatives but also through the annual "Your Voice" survey (see Section 3.8.2.2) used to assess the employees' mindset and their expectations regarding Maisons du Monde's HR and CSR challenges. In 2023, CSR topics, in particular the disability agreement, the working time of management employees and the sorting and recycling policy in stores, were discussed at the ESC meetings.

SHAREHOLDERS AND ANALYSTS

The Maisons du Monde group's CSR commitment is an integral part of its communication with investors and analysts. The CSR and Finance Departments work together to communicate transparently with analysts and to adapt the Group's strategy to expectations. Recognition of the Group's performance is presented in Section 3.1.4.3.

CUSTOMERS

By defining the Purpose and launching the Good is beautiful brand movement, the Group has strengthened its desire to offer its customers an ever more inspiring product offering that is more respectful of the social and environmental issues present in the value chain.

Customer dialogue and satisfaction are key to all the Group's business lines. Dialogue with our customers to meet their expectations and invite them into our CSR approach now involves various channels:

- promoting the Good is beautiful range of products developed by the Group. The range appears on the e-commerce site, in stores and in catalogues based on the creation and communication of visual logos describing the various causes supported by the movement. Our in-store Good is beautiful ambassadors help with this promotion;
- communicating the brand's overall CSR commitment, through statements integrated into the Group's sales promotion plan and relayed across all of the brand's communication channels;
- rolling out ROUNDING UP at check-outs in all French stores to offer customers the opportunity to participate and get involved by supporting associations selected by the Maisons du Monde Foundation. In 2023, over 2 million donations, worth over EUR 316,000, were made by the brand's in-store customers (see Section 3.6.2).

BUSINESS CUSTOMERS

Over the last 12 years, Maisons du Monde has provided business customers with a business team providing close assistance in their space opening or renovation projects. Maisons du Monde meets the CSR expectations of these customers through a specific responsible product offering as well as through the development of a dedicated service offering such as the product leasing offer launched in December 2023. Lastly, to meet the expectations of certain professional customers, Maisons du Monde responds to the EcoVadis CSR assessment questionnaire. The assessment carried out in 2023 ranked Maisons du Monde in the "Silver" category (68/100).

SUPPLIERS

The Maisons du Monde group suppliers are on-board with the Group's sustainability approach and were invited by Offering Department teams to commit to making progress in respect of the CSR issues identified (social conditions, raw materials, chemicals, know-how, etc.). Details of this dialogue, which is now supplemented by inter-supplier training sessions on social responsibility issues, are provided in Section 3.9.2.2.

PROFESSIONAL BODIES AND NGOS

The construction of the Group's CSR strategy and its ongoing development cannot take place without an open dialogue and the implementation of concrete projects with NGOs, associations and networks made up of other distribution brands. Maisons du Monde works closely with a number of partners who are experts in the issues encountered:

- concerning the traceability of raw materials such as wood or cotton, the Group works in consultation with various organisations such as the NGO Earthworm Foundation, FSC France and the Leather Working Group;
- to discuss social conditions in our supply chain, Maisons du Monde has been a member of the ICS (Initiative for Compliance and Sustainability) since 2017. This initiative brings together 70 retail brands and promotes responsible commerce by working on the social responsibility of suppliers;
- concerning issues regarding the fight against food waste and reusing products, Maisons du Monde discusses with social and solidarity-oriented players and with eco-organisations. In particular, the Group works closely with the Emmaüs France network and Croix Rouge Insertion as part of a partnership around products returned by customers, to encourage customers to give their old products a second lease of life, favouring the circular economy approach (see Section 3.7.1.3 "Circular economy practices");
- Maisons du Monde supports NGOs through its philanthropic policy, via the brand or the Maisons du Monde Foundation (see Section 3.6.2). These partnerships are another opportunity to discuss the issues dealt with by these non-profits and the brand's response to such issues. Through the Maisons du Monde Foundation, Maisons du Monde is also a member of the 1% for the Planet club which brings together philanthropic companies who elect to donate 1% of their revenue to environmental NGOs. A member since 2013, Maisons du Monde focuses its donation on the revenue generated by traced, recycled and ecodesigned timber.

The Group also constantly holds talk with other retail brands and other companies to monitor and share best practices at sector level. The Group is a member of the Collège des directeurs du développement durable (C3D, Board of Sustainable Development Directors) and Collectif Génération Responsable (Responsible Generation Collective). As a member of this collective, Maisons du Monde has been a signatory of the voluntary commitment agreement for organised retailers since 2015 and was labelled a "Responsible Brand" following an assessment carried out by SGS, the certifying body.

3.1.4.3 Recognition of the Group's CSR performance

Maisons du Monde's CSR performance is regularly analysed by non-financial rating agencies, investors and other stakeholders. In 2023, through dialogue and transparent communication with analysts, the Group's ratings within the various ESG indices and assessments evolved and reflected a strong social and environmental commitment.

Agency	2023 rating	2022 rating	2021 rating
Moody's Analytics	56/100	N/A	57/100
CDP Climate	A-list	B	B
CDP Forest	B	B	B
MSCI	AA 8/10	A 7/10	A 6.6/10
Sustainalytics (ESG risk)	12.4 (low risk) Segment rank (home retailing): 6/45 Segment rank (retail): 36/505	12 (low risk) Segment rank (home retailing): 5/43 Segment rank (retail): 25/487	10.5 (low risk) Segment rank (home retailing): 2/39 Segment rank (retail): 8/468
EthiFinance (Gaïa Rating)	75/100	71/100	67/100
EcoVadis	68/100	63/100	57/100
Standard & Poor's	52/100	50/100	41/100

3.1.5 NON-FINANCIAL PERFORMANCE AND REPORTING SCOPE

In anticipation of the entry into force of the Corporate Sustainability Reporting Directive (CSRD) applicable from the 2024 financial year, the current non-financial performance statement (NFPS) plan has been adjusted and presents, for each of the material issues identified through the dual materiality analysis, the main risks and opportunities, the objectives set, and the action plans and indicators.

The Group's CSR performance indicators are monitored by the CSR Department, in conjunction with the business line contributors. The latter are responsible for advancing the roadmaps defined as part of the Group's strategic plan. Key indicators are shown in the paragraphs below with regard to the objectives of the CSR strategy. It should be noted that, unless otherwise stated, these indicators cover all the Group's activities and are presented as follows:

- network and administrative premises: impact of the Group's stores (excluding franchised and affiliated stores) in France and internationally and of all the administrative premises of Maisons du Monde;
- logistics: impact of Distrimag's and Léolog's activities, including all of the Group's logistics warehouses located in the Bouches-du-Rhône and Eure regions as well as the fleet of vehicles providing traction between the port of Fos-sur-Mer and the warehouses;
- production: impact of the activities of the Mekong Furniture factories in Vietnam.

More information on the reporting organization is presented in Section 3.12 "Methodology note".

II. Environmental information

3.2 Application of the European green taxonomy

3.2.1 PRESENTATION OF THE EUROPEAN GREEN TAXONOMY

The green taxonomy regulation is a key element of the European Commission's action plan for sustainable finance which aims to redirect capital flows towards a more sustainable economy. The taxonomy is a classification system for environmentally "sustainable" economic activities. The Group must comply with non-financial information disclosure obligations in accordance with Article 29a of Directive 2013/34/EU. As such, the Maisons du Monde group falls within the scope of Article 8 of the Regulation on the EU taxonomy and must thus communicate to what extent its activities are associated with economic activities classified as sustainable.

The environmental objectives defined in the EU taxonomy regulation are as follows: climate change mitigation, climate change adaptation; sustainable use and protection of water and marine resources, transition to a circular economy, water prevention and recycling, pollution prevention and control, and protection of healthy ecosystems.

The specification of KPIs is determined in accordance with Appendix I of Art. 8 of the delegated act. For the 2023 financial year, Maisons du Monde determined the eligible KPIs aligned with the taxonomy in accordance with the legal requirements as presented in the methodology note below.

3.2.2 MAIN ACTIVITIES

After an in-depth review involving all relevant functions of the Group, none of the Group's main economic activities generate turnover eligible for the taxonomy.

3.2.3 INDIVIDUAL CAPITAL EXPENDITURE AND ELIGIBLE OPERATING EXPENSES

Economic activities individually sustainable have been identified, resulting in capital expenditure (CapEx) and operating expenditure (OpEx) enabling certain target activities to become low-carbon or to reduce greenhouse gas emissions and therefore contribute to the climate mitigation objective and the circular economy objective. These activities are presented in the summary table below:

Eligible economic activity		Description of the activity within the Group
5.1	Repairs, restoration and remanufacturing	CapEx and OpEx related to the management of the EVA Department, which repairs products from customer returns
6.5	Transport by motorcycles, passenger cars and light commercial vehicles	CapEx for the acquisition and maintenance of the company car fleet (leased and owned)
6.6	Road freight	CapEx for the acquisition and maintenance of the company truck fleet (leased and owned)
7.2	Renovation of existing buildings	CapEx for the renovation of our existing buildings (structural work only)
7.3	Installation, maintenance and repair of equipment promoting energy performance	CapEx for the installation and maintenance of equipment promoting energy performance (replacement of lighting and A/C systems with lower-energy systems)
7.7	Acquisition and ownership of buildings	Lease payments for the Group's buildings

3.2.4 TAXONOMIC ALIGNMENT ASSESSMENT

3.2.4.1 Substantial contribution

In order to determine whether an economic activity is aligned with the taxonomy, it must contribute substantially to one or more of the climate (mitigation and/or adaptation) or circular economy objectives of the six environmental objectives. In order to contribute to an environmental objective, an activity must meet specific technical selection criteria defined for that activity in the relevant appendix of the delegated climate act.

All eligible activities were reviewed in the light of these criteria and none were considered to be aligned.

3.2.4.2 Do no significant harm the other five objectives of the taxonomy (DNHS)

For all economic activities where the Group is able to demonstrate a substantial contribution to the environmental objectives resulting from the taxonomy, it analyses in greater detail the technical criteria, known as the "Do No Significant Harm" (DNHS) criteria.

3.2.4.3 Minimum guarantees

The final step in the alignment of the taxonomy is compliance with the minimum guarantees. Minimum guarantees include all procedures implemented to ensure that economic activities are carried out in accordance with:

- OECD Guidelines for Multinational Enterprises;
- United Nations Guiding Principles on Business and Human Rights (UNGP), including the principles and rights set out in the eight core conventions identified in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work;
- International Bill of Human Rights.

In addition, the Group based its assessment on the "final report on minimum guarantees" published by the European Sustainable Finance Platform in October 2022 around the following four themes:

- Human rights (including labour and consumer rights);
- Fight against corruption;
- Taxation;
- Fair competition.

3.2.4.4 Key performance indicators (KPIs)

The KPIs include the turnover KPI, the CapEx KPI and the OpEx KPI for the year 2023. The KPIs must be disclosed in relation to the economic activities eligible for the taxonomy and the economic activities not eligible for the taxonomy (Art. 10(2) of Article 8 of the delegated act).

	TOTAL (in EUR millions)	Proportion of activities aligned with the taxonomy (in %)	Proportion of eligible activities not aligned with the taxonomy (in %)	Proportion of activities not eligible for the taxonomy (in %)
Turnover	**1,156.6**	**0%**	**0%**	**100%**
OpEx	**17.1**	**0%**	**5.7%**	**94.3%**
CapEx	**103.1**	**0%**	**71%**	**29%**
CapEx related to the acquisition of right-of-use assets – new leases signed in 2023	69.4			
CapEx for the installation and maintenance of equipment promoting energy performance (replacement of lighting and A/C systems with lower-energy systems)	3.8			

The eligible OpEx corresponds to the replacement of lighting with LED lamps (EUR 0.8 million) and the purchase of small equipment and supplies for the department repairing our products (EUR 0.2 million) returned by customers in the Distrimag warehouse.

The amount of EUR 69.4 million corresponds to the CapEx related to new store leases and vehicle leases.

The amount of EUR 3.8 million corresponds to the CapEx related to the replacement of air conditioning equipment by more efficient equipment (EUR 3.2 million), as well as the CapEx related to the replacement of lighting with LED lamps (EUR 0.6 million).

The majority of building rentals concern Maisons du Monde's store network. When the buildings were built, the building standards in force did not meet the current level of requirements and, in most cases, they have not benefited from recent thermal renovation work. As a result, in the absence of convincing supporting documents, Maisons du Monde does not have any CapEx aligned with the rights of use for 2023. Nevertheless, Maisons du Monde is strongly committed to energy sobriety and has been implementing a plan to replace light bulbs for several years.

Details of the turnover, CapEx and OpEx tables are available in Section 3.15 "Appendices - European green taxonomy".

3.3 Reducing the environmental impact of activities and fighting climate change

3.3.1 CLIMATE CHANGE RISK MAPPING

Climate change poses new risks for the Group. These risks, whether physical (increase in extreme weather events, rise in temperatures, fall in agricultural yields, etc.) or transition-related (changes in energy prices, carbon prices, raw materials, changes in demand for agricultural products, etc.) are encouraging Maisons du Monde to find adaptation measures.

To better understand and anticipate future changes in the economic, social and societal environment for Maisons du Monde in relation to climate change, a study was completed with an external firm to identify and quantify these physical and transition-related risks. The time horizons for the climate risks have been set to align with the Group's strategic plan (2023-2026) and with the commitments made to the SBT (Science Based Target – 2030) initiative, as well as over the longer term (2050) to implement adapted mitigation and adaptation policies.

The main risks weighing on the Group's activities were identified based on the various assets and value chain of Maisons du Monde: stores, warehouses, own and supplier production plants, supply areas for main raw materials (wood, cotton, leather, etc.) and logistics infrastructures.

				Scenario 1 – strong regulations		Scenario 2 – limited societal commitment	
Value chain	**Risk**	**Physical risk**	**Transition risk**	**Probability**	**Significance of the potential financial impact 2030**	**Probability**	**Significance of the potential financial impact 2030**
Upstream	Occasional scarcity of natural raw materials due to climatic conditions (wood, leather, cotton) and a conflict regarding soil availability	X	X	Moderate	++	Moderate	++
	Inability or delay in the delivery of raw materials or finished products due to extreme weather events	X		Moderate	++	Moderate	+++
	Increase in the carbon cost of raw materials (steel, plastic, aluminium, cement, glass) for suppliers (CBAM, sites under ETS, carbon taxes)		X	Moderate	+	High	/
	Increase in the carbon price of gasoline for carriers (carbon tax)		X	High	+	Very high	+
	Occasional production shutdowns for suppliers due to extreme weather events	X		High	+	High	+
Operations	Destruction (partial or complete) of assets due to extreme weather events	X		High	+	High	+
Downstream	Decrease in consumption in general due to the increase in the frequency of extreme weather events (e.g. floods, heavy rains, heat waves, etc.)	X		High	++	High	+++
	Increased customer requirements on product sustainability		X	Moderate	+++	Low	/
	Decrease in consumption in general and more specifically on products considered "gimmicky" / non-essential		X	Moderate	++	Moderate	/

To analyse the physical hazards related to climate change, Maisons du Monde used the mapping of acute and chronic risks provided by the Task Force on Climate-Related Financial Disclosure (TCFD) as well as the quantitative Representative Concentration Pathways (RCP) scenarios provided by the IPCC to identify the impact on the entire Maisons du Monde value chain. The mapping of physical risks is based on two scenarios:

Physical risks

Scenario 1	Scenario used	RCP 4.5 and SSP-2-4.5
	Scenario type	Quantitative
	Hypothesis	Increase in global warming by 2°C by 2100.
	Time horizons	2030 and 2050
Scenario 2	Scenario used	RCP 8.5 and SSP-5-8-5
	Scenario type	Quantitative
	Hypothesis	Increase in global warming by 4.3°C by 2100.
	Time horizons	2030 and 2050

In addition, to analyse the transition risks and opportunities related to climate change, Maisons du Monde used the classification proposed by the Task Force on Climate-Related Financial Disclosure (TCFD) and identified risks throughout its value chain. To measure the impact of these risks, the Group used customised scenarios defining a narrative of future representations based on the stringency of environmental regulations, the availability of low-carbon technologies, as well as the importance of sustainable development in industry and society.

- **The first scenario** used aligns with a global warming limit of 1.5°C by 2100 in accordance with the Paris Agreement and uses the following assumptions: economic growth accentuated by sustainable development, growth in the general population by 2030, a persistence of income inequalities and an increase in the cost of living and energy prices by 2030 leading to social conflicts. The time horizons used are those of 2030 and 2050 as well as the narratives of the qualitative scenarios of the Shared Socio-Economic Evolution Trajectories with the quantitative scenario of the NGFS (Divergent Net Zero) to develop our scenarios.
- **The second scenario** used aligns with a global warming limit of 3.1°C to 4°C by 2100 and uses the following assumptions: slow economic growth in France and high population growth in Europe, a resurgence of nationalism and regional/international conflicts, persistence and worsening of inequalities, significant migration flows due to climate change and high energy prices. The time horizons used are those of 2030 and 2050 as well as the narratives of the qualitative scenarios of the Shared Socio-Economic Evolution Trajectories (SSP) with the quantitative scenario of the NGFS (Current Policies) to develop our scenarios.

All transition risks and opportunities were identified during specific workshops with the Group's various business lines (purchasing, supply, internal control, product offering, etc.) and quantified according to the probability and magnitude of the Group's financial impact for each of the two customised scenarios.

3.3.2 CLIMATE CHANGE MITIGATION PLAN

Objective	2023 performance	Progress
Reduce CO_2 emissions by 25% for the main items in Scopes 1, 2, 3 between 2018 and 2025	-17.9% in the carbon intensity of the Group's activities (tCO_2/M EUR revenue excluding "other operating income") for all the main items compared to 2018	

3.3.2.1 Greenhouse gas emissions reduction commitment

To ensure its position as the benchmark for inspiring, accessible and sustainable houses, Maisons du Monde is committed to transforming its businesses to reduce its environmental footprint.

The Maisons du Monde group has defined its objectives for reducing its global carbon footprint:

- reduce the Group's overall carbon intensity (in tCO_2eq / M EUR turnover) by 25% between 2018 and 2025;
- reduce Scope 1 and 2 emissions by 50% and Scope 3 emissions by 15% between 2018 and 2030. These objectives have been validated by the SBTi (Science Based Targets Initiative) and are aligned with the Paris Agreement and the ambition to keep global warming below 1.5°C. As part of the strengthening of the SBTi framework, these objectives will have to be reviewed and strengthened no later than 2025.

	2023	2022	2018
Gross Scope 1 GHG emissions (tCO_2eq)	2,714	2,920	3,739
Gross Scope 2 location-based GHG emissions (tCO_2eq)	17,035	13,750	14,294
Gross Scope 2 market-based GHG emissions (tCO_2eq)	1,468	1,589	4,468
Total gross indirect GHG emissions (Scope 3) (tCO_2eq)	422,792	455,168	493,450
Total GHG emissions (location-based) (tCO_2eq)	442,541	471,838	511,484
Total GHG emissions (market-based) (tCO_2eq)	426,974	459,677	501,657
Total GHG emissions (location-based) by net income (in tCO_2eq / currency unit)	393	381	471
Total GHG emissions (market-based) by net income (in tCO_2eq / currency unit)	**379**	**371**	**462**

The net income "Retail sales and commissions related to ordinary activities" can be found in section 6.1.1 "Consolidated income statement"

3.3.2.2 Scopes 1 & 2: energy consumption and use of renewable energies

Energy consumption of buildings

For the Maisons du Monde Group, optimising energy consumption is a major environmental challenge in terms of preserving resources and combatting global warming. Whether it is the energy needed for production operations, stores and warehouses, or fuel consumed by Distri-Traction commercial vehicles and trucks for their logistics business, the Group involves all its teams in the efforts to reduce consumption.

	2023	2022	Reference year 2018
Gross Scope 1 GHG emissions (tCO_2eq)	2,714	2,920	3,739
Gross Scope 2 location-based GHG emissions (tCO_2eq)	17,035	13,750	14,294
Gross Scope 2 market-based GHG emissions (tCO_2eq)	1,468	1,589	4,468
Total Scope 1-2 GHG emissions (location-based) (tCO_2eq)	19,749	16,670	18,034
Total Scope 1-2 GHG emissions (market-based) (tCO_2eq)	4,182	4,509	8,207

DETAIL OF SCOPE 1 & 2 EMISSIONS (TCO_2EQ) BY COUNTRY

Scope: Group

Country	Scope 1	Scope 2 – market-based	Scope 2 – location-based
Germany	0	7	747
Austria	0	25	25
Belgium	0	0	502
Spain	0	0	1,868
France	2,598	27	2,256
Italy	41	0	9,425
Luxembourg	0	19	41
Portugal	0	0	33
Switzerland	9	2	36
Vietnam	66	1,388	2,102
TOTAL	**2,714**	**1,468**	**17,035**

DETAIL OF SCOPE 1 & 2 EMISSIONS (TCO_2EQ) BY ENTITY

Scope: Group

Premises	Scope 1	Scope 2 – market-based	Scope 2 – location-based
Store network and administrative premises	1,514	75	14,436
Logistics	11,134	5	497
Production	66	1,388	2,102
TOTAL	**2,714**	**1.468**	**17,035**

Objective	2023 performance	Progress
Achieve 100% renewable electricity in the energy mix of our sites (network and administrative premises)	98.9%	

ENERGY CONSUMPTION AND ENERGY MIX (IN MWH)

Scope: Group

	2023	2022
Fuel consumption from coal and coal-based products	0	0
Fuel consumption from crude oil and petroleum products	449	701
Fuel consumption from natural gas	374	529
Fuel consumption from other fossil sources	0	0
Consumption of electricity, heat, steam and cooling purchased or acquired from fossil sources	4,188	4,830
Total fossil energy consumption	**5,011**	**6,059**
Share of fossil sources in total energy consumption (in %)	**8%**	**9%**
Consumption from nuclear sources	0	0
Share of nuclear sources in total energy consumption (in %)	0%	0%
Consumption of fuel from renewable sources, including biomass (also including industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.)	0	0
Consumption of electricity, heat, steam and cooling, purchased or acquired from renewable sources	56,135	61,582
Consumption of self-generated non-fuel renewable energy	1,654	1,655
Total renewable energy consumption (in MWh)	**57,788**	**63,237**
Share of renewable sources in total energy consumption (in %)	**92%**	**91%**
Total energy consumption (in MWh)	**62,799**	**69,296**
Net energy intensity by net income (MWh / EUR million / revenue)(1)	**0.06**	**0.05**
Total energy consumption from activities in high climate impact sectors by net income from activities in high climate impact sectors (in MWh per currency unit) (% N / N-1)	**0.06**	**0.05**

(1) Revenue is derived from revenue excluding income from ordinary activities, see Section 6.1.1

ENERGY CONSUMPTION OF BUILDINGS – GROUP

Scope: Group – 100% of the energy consumption

Energy *(MWh)*	2023	2022
MDM network and administrative sites	52,218	57,688
Rhinov	58	79
Logistics (LEO and Distrimag) (1)	5,489	6,457
Production	5,034	5,313
GROUP TOTAL	62,799	69,296

(1) *The logistics scope in 2023 was extended to include the new Léolog logistics building.*

NETWORK & ADMINISTRATIVE PREMISES

The energy consumption of the Group's stores and administrative premises stems chiefly from lighting, heating and air conditioning needs, and from power used to run electrical and electronic equipment. In 2023, the total energy consumption of the administrative buildings and stores of the Maisons du Monde network decreased slightly (-9%) due to the decline in activity and amounted to 52,218 MWh.

ENERGY CONSUMPTION OF BUILDINGS – NETWORK AND ADMINISTRATIVE PREMISES

Scope: network & administrative premises

Energy *(in MWh)*	Electricity	Heat network	Natural gas	Domestic fuel oil	2023	2022
Stores	50,689	360	242	0	51,291	56,611
Administrative premises	643	0	79	6	729	834
Data centre	198				198	242
TOTAL STORES AND ADMINISTRATIVE PREMISES	51,530	360	322	6	52,218	57,688

The optimisation of energy consumption concerns:

- the technical teams, during maintenance, renovation or store opening operations;
- the store teams in the daily management of energy consumption through the mobilisation of the network of Good is beautiful ambassadors;
- the Quality, Safety and Environment (QSE) coordination teams, during their store visits, during which the application of instructions by employees is verified and teams are supported on energy issues.

To achieve its objectives, Maisons du Monde has decided to set up an energy management system aimed at controlling its energy consumption and continuously improving its energy practices. Thanks to this initiative, in 2021 the company obtained ISO 50001 certification for a period of three years for the entire French store network. The certification was successfully renewed in 2023. ISO 50001 is an international standard defining requirements and recommendations in terms of energy performance. This framework promotes a systematic process based on data and facts and focuses on the continuous improvement of the Group's energy performance.

In conjunction with the ISO 50001 certification process, the Group's Technical Department teams and stores continued their efforts to reduce the average surface area energy intensity of Maisons du Monde stores through two major areas:

- renewal of an energy sobriety plan rolled out in 2022 and focused on the significant energy uses previously analysed by Maisons du Monde:
  - reducing the use of heating and air conditioning: the flagship measure of the energy sobriety plan concerns the new instructions on heating of premises. These new instructions limit the heating temperature of store sales areas to 18°C, and the temperature of employee and office premises to 20°C,
  - reduced lighting of signs and shop windows;
- energy performance monitoring:
  - in 2019, Maisons du Monde equipped itself with a special tool for managing energy consumption across its entire European scope. This enables to monitor consumption automatically and on a monthly basis,
  - regular monitoring is carried out to detect failing buildings and implement the necessary corrective measures (intervention of a technician, employee awareness-raising).

These different measures make a direct contribution to optimising the Group's sites. So, in 2023, the stores and administrative premises (excluding data centre) of the Group consumed an average of 91 kWh per square metre, representing a drop of over 42% compared to the reference year 2016 (156 kWh/m2).

Managing the environmental impact of energy consumption also involves sourcing renewable electricity. The Group has chosen to favour the use of renewable electricity in its purchasing contracts with electricity suppliers. Thus, at the end of 2023, 98.9% of the administrative premises and stores benefited from guarantees of origin certifying that they were supplied with electricity from local renewable sources. This approach significantly contributes to reducing the Group's greenhouse gas emissions.

LOGISTICS

ENERGY CONSUMPTION OF BUILDINGS – LOGISTICS

Scope: Distrimag and Léolog

Energy *(in MWh)*	**Electricity**	**Natural gas and propane**	**Domestic fuel oil**	**2023**	**2022**
Warehouses and offices	5,162	209	118	5,489 (1)	6,458

(1) The logistics scope in 2023 was extended to include the new Léolog logistics building.

The logistics business energy consumption includes the consumption of natural gas (freeze protection in buildings), propane (forklifts and autoscrubbers) and electricity consumption (lighting and charging of forklift batteries). Consumption is monitored on a monthly basis for each building and controlled by Distrimag General Services teams as well as by the management control service.

In 2023, the total energy consumption of the logistics sites amounted to 5,489 MWh.

Distrimag and Léolog are 100% powered by green electricity and 100% of the buildings are equipped with LED lighting. In 2023, energy saving actions were also put in place, reducing the consumption by 31%, through energy sobriety actions including more precise configuration of the LEDs and machines used, installation of a battery charge management system for forklifts, and regular discussions with teams about their electricity consumption within Distrimag warehouses.

PRODUCTION

Mekong Furniture's production business mainly requires electricity to power machinery and equipment, to light production lines and, to a lesser extent, for cooling. The site also consumes domestic fuel oil to operate generators in case of a power cut.

ENERGY CONSUMPTION OF BUILDINGS – PRODUCTION

Scope: Mekong Furniture

Energy *(in MWh)*	**Electricity**	**Domestic fuel oil**	**2023**	**2022**
Energy consumption	4,865	169	5,034	5,313
Of which renewable electricity production	1,654	0	1,654	1,654

In 2023, Mekong Furniture's activities generated energy consumption of 5,034 MWh, a decrease of 5% compared to 2022, explained by a decline in activity.

As a result of the ISO 14001 certification, obtained in 2022, there is now greater consideration for the environment, the layout of workspaces, and health and safety at production sites. All new employees are trained on this standard by the HSE teams.

100% of the buildings in Mekong Furniture have been equipped with LED lighting since 2022. In addition, in order to use mainly natural light and reduce the costs of electricity consumption, the windows and doors of the buildings are open during working hours, and transparent sheets have been installed on the roofs and sides of factory buildings.

As part of the replacement of air-blown drying systems for the paint areas of the factories, Mekong Furniture is equipped with LED technology furnaces. With constant parameters, these furnaces allow an estimated energy saving of between 25% and 30%.

Lastly, photovoltaic solar panels are installed on the roofs of the Mekong factory buildings. The facilities, with a capacity of 3.3 megawatts, generated 1,654 MWh of clean electrical energy, covering 34% of Mekong Furniture's overall electricity needs.

Vehicle fuel consumption

Fuel *(litres)*	**2023**	**2022**
Company vehicles	177,371	186,569
Trucks (Distri-Traction)	398,849	514,800

Maisons du Monde, Distrimag and Mekong Furniture have a fleet of company vehicles, used mainly to meet the needs of the network, logistics and production teams.

The 5% decrease in the fuel consumption of company vehicles in 2023 was mainly due to the slowdown in activity. At the same time, the Group is trying to reduce its fuel consumption by promoting electric vehicles in its fleet and by offering its employees a mobility plan with the urban area.

The logistics business of Distri-Traction significantly contributes to the Group's fuel consumption. The 23% decrease in consumption compared to 2022 was mainly due to the decrease in the volumes transported and to the implemented consumption monitoring and action plan.

To reduce the fuel consumption and environmental impact of the Distri-Traction fleet, 100% of the drivers have completed mandatory continuing safety training (training and eco-driving module) and 100% of the truck fleet had been fitted with driver monitoring systems with a view to optimising and streamlining driving practices. At the same time, the new organisation made it possible to pool flows from the port to warehouses and flows between warehouses to limit empty journeys as much as possible. By optimising warehouse capacities, densification has reduced inter-warehouse shuttles by almost 20%.

Specific management of consumption via a shared indicator has been set up, and fuel consumption is included in the drivers' variable compensation. In 2023, 75% of the objectives were achieved, thanks to a consumption of 29.2 litres or less per 100 km. At the same time, geolocation monitoring has been integrated into 200 vehicles (i.e. the entire fleet) to identify empty journeys, reduce them and thus improve efficiency.

Refrigerants

In addition to energy consumption, refrigerant emissions, particularly those associated with leaking air from conditioning units, are a major challenge for the technical teams. The work of all maintenance service providers is monitored for the amounts of gas injected into the installations, the amounts recovered for recycling and thus the emissions into the air.

REFRIGERANT EMISSIONS – NETWORK AND LOGISTICS

Scope: Administrative premises, network and Distrimag

Kg of refrigerant emitted	2023	2022
R407C	1.05	9.15
R410A	584.78	476.16
R32	1	0
TOTAL	**585.83**	**485**

3.3.2.3 Scope 3: reduction of emissions from the main items

All calculations relating to the Group's greenhouse gas emissions have been automated by the data team in an internal management tool audited by an independent third party. Certain emission items are updated daily or monthly, making it possible to anticipate the effectiveness of the actions taken to achieve the objectives set in terms of reducing Maisons du Monde's carbon footprint.

	2023	2022	Reference year 2018
1. Goods and services purchased	225,726	244,064	266,099
3. Activities in the fuel and energy sectors (not included in Scopes 1 and 2)	333	412	1,346
4. Upstream transportation and distribution	27,554	31,589	32,479
5. Waste produced during operations	4,700	6,716	2,425
6. Business travel	1,315	860	1,678
7. Employee home/work travel	9,397	594	8,493
9. Downstream routing	153,767	161,932	180,931
GROSS TOTAL INDIRECT GHG EMISSIONS (SCOPE 3) (TEQCO2)	**422,792**	**455,168**	**493,450**
TOTAL GHG EMISSIONS (LOCATION-BASED) (TCO2EQ)	**443,412**	**471,838**	**511,484**
TOTAL GHG EMISSIONS (MARKET-BASED) (TCO2EQ)	**427,354**	**459,677**	**501,657**

Products & services purchases

The manufacturing stages of the products distributed by the Group, from the extraction of raw materials to manufacture in suppliers' plants, are the main source of the Group's greenhouse gas emissions. This emission item represented 53% of the Group's overall carbon footprint and includes:

- the carbon footprint of the products (from the extraction of raw materials to their arrival in the manufacturing plants of the Group's suppliers). Every year, Maisons du Monde assesses the carbon footprint of each of its products individually on the basis of product sales data, and information on their composition. In 2023, the carbon footprint of products represented 184,143 tonnes of CO_2;
- the carbon footprint from the impact of the manufacturing plants (energy consumption) representing 38,888 tonnes of CO_2;
- the carbon footprint of the "general purchasing" (logistics packaging, catalogues, etc.) representing 2,695 tonnes of CO_2.

The development of a more responsible product offering (described in Section 3.7.1.2) and the achievement of the objective of 40% Good is beautiful responsible products by 2025 is therefore central to the Group's greenhouse gas emissions reduction strategy, which aims to reduce the Maisons du Monde group's carbon intensity by 25%.

Efforts to reduce the environmental footprint of products are focused on three materials: polyester, cotton and polyurethane foam. SKUs within the collections were identified as being the most emitting and therefore priority cases to be transformed given their composition, their weight or their high sales volumes. This list of priority SKUs is updated once a year following the analysis of the Group's annual carbon footprint assessment. In addition, the use of recycled materials in our new products, which are lower emitters and contribute to the circular economy, is increasing as we develop our collections. This contributes to reducing carbon intensity.

In 2023, the Group continued to identify suppliers, in particular for recycled resin, making it possible to massively transform the products of certain families for future collections.

During the year 2023, life cycle analyses (LCA) were carried out on seven standard products, a carpet, a cushion, a dining table, a floor lamp, a candle, a sofa and a plate. These products were identified as priorities due to their composition and sales volume, and for being representative of the Group's product offering. These LCAs made it possible to have a detailed assessment of the carbon impact of each product, from its design to its end of life. The results confirmed that the production of raw materials and manufacturing in the factories are the most impactful steps and therefore those on which action must be taken to reduce the Scope 3 carbon footprint. The new action levers identified make it possible to accelerate the decarbonisation of the product offering and to anticipate the implementation of the regulatory obligation for environmental labelling.

CARBON INTENSITY OF PRODUCTS

Scope: Group – 100% of the sold Maisons du Monde products

Carbon intensity ($KgCO_2eq$/products sold)	2023	2022	2021
Carbon intensity ($KgCO_2eq$/products sold)	3.04	2.84	3.32

Customer travel

Customer travel to the Group's stores represents the second item in Scope 3 emissions. Maisons du Monde has included these emissions in the calculation of the Group's carbon footprint since 2018. This assessment highlighted the significance of this item in the Group's Scope 3 "indirect" emissions. These emissions are calculated from numerous visits to stores, the distances travelled by customers to reach their Maisons du Monde store, the number of stores visited and mobility scenarios by type of store (city centre, shopping centre or business zone). The Group has decided to build these emissions into the calculation of Scope 3 in order to obtain visibility concerning the potential impact of the choice of store locations and delivery methods on the actions to reduce greenhouse gas emissions.

The 4% decrease in emissions compared to 2022 was directly related to the slowdown in activity.

Product transportation

UPSTREAM TRANSPORTATION

All products, furniture and decoration items transit via the warehouses of the Distrimag subsidiary, in Fos-sur-Mer, Saint-Martin-de-Crau and Heudebouville.

The upstream transport of products from production sites is carried out for the most part by boat, representing a significant portion of the Group's indirect GHG emissions. The emissions related to upstream transport only concern the segments for which Maisons du Monde is responsible for the goods. In 2023 this upstream transportation accounted for 27,554 tCO_2eq compared to 31,589 tCO_2eq in 2022.

DISTRIBUTION OF UPSTREAM MEANS OF TRANSPORT

Scope: Group

Share in number of shipments	2023
Percentage of sea freight	90%
Percentage of road freight	8%
Percentage of air freight	2%

The reduction of the emissions related to the transport of products involves working with service providers to find less emitting transport solutions, in particular:

- systematic monthly monitoring of the greenhouse gas emissions of sea freight carriers to better manage performance;
- selection of alternative and lower emission transport solutions: move towards "container carrier" fleets of less carbon-intensive vessels (LNG), selection of committed carriers;
- massification of flows in China in seven ports instead of 17 in 2022, as well as development of consolidation platforms;
- optimisation of container filling and using more 40-foot containers. In 2023, the container fill rate was around 98%, and 91% of the fleet was made up of 40-footers.

DOWNSTREAM TRANSPORTATION

The products are delivered to the stores or end-customers by Maisons du Monde's carrier service-providers. In 2023, the emissions from road and rail freight of products to the Group's stores or customers accounted for 26,984 tCO_2eq.

In 2021, the Group committed to the FRET21 initiative by ADEME and AUTF. This enabled it to step up the specific commitment of reducing greenhouse gas emissions from downstream transportation of products, and making calculations of emissions associated with these flows more reliable.

Four major areas of progress have been identified:

- reducing the number of trucks through the deployment of bulk cargo;
- reducing the kilometres travelled by bringing the store distribution hubs closer to regional centres;
- selecting transportation partners committed to reducing CO_2 emissions (CO_2 charter or label);
- developing alternative modes of transport: less carbon-intensive fuels, rail transport, electric vehicles, etc. Thus, almost all deliveries to stores in the Paris region are transported by rail.

Employee business travel

Employee travel by plane and train represents less than 0.3% of the Group's indirect greenhouse gas emissions. In 2023, these trips by Maisons du Monde and Distrimag employees generated around 1,315 tonnes of CO_2 eq, compared with 860 tCO_2eq in 2022, an increase explained by the resumption of long-haul travel to Asia to meet the needs of product sourcing.

Lastly, in order to involve our employees in reducing our carbon footprint, Maisons du Monde recommends train travel in its business travel policy for all journeys under three hours.

3.3.3 CONTRIBUTION TO CARBON NEUTRALITY

As part of its trajectory to reduce its greenhouse gas emissions, and in line with the 2023 objective of contributing to Scope 1 and 2 neutrality, the Group has committed to financing conservation projects and the sustainability of a carbon sink.

In 2023, through the purchase of Verified Carbon Standard (VCS) certified carbon credits, Maisons du Monde contributed to the financing of three projects in China and Pakistan aimed at the preservation of trees such as mangroves and the restoration of deforested areas. These carbon credits were used directly for the year 2023 to cover the residual emissions of Scopes 1 and 2.

CONTRIBUTION TO GLOBAL NEUTRALITY ON SCOPE 1-2

Scope: Group

CO_2 emissions Scope 1-2 ($tCO_2eq.$)	2023
Total Scope 1 & 2 emissions (market-based)	4,182

Contribution to neutrality	2023
Preservation and sustainability of a carbon sink	5,000

3.4 Impact and pollution management

3.4.1 MEASURES IMPLEMENTED TO LIMIT THE IMPACT OF POLLUTION

Taking into account the impacts related to the discharge of pollutants into the air, soil or water is essential to Maisons du Monde's CSR approach, in order to reduce the risks for the environment and populations. These discharges can occur at several levels of the Maisons du Monde value chain, mainly in the supply chain (at our suppliers) and at Distrimag's logistics sites.

In order to identify and quantify more precisely the impacts, risks and opportunities of the Maisons du Monde group related to pollution, a study was launched at the end of 2023 with an external firm. The results of this study and the associated action measures will be described in 2024.

3.4.1.1 Managing risks in the supply chain

Based on regulatory (REACH regulations, persistent organic pollutants, etc.) and technology monitoring, a list of prohibited or restricted substances is defined and updated annually by Maisons du Monde's Substance Department. This list of restricted or prohibited substances is then sent to all suppliers via the Quality specifications, which include all the Quality & Substances requirements relating to products, and which are included in the contracts between Maisons du Monde and its suppliers.

In addition, control plans – adapted to each family of products on the basis of a supplier / product / use risk analysis – are implemented to verify, by means of sampling, the absence of restricted or prohibited substances in our products. These controls are carried out via targeted tests in partner laboratories. In the event a non-compliance is identified, corrective actions are implemented, ranging from immediate modification of the product to medium-term support actions to work towards the substitution of certain substances deemed undesirable.

Lastly, in order to go beyond the regulatory requirements concerning the presence of hazardous substances in its products, Maisons du Monde subjects its textile products and seat coverings to Oeko-Tex® Standard 100 and GOTS certification to guarantee a minimum level of substances deemed harmful to human health.

NUMBER OF SKUS CERTIFIED CHEMICAL-FREE/OEKO-TEX STANDARD 100 OR GOTS

Scope: Group

	2023	2022	2021
Percentage of textile and furniture covering SKUs with chemical-free certification	2,012	2,539	2,058
Percentage of textiles and furniture coverings with chemical-free certification	35%	47%	38%

Control of our suppliers' environmental discharge practices

Objectives	2023 performance	Progress
100% of high-risk strategic manufacturing plants audited for their tier 1 or 2 environmental practices	83%	■■■□

To cover the environmental impacts of the manufacturing sites for products distributed by Maisons du Monde, in 2021, the Group added environmental performance to the supplier audit procedure. An environmental risk mapping was carried out to identify the materials presenting the highest risks in terms of environmental pollution.

The year 2023 saw the strengthening of dedicated environmental audits, with the completion of 46 additional Initiative for Compliance and Sustainability (ICS) environmental audits, in particular of "tier 2" suppliers of Maisons du Monde in the textile and metal sectors, considered to be the most at risk.

Suppliers are audited using the ICS framework, already used for the control of social issues, according to eight main themes:

- Environmental management systems;
- Energy use, transportation and greenhouse gases;
- Water use;
- Wastewater and effluents;
- Air emissions and ozone-depleting substances (ODS);
- Waste management;

- Prevention of pollution, hazardous and potentially hazardous substances;
- Prevention and management of major incidents.

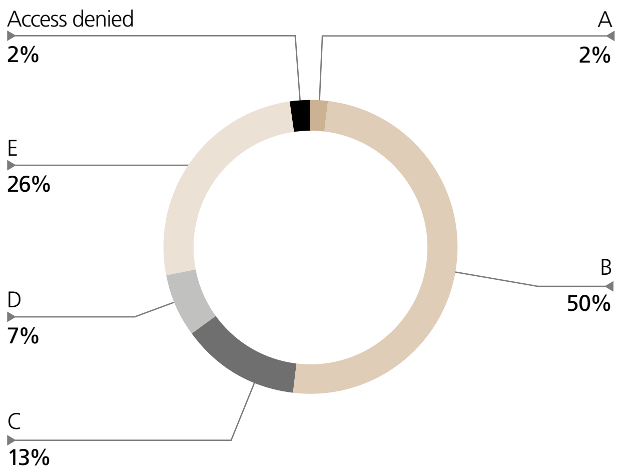
Based on the results of the environmental audits, corrective action plans are drawn up and sent to Maisons du Monde's suppliers, depending on the level of risk (low, moderate, high) identified following the audit. Each supplier concerned is supported by the Maisons du Monde responsible offering teams.

ENVIRONMENTAL AUDITS BY TYPE

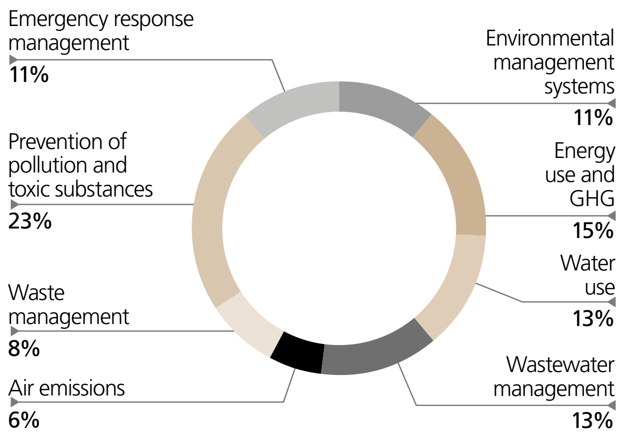
Scope: Group

	2023	2022
ICS audits ordered by MDM	28	31
ICS audits at shared factories, ordered by other members	18	11
TOTAL	**46**	**42**

RATING OF ICS ENVIRONMENTAL AUDITS



MAIN NON-COMPLIANCE PRESENTED IN THE RESULTS OF ENVIRONMENTAL AUDITS



SUPPORT PLAN FOR SUPPLIERS WHO HAVE CARRIED OUT ENVIRONMENTAL AUDITS

Scope: Group

	2023
Number of suppliers assessed with negative impacts during the audit	71
Number of suppliers with an actual / potential substantial negative impact and having agreed on a corrective action / improvement plan	39
Percentage of suppliers with an actual / potential substantial negative impact and having agreed on a corrective action / improvement plan	55%
Number of suppliers with actual / potential significant negative impacts that have been terminated	35

3.4.1.2 Control of risks in operations

Classified facilities (ICPE)

All warehouses of the Group's logistics subsidiary are facilities classified for environmental protection and must accordingly obtain a permit. Distrimag's General Services team ensures compliance with this regulation.

Distrimag complies with its regulatory obligations related to classified facilities (ICPEs), particularly with regard to air, water and soil emissions or noise pollution.

Beyond compliance with regulatory requirements in relation to facilities classified for environmental protection, no specific framework for the prevention of environmental risks and pollution, including emissions as well as noise pollution, into the air, water and soil, has been laid down due to the non-material nature of these risks. The activity conducted in stores means that wastewater discharged from these sites is not responsible for major pollution.

Moreover, the Group has not to date recognised any provisions or guarantees for environmental risks.

3.5 Reduction of water-related impacts

In order to identify and quantify more precisely the impacts, risks, opportunities and dependencies of the Maisons du Monde group on water, a study was launched at the end of 2023 with an external firm. The results of this study and the associated action measures will be described in 2024.

The water consumption of stores and administrative premises is confined to consumption for sanitary purposes from piped water systems. As such, other than control of the risk of leaks during maintenance operations, domestic water consumption is not considered a significant environmental challenge. Since the beginning of 2023, the water consumption has been monitored on the basis of the invoices issued by water suppliers for the entire European scope. At the end of 2023, 57% of the stores and administrative buildings had a water contract managed by Maisons du Monde.

Water consumption is monitored at the logistics activity sites. To reduce this consumption, Distrimag has embarked on a programme to install motion sensor taps and weekly checks of water meters have been scheduled, thus allowing the early detection of leaks and implementation of repair actions to avoid waste. Furthermore, the new Leolog warehouse has received BREEAM Excellent certification. For example, a rainwater collection system has been installed for sanitary water and maintenance of the building's green spaces.

The two Mekong Furniture production sites are equipped with a wastewater treatment system (domestic and industrial). Each system meets the environmental standards and specifications in force. Tests are carried out periodically to compare and inform of any discrepancies. Since 2023, a new system has made it possible to reduce the amount of paint lost when spraying products, thus reducing the volume of water used.

VOLUME OF WATER CONSUMED

Scope: Group (excluding Rhinov) – 99%

M^3 of water	2023
Administrative premises	4,351
Stores	17,192
Logistics	6,117
Production	19,409
TOTAL WATER CONSUMPTION	**47,069**
WATER CONSUMPTION INTENSITY (M^3 / EUR MILLIONS OF REVENUE)	**41.82**

(1) Revenue excluding income from ordinary activities, see section 6.1.1.

3

3.6 Preservation and restoration of biodiversity

In order to identify and quantify more precisely the impacts, risks, opportunities and dependencies of the Maisons du Monde group on biodiversity and its ecosystems, a study was launched at the end of 2023 with an external firm. The results of this study and the associated action measures will be described in 2024.

3.6.1 REDUCTION OF BIODIVERSITY IMPACTS IN THE VALUE CHAIN

Aware of the risks that its activities may have for biodiversity, the Group seeks to cover the entire impact of its value chain. So, at each stage of the life cycle of products, the Group adopts a commitment in proportion to the impact:

- the use of raw materials of natural origin in product design, such as wood, leather or textile fibres, is one of the major issues for Maisons du Monde. Control of supply chains is therefore essential to make sure that resources are managed in a sustainable manner and that their exploitation does not lead to natural habitat destruction. The Group's responsible purchasing policy (described in Section 3.7.1.2 and available on the corporate website) directly contributes to the traceability of supply chains and the responsible management of resources. Concerning wood and leather, the geographies most exposed to deforestation are excluded from the Group's supplies, and the offering of more responsible products (certified, traced or recycled) is increasing each year in the brand's catalogues. At the same time, work was undertaken to develop GOTS and OCS certification for cotton products and reduce the environmental impact associated with its cotton manufacturing processes. The responsible offering teams are also working to identify risks related to leather sourcing. This ensures end-to-end traceability of the supply chain, in particular on three key points:
  - ensure that the skins are by-products of the food industry,
  - no involvement of the Group's business in deforestation,
  - respect for animal welfare in slaughterhouses;
- the manufacture of products also causes risks of pollution, which may have an impact on local biodiversity. The identification of these risks and their management through a supplier control and support policy are an integral part of Maisons du Monde's commitment. The production networks identified as being at high risk are subject to environmental audits intended to guarantee the application of best environmental practices. The details of these commitments are presented in Section 3.4.1.1 of this chapter;
- the control of the Group's greenhouse gas emissions also contributes to Maisons du Monde's commitment to preserve biodiversity. Indeed, climate change has a significant impact on the decline of biodiversity. Maisons du Monde's actions to reduce CO_2 emissions are presented in Section 3.3.2;
- the direct activities of Maisons du Monde, through the construction of stores and warehouses, also have an impact on biodiversity, notably through the creation of the artificial ground surfaces necessary to build the sites. The Group seeks to avoid and reduce these impacts when constructing its main sites;
- waste management is one of the keys to reducing the impact of Maisons du Monde on biodiversity. The teams are committed to reducing, at source, the volumes of packaging distributed, guaranteeing their recyclability and sorting waste in stores. The actions to reduce the waste produced by the Group's business are included from the ecodesign of products to the information provided to customers on the networks for waste management at the end of product life. Most of the actions put in place by the teams at Maisons du Monde are given in Section 3.7.1.4 "Reduction and recovery of waste from activities".

In 2020, Maisons du Monde joined the Act4Nature international initiative and formalised SMART objectives for 2024, thereby fully integrating biodiversity into the Group's strategy.

3.6.2 PRESERVING FORESTS AND TREES: THE ROLE OF THE MAISONS DU MONDE FOUNDATION ENDOWMENT FUND

Objectives	2023 performance	Progress
EUR 10 million donated to associations (since 2016)	EUR 8 million donated to associations	
30 million customer donations collected thanks to ROUNDING UP at check-outs (since 2016)	21.4 million micro-donations made	
40,000 people informed (since 2016)	16,000 people informed	

Active since 2016, the purpose of the Maisons du Monde Foundation (MDM Foundation) endowment fund, a sponsorship organisation set up by the Group, is to carry out a general interest mission to protect trees around the world. This mission is carried out through support for associations and the organisation of awareness-raising programmes. Through its mission, the Maisons du Monde Foundation makes a positive contribution to the preservation and restoration of biodiversity.

In 2023, a total of 28 non-profit projects were supported in 14 countries, representing financial support of EUR 767,061 from the MDM Foundation's own funds and more than EUR 315,000 collected for four partner associations thanks to the EUR 2 million donated by Maisons du Monde customers by ROUNDING UP at check-outs.

3

NUMBER OF PROJECTS SUPPORTED AND FINANCED BY THE MDM FOUNDATION

Scope: MDM Foundation

	2023	2022	2021
Number of projects supported by the MDM Foundation	28	33	33
Number of countries involved	14	14	15
Amount of the financial support provided to these projects from own funds	EUR 767,061	EUR 832,193	EUR 840,988
Number of customer donations collected through "ROUNDING-UP" at check-outs to support associations supported by the MDM Foundation	2,093,151	2,709,231	3,238,378
Amount collected thanks to "ROUNDING-UP" at check-outs	EUR 316,265	EUR 464,695	EUR 586,855

3.6.2.1 Governance of the MDM Foundation

The MDM Foundation is run by a Board of Directors comprising four members, which includes representatives of Maisons du Monde:

- François-Melchior DE POLIGNAC, Chief Executive Officer of Maisons du Monde and Chairperson of the MDM Foundation;
- Julien VIGOUROUX, Supply Chain Director of Maisons du Monde and Treasurer of the MDM Foundation [(1)];
- Stéphanie SOUCHON, HR Operations Manager of Maisons du Monde and Secretary of the MDM Foundation;
- Raffaella LAMBRI, Director of the Maisons du Monde International Network and Director of the MDM Foundation.

This Board meets at least once a year to define the main strategic guidelines.

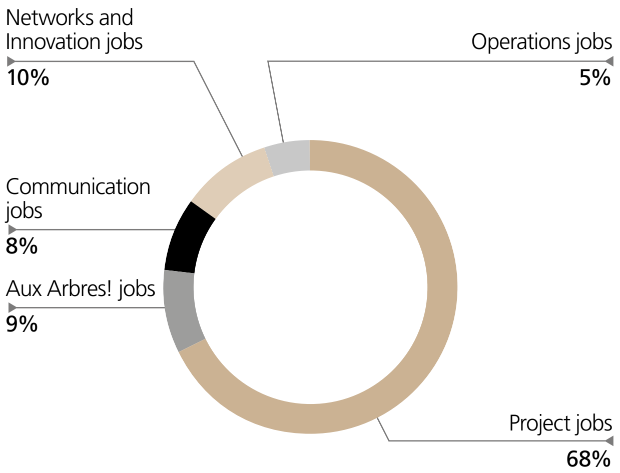
An expert committee, which includes five external members, assists the Board of Directors and the operational team, in particular in the review and selection of projects supported by the MDM Foundation.

(1) Following the departure of Julien VIGOUROUX from the Company on 31 December 2023, a new director will be appointed in 2024.

3.6.2.2 Breakdown of the MDM Foundation budget

The MDM Foundation budget represents 0.08% of the Group's pre-tax customer sales. In 2023, the resources therefore amounted to EUR 972,593.

BREAKDOWN OF RESOURCE USE



3.6.2.3 Financial sponsorship donations

The financial sponsorship donations are mainly intended for the activities of the Maisons du Monde Foundation. Other financial donations are made more occasionally during the year via the Maisons du Monde group.

Scope: Group

(in euros)	2023	2022
Financial donations via the Maisons du Monde Foundation	972,593	1,398,057
Financial donations via Maisons du Monde	40,566	205,975
TOTAL DONATIONS	**1,013,159**	**1,604,032**

3.6.2.4 Main actions and achievements

Support actions in the field

In 2023, 28 projects were financed thanks to an endowment from the MDM Foundation and to the ROUNDING-UP at check-outs in Maisons du Monde stores in France:

- 17 forest preservation projects in 11 southern countries;
- 11 non-forest tree preservation projects in Europe (10 of which in France).

The selection of new projects, submitted as part of a renewal of partnerships and a call for projects, focused on the impact of the associations on the ground, their environmental and social-economic approach and the strengthening of skills. This last area will be monitored particularly closely.

The website foundation.maisonsdumonde.com presents the missions and projects supported by the MDM Foundation. An annual business report is also published each year and can be accessed in electronic format on this website.

Raising environmental awareness

SOLIDARITRIPS

The Solidaritrips give volunteer employees, representative of the Group's workforce (head office, the France network, the international network, Distrimag and Rhinov), the chance to be drawn at random to visit and work with a tree protection association, supported by the MDM Foundation, on site. Each year, two associations are selected to host a group of employees.

In March 2023, a first trip was organised in France. Twelve employees made the trip to discover the Conservatoire Méditerranéen Partagé association's project to preserve rare and ancient fruit trees.

A second trip was organised in October 2023, with the GRET association, this time to Madagascar. The eight employees selected at random and the winner of the "We Love Trees challenge" (organised in June 2022) were able to discover and participate in the forest and biodiversity preservation project led by the association on Île Sainte-Marie.

ROUNDING-UP AT CHECK-OUTS

Since 2016, Maisons du Monde has given the possibility to its customers, at each check-out in a French store, to round up their purchase amount. This microdonation is paid to a non-profit organisation partnering with the Maisons du Monde Foundation. The associations supported by their own funds, as is the case through the ROUNDING-UP at check-outs, are associations for the preservation of forests in France and abroad.

In seven years, this scheme has raised EUR 3 million through the collection of more than 21 million donations.

In 2023, four associations benefited from it: Tchendukua for its actions in Colombia, Oasis Citadine for its project near Montpellier, Envol Vert for its programme in Peru, and the Jane Goodall Institute for its actions in Tanzania. In 2023, the average participation was 27.5%.

WE LOVE TREES

To raise awareness and invite as many people as possible to reconnect with trees, the Maisons du Monde Foundation renewed its partnership with the We Love Green festival for the second consecutive year in 2023.

For each participant in an awareness-raising event, the Maisons du Monde Foundation committed to donating funds to the Envol Vert association to preserve the Amazon rainforest in Peru. Thanks to the mobilisation of 2,000 festival-goers, the association received an additional allocation of EUR 10,000 for its project.

3.6.2.5 Network strategy; sponsorship innovation

Collective approach

The Maisons du Monde Foundation takes a collective approach, convinced that it is necessary to join forces to maximise one's impact. This is why it has, over the past three years, supported the development of the all4trees network, as well as the creation and coordination of a collective approach bringing together experts, project leaders and sponsors around the development of a common impact measurement methodology.

It participates in a working group coordinated by the French Committee of the International Union for the Conservation of Nature (Comité français de l'union internationale pour la conservation de la nature – IUCN), whose objective is to structure the network of French biodiversity associations. It was created to meet the growing needs of these organisations, both in terms of experience sharing, meetings, and financial requirements.

In addition, it launched a joint call for projects with the Yves Rocher Foundation on the theme "Committing collectively to trees", which made it possible to jointly select a project in 2023 led by the Forêts Communes association for urban revegetation around social housing in the Seine-Saint-Denis region.

Lastly, the MDM Foundation is a member of the Admical network, an association bringing together more than 200 members and aiming to develop philanthropy in France, and of the French Centre for Funds and Foundations (Centre français des fonds et fondations).

Structural support

In 2023, the Maisons du Monde Foundation strengthened its commitment to the development of associative structures by proposing to all its partners the creation of a collective "Maisons du Monde Foundation" dynamic, thanks to the organisation of its first Meetings, which took place in November 2023. Through collective intelligence workshops, the leaders of these associations were able to express their needs in terms of structural reinforcement and their desire to share experiences between peers.

This year also saw the financing of the first structural support of a partner association by an expert consultant, which enabled the Planteurs Volontaires association to carry out an organisational assessment highlighting its support needs to promote the association's development.

3.7 Responsible use of resources and development of practices related to the circular economy

In order to identify and quantify more precisely the impacts, risks and opportunities of the Maisons du Monde group as regards the circular economy, a study was launched at the end of 2023 with an external firm. The results of this study and the associated action measures will be described in 2024.

3.7.1 MEASURES FOR MORE RESPONSIBLE USE OF RESOURCES AND DEPLOYMENT OF CIRCULAR ECONOMY PRACTICES

Objective	2023 performance	Progress
Achieve 40% of products coming from the Good is beautiful collection	36%	■■■□

3.7.1.1 Control of risks related to materials and promotion of low-impact materials

Among the material resources used to manufacture Maisons du Monde products, there are seven types of raw materials:

- wood-based materials (solid wood, fibreboard, paper, etc.);
- textile fibres (cotton, hemp, polyester, jute, etc.);
- animal materials (leather, feathers, wool, etc.);
- plant-based materials (wicker, raffia, cane, bamboo, etc.);
- mineral materials (ceramics, glass, stone, etc.);
- metal (iron, steel, aluminium, brass, etc.);
- plastic (polypropylene, polyethylene, polystyrene, etc.).

The consideration of social and environmental issues related to the extraction and processing of the raw materials used in the brand's products remains key to building a credible and robust responsible purchasing policy. It is with this in mind that Maisons du Monde is pursuing its commitment with a twofold ambition: to control the risks related to materials while offering an ever more responsible product offering to the brand's customers.

Integration of low-impact materials

Objectives	2023 performance	Progress
80% responsible wood	61% responsible wood	■■□□
50% responsible textiles	27% responsible textiles	■□□□

For more than ten years, Maisons du Monde has carried out in-depth work on the traceability of raw materials in order to reduce the social and environmental impacts associated with its product manufacturing.

In 2023, Maisons du Monde continued its efforts to manage the material risks identified as priorities for the Group. These include in particular the risk of deforestation caused by timber extraction and leather sourcing, as well as the risk of forced labour in the cotton fields. These risks are fully integrated into the risk mapping related to the duty of care (see Section 3.1.2.4 "Duty of care").

As such, the raw materials policy is strengthened each year by updating the risk mapping and incorporating issues related to new materials. This policy enables the Group to ensure that Maisons du Monde's suppliers comply with all the requirements and procedures for the responsible sourcing of materials. Since 2022, this policy has been included in the framework agreement signed by all Maisons du Monde suppliers. It is available for download on the Group's corporate website.

To significantly reduce these risks, Maisons du Monde banned the sourcing of Brazilian leather in 2023 and launched the project for an organic cotton sector in India.

COMMITMENT TO SUSTAINABLE TIMBER

The Group's responsible purchasing policy has historically been structured around timber sourcing, the main material used in its products. The actions implemented revolve around three levels of requirements: the exclusion of at-risk species and sources, verification of legal cutting and a differentiating voluntary approach to guarantee the sustainability of resources. These commitments are formalised in Maisons du Monde's raw materials policy, to which each supplier adheres by signing the framework agreement.

In line with the Good is beautiful trajectory, all teams in the Offering Department are working actively to support suppliers in obtaining certification and in looking for more responsible supply sources. Today, 61% of our wood products for all business areas come from responsible sources (FSC®- or PEFC™-certified, traced or recycled).

Minimum requirements	• Exclusion of endangered species (VU; EN, CR according to IUCN) • Exclusion of species listed in Appendix I of the CITES • Compliance with the European Union Timber Regulation • Ban timber from at-risk regions: Myanmar, the Congo basin and the Amazon basin

Monitoring of regulatory compliance

In 2023, Maisons du Monde's attention was particularly focused on the evolution of the European Union Timber Regulation (EUTR) towards the European Union Deforestation Regulation (EUDR), further encouraging brands towards more responsible sourcing of forest-related materials and avoiding deforestation. The entry into force of the latter, scheduled for the end of 2024, requires a more detailed knowledge and increased traceability of all the Group's wood and leather supply chains. It involves collecting all the GPS coordinates of the raw material production plots in order to ensure that the products marketed are free from deforestation or forest degradation.

Faced with this challenge, Maisons du Monde's action plan is based on three areas:

- on-boarding of all the offer's business lines and suppliers;
- strengthening of the risk management procedure;
- securing of the existing supply chains.

To this end, the Group called on Preferred by Nature, a non-profit organisation that works to support better management of natural resources and help companies cope with the complexities of this new environmental legislation.

An introductory webinar on the new regulations was organised for all suppliers concerned, all countries combined. 129 suppliers took part in this training. The purpose of this webinar was to explain the upcoming regulatory requirements and to start the collection of the first elements required by the regulation on the existing supply chains. The data collected will make it possible to carry out an initial risk analysis in order to provide guidelines to the purchasing teams for future collections. Specific webinars will be organised in the first quarter of 2024 to further address the issues specific to each country.

Lastly, all product teams, a total of 87 people, were trained on the requirements of the future regulations.

Product offering made from sustainable timber

In addition to regulatory requirements, Maisons du Monde is continually seeking to increase the number of environmentally-friendly products. To this end, the Group is committed to developing sourcing from sustainably managed forests and the use of recycled materials. Maisons du Monde therefore asks its buyers and suppliers to prioritise responsible timber:

- **products made from recycled timber**: recycled timber can be used to create new and unique products without consuming any additional forestry resources. In order to avoid any false allegations regarding the products in question, suppliers are now systematically asked to provide a proof of purchase for recycled timber. In 2023, 114 SKUs distributed by Maisons du Monde were made from recycled timber;
- **products made from certified timber**: Maisons du Monde is constantly seeking to expand the number of FSC® and PEFC™ SKUs. Timber from certified forests meets responsible management standards and contribute to protecting biodiversity, renewing resources and complying with social criteria for dependent communities. In 2023, the total number of certified products increased to a total of 3,544 SKUs (2,263 FSC®-certified SKUs and 1,281 PEFC™-certified SKUs), an increase of 1% compared to the previous year. Currently, labels are the best way of guaranteeing that timber comes from sustainably managed forests. To ensure that said labels are robust and to avoid any false allegations regarding products, Maisons du Monde exercises oversight with regard to these certifications. For each SKU made from certified timber and distributed by the brand, suppliers must provide their own valid certificate, a valid certificate from their timber supplier as well as proof of purchase of certified timber. If the supplier is unable to submit the evidence required, or if there is any doubt as to the authenticity of the documents, Maisons du Monde may trigger a third-party audit. Labels are only affixed to products and displayed in the Group's catalogue and on its website once a detailed audit has been conducted;

- **products made from traced timber**: the sourcing of FSC®- or PEFC™-certified timber in India is not possible because there is currently no offer available in this country. Maisons du Monde has set up its own traceability system in partnership with an NGO, Earthworm Foundation. Operated by the Group's main Indian suppliers, this system makes it possible to trace the timber back to its origins and to ensure that it has been legally felled. In 2023, 250 timber SKUs were traced, i.e. 40% more SKUs compared to the previous year. This increase was partly due to the rationalisation of the supplier base included in the programme. Indeed, Maisons du Monde has decided to capitalise on the eight strategic suppliers with the highest volumes of timber. The remaining suppliers have been redirected to FSC-certified timber, which has become more accessible in this country.

NUMBER OF TIMBER SKUS MEETING ONE SUSTAINABILITY CRITERION

Scope: Group

Product references	2023	2022
Number of responsible timber SKUs	3,908	3,859
Percentage of responsible wooden SKUs	61%	56%
Percentage of certified timber SKUs	55%	51%

In 2023, the number of SKUs made of certified timber (FSC or PEFC) represented 55% of wooden furniture and decoration.

VOLUME OF TIMBER PURCHASED

Scope: Group

Tonnes	2023	2023 (in %)
Total volume of timber purchased	35,136	100%
Of which traced timber	3,545	10%
Of which recycled timber	3,399	10%
Of which FSC®-certified timber	16,042	46%
Of which PEFC™-certified timber	2,143	6%

COMMITMENT TO RESPONSIBLE TEXTILES

The production of textiles generates significant environmental and social impacts that are integrated into the Group's vigilance plan (water consumption, use of pesticides, greenhouse gas emissions, management of dyeing effluents, etc.). To reduce these impacts, Maisons du Monde's strategy is to develop a more responsible textile product offering that focuses on three key areas:

- minimum requirements with suppliers for cotton growing areas;
- voluntary certification control procedures;
- the development of products incorporating materials from responsible sources.

Minimum requirements	Exclusion of high-risk areas such as Uzbekistan, Turkmenistan, Syria or Xinjiang province in China

More responsible cotton

Faced with the social and environmental challenges related to cotton growing (water consumption, use of pesticides and fertilisers, forced labour, etc.), Maisons du Monde's strategy to ensure a more responsible sourcing is based on two areas: controlling risks in the upstream sector while offering a more responsible product offering to the brand's customers.

Traceability of cotton and managing the related risks

As part of the risk mapping related to the extraction of raw materials, forced labour in cotton fields was identified as one of the priority risks for Maisons du Monde.

Thus, in addition to signing the minimum requirements concerning the exclusion of at-risk sourcing areas, Maisons du Monde has set up a procedure to verify compliance with these requirements by the Group's suppliers.

Particular vigilance is paid to products manufactured in China because the risk of forced labour is higher there. In this context, an in-depth risk analysis is systematically launched for any new product and any new supplier concerned. This analysis is based on the collection of information and documents to trace the entire chain to the origin of the cotton. If the risk is deemed to be not negligible, the responsible offering team supports buyers and suppliers with looking for new supply sources to mitigate the risks identified. Thus, in 2023, the proportion of SKUs at risk or suspected of being at risk decreased by 59% compared to the previous collection.

At the same time, aware of the risks of mixing at the level of spinning mills in other countries, at the end of 2023, Maisons du Monde launched a sector project in India. This project concerns a multi-brand Organic Cotton Accelerator initiative that allows all member brands to contribute to the development of organic cotton farming, while ensuring a connection with their own supply chains.

To date, four suppliers representing 28% of the cotton volumes used by the Group have been included in the pilot scope to start the connection with the project. The ultimate goal is to extend the project to all suppliers using cotton in order to ensure complete control of the Group's cotton supply chains.

Product offering made from more responsible cotton

In order to reduce the social and environmental impacts caused by cotton farming, Maisons du Monde is seeking to gradually increase the number of products from more responsible sources. To this end, the Group has identified two alternatives to conventional cotton:

- **organic cotton products:** the use of organic cotton guarantees that the cotton flower has been cultivated without pesticides, insecticides, chemical fertilisers or GMOs. It also uses less water than for conventional cotton. To ensure that the fibres used in these products come from organic farming, the Group relies on two certification standards: GOTS (Global Organic Textile Standard) and OCS (Organic Content Standard). In order to avoid any false claims about products, Maisons du Monde has the right to review these certifications. Thus, for each certified organic SKU, the supplier must provide its valid certificate as well as a transaction certificate covering the product in question. In 2023, 298 textile SKUs were made from organic cotton, i.e. approximately 17% of the cotton textile SKUs sold by the brand;
- **recycled cotton products:** recycled from textile waste or used clothing, this material avoids the need for new fibres. Maisons du Monde therefore gives the priority to recycled fibres covered by GRS (Global Recycled Standard) or RCS (Recycled Content Standard) certifications guaranteeing the recycled nature of the fibre. In 2023, 288 textile SKUs were made from recycled cotton, i.e. approximately 17% of the cotton textile SKUs distributed by the brand.

3

NUMBER OF COTTON TEXTILE SKUS MEETING ONE SUSTAINABILITY CRITERION

Scope: Group

Responsible cotton	2023
Number of responsible cotton SKUs	586
Percentage of responsible cotton textile items	34%

VOLUME OF COTTON PURCHASED

Scope: Group

Tonnes	2023	% 2023
Volume of cotton purchased	963	100%
Of which certified organic cotton (GOTS, OCS)	124	13%
Of which recycled cotton	157	16%

Polyester

Derived from petroleum and involving the use of toxic chemical substances during its manufacture, polyester is one of the most polluting textile materials with the highest amount of greenhouse gas emissions. Faced with these challenges, Maisons du Monde is committed to reducing its impact on the environment by replacing polyester with recycled fibres in all products, all activities combined. The Group's offering of more responsible products has thus been enhanced with an alternative to conventional polyester:

- **recycled polyester products:** recycled from textile waste or plastic bottles, this material avoids the production of virgin petroleum-based polyester. This reduces pollution and greenhouse gas emissions. Maisons du Monde gives the priority to recycled fibres covered by GRS (Global Recycled Standard) or RCS (Recycled Content Standard) certifications guaranteeing the recycled nature of the fibre. However, as these certifications are not always available on the market, the recycled nature of the fibre can also be validated on a case-by-case basis by the responsible offering teams;
- The 2023 collection included 945 recycled polyester SKUs, i.e. 23% of the SKUs containing polyester distributed by the brand.

NUMBER OF POLYESTER SKUS MEETING ONE DURABILITY CRITERION

Scope: Group

Polyester	2023
Number of responsible polyester SKUs	945
Percentage of recycled polyester items	23%

VOLUME OF POLYESTER PURCHASED

Scope: Group

Tonnes	2023	% 2023
Volume of polyester purchased	4,163	100%
Of which recycled polyester	556	13%

COMMITMENT TO MORE SUSTAINABLE LEATHER

Maisons du Monde has identified leather as being one of the priority materials in terms of risk management and the transformation of the offering towards greater responsibility. Leather is, in fact, a material that comes from a complex animal supply network with multiple by-products and whose challenges are specific. These challenges include issues of animal welfare, rearing-related deforestation, the environmental impact of tanning skins, the use of chemicals and even the social conditions at each stage of the production process.

All requirements concerning materials of animal origin are formalised in the Group's raw materials policy. The policy includes the exclusion of endangered species or materials from illegal slaughter, as well as the control procedures relating to responsible alternatives accepted by Maisons du Monde.

Despite the brand's best efforts to trace its leather supply chains in this country, none could be traced to the original farms. In addition, the project to identify tanneries managing their sourcing, launched by Maisons du Monde in 2022, demonstrated the inability of local players to provide sufficient guarantees to ensure a supply of leather free from deforestation. This is why 2023 was marked by a decisive decision for the management of the deforestation risk related to leather in the brand's supply chains: Maisons du Monde banned the use of Brazilian leather in the products.

Minimum requirements	● Exclusion of endangered species (VU, EN, CR according to IUCN) ● Exclusion of species listed in Appendix I of the CITES ● Exclusion of animal materials if they do not come from the meat industry or that may pose an ethics issue ● Exclusion of materials from illegal slaughter ● Exclusion of Brazilian leather

Traceability of leather goods

In addition to the minimum requirements and in line with the ban on Brazilian leather, in 2023, Maisons du Monde began in-depth work to transform the SKUs concerned. To this end, a general communication was sent to all suppliers explaining the reasons for this decision and asking them to find alternative supply areas.

The business line teams were also trained on the social-environmental challenges of the leather sector and specific support was set up to help them in this transformation.

In addition, the risk management procedure was strengthened by systematically verifying the origin of the cowhide used by the Group's suppliers. As such, they must provide a set of information and documents to demonstrate the origin of the leather outside the risk areas.

As a result, seven suppliers using leather of Brazilian origin, or suspected of being so, were able to change their sources of supply in the course of 2023. This represents 50% of the brand's leather SKUs.

Maisons du Monde is giving itself until the entry into force of the European Union Deforestation Regulation (EUDR) to finalise the transformation of the SKUs concerned.

Product offering made from sustainable leather

In order to expand its offering of more responsible products, Maisons du Monde has identified two alternatives to conventional leather in order to reduce its environmental impact:

- **leather products from LWG tanneries:** Maisons du Monde has chosen the Leather Working Group (LWG) standard to guarantee its customers that skins are tanned under environmentally friendly conditions. The LWG standard reduces environmental impacts and ensures the safety of leather products. In addition to treating effluents and managing chemicals, the LWG audit protocol covers water and energy consumption, waste management, the health and safety of workers and leather traceability. In 2023, the number of SKUs made with leather from LWG-certified tanneries increased to 71, representing approximately 42% of the leather SKUs distributed by the brand;

- **recycled leather products:** recycled leather, made from pre- or post-consumer leather offcuts, mainly from the shoe industry, recycled leather avoids the production of a new material. This makes it possible to significantly reduce CO_2 emissions from cattle rearing. In 2023, five SKUs were made with recycled leather, representing 3% of the SKUs containing leather distributed by the brand.

PERCENTAGE OF MORE RESPONSIBLE LEATHER PRODUCTS

Scope: Group

Leather	2023
Number of more responsible leather SKUs	76
Percentage of leather SKUs included in an environmental approach	44%

VOLUME OF LEATHER PURCHASED

Scope: Group

Tonnes	2023	% 2023
Volume of leather purchased	176	100%
Of which leather from LWG certified tanneries	115	65%
Of which recycled leather	21	12%

OTHER MATERIALS

In addition to the priority issues around wood, leather and cotton, Maisons du Monde continues to strengthen its more responsible purchasing policy by incorporating new materials.

In 2022, the Group carried out in-depth work to identify strategic CSR areas for metal and plastic materials. In view of the environmental and social challenges in the sectors in question, Maisons du Monde has identified the following areas:

- **for metal:** the use of recycled metal and certifications guaranteeing a low environmental and social impact (ASI and Responsible Steel);
- **for plastics:** the use of recycled plastics, the use of polymers of plant origin (not from crops that can be used for food) and the continued withdrawal of PVC.

Maisons du Monde initiated a first approach in 2023 and the first recycled plastic products were already visible in the brand's 2023 collection.

In order to improve its range of responsible products, Maisons du Monde is increasingly incorporating materials with a low environmental impact. These are materials such as cane or wicker, which naturally grow back, or hemp or jute, which require very little water and do not require pesticides, unlike conventional materials such as cotton.

In order to avoid creating further issues, these materials and fibres with a low environmental impact must be sourced locally from the manufacturing plant of the finished product to be able to validate the Sustainable Materials criterion. Case-by-case checks will be carried out by the Responsible Offering team if there is any doubt as to the origin of the material.

3.7.1.2 Development of a more responsible product offering

Given the mapping of non-financial risks identified as part of the duty of vigilance, offering customers a more responsible product offering is one of the main levers for reducing the Group's environmental impact. In fact, the various stages of production of the materials composing the products distributed by Maisons du Monde represented approximately 53% of the Group's total carbon footprint.

The first pillar of the Good is beautiful strategy, which involves delivering a trendy and responsible offering, is based on the demanding criteria listed below. To be included in the Good is beautiful selection, a product must first and foremost meet the following three prerequisites:

- consumer health: by complying with the "chemicals" requirements aimed at limiting the presence of harmful substances in the Group's products;
- at-risk raw materials: by complying with our "raw materials" requirements, suppliers undertake not to source controversial materials (*e.g.* Syrian cotton, Amazon wood, endangered natural species, etc.);
- working conditions in factories: we ensure that our suppliers' factories comply with social criteria by regularly collecting and analysing social audit reports.

Once these three fundamental criteria are guaranteed, a product must be aligned with one of the following three causes:

- the use of materials with lower impact (*e.g.* GRS recycled materials, GOTS organic cotton, LWG leather, etc.) through recycled materials to reduce the carbon footprint, and/or certified materials thus reducing a predetermined social and/or environmental impact;

- European manufacturing, which supports European industry, while helping to reduce the environmental impact generated by the transportation of the product. To respond to this criterion, the product's main manufacturing steps must be carried out either in a country of the European Union or in Norway, Switzerland or the United Kingdom;
- protecting know-how in order to promote local and cultural heritage, which boosts the economic development of regions and communities.

The day-to-day support of the teams in charge of creating the collections makes it possible to increase the proportion of “Good is beautiful” products in each collection of the Maisons du Monde product offering, with a view to achieving our ambition of 40% of Good is beautiful products in the product offering by 2025.

OFFERING OF MORE RESPONSIBLE PRODUCTS

Scope: Group – 100% of Maisons du Monde products (1)

Percentage of responsible offering	2023	2022	2021
Number of references in the Good is beautiful selection	5,608	5,370	3,760
Percentage of Good is beautiful offering	36%	30.1%	21.3%
PERCENTAGE OF REVENUE LINKED TO THE RESPONSIBLE GOOD IS BEAUTIFUL OFFERING	**33%**	**28.9%**	**21%**

(1) Marketplace products are excluded from this indicator.

3.7.1.3 Circular economy practices

Second Chance programme

On 18 October 2023, Maisons du Monde launched “Second Chance”, a circular economy programme aimed at promoting damaged furniture and decoration items from customer returns or in-store display models. Maisons du Monde customers can find these products in stores and offer them a second chance at a discounted price, ranging from -30% to -50% depending on the type of defect while reducing the environmental impact of its consumption. Since the launch in October, more than 50,000 products have been sold.

During 2024, this offer will also be available on the Maisons du Monde website in France. The furniture and large decoration items sold there will be derived from customer returns in a circular economy approach.

Promote reuse and recycling

PRODUCT REPAIR AND DONATION ACTIVITY

To avoid the scrapping of “substandard” products that come from customer returns or were damaged upon receipt, the Maisons du Monde group gives priority to repair solutions and donations to non-profits. As a last resort, the Group considers sending them to treatment and recovery channels.

Created on 1 January 2021, the EVA (Environnement Valorisation Ambiance) Department aims to improve the waste recycling ratio, primarily by reducing the volumes of products from customer returns directed towards recycling and optimising refurbishment and repairs.

The EVA Department is equipped with an “EcoCentre” service with specific repair skills offered by wood, leather and textile workers. Products from customer returns that can be repaired or refurbished are thus reintegrated into new stock.

This department also oversees partnerships with recycling associations, which are given products that cannot be repaired by the teams. Partnerships with the Emmaüs network or the Croix-Rouge Insertion association make it possible to find reuse solutions for these products in the solidarity-based shops of these associations.

VOLUME OF WASTE RECONDITIONED, REPAIRED OR DONATED

Scope: Group

	2023	2022
Number of products refurbished	34,441	37,563
Number of products repaired	30,440	25,473
Number of products donated	112,044	79,357

In 2023, the EVA Department increased the number of products repaired and refurbished to be returned to inventory compared to 2022 (+1,845 products) despite lower volumes for Group activities.

EMMAÜS FRANCE PARTNERSHIP

To raise public awareness of the challenges of the circular economy and support upcycling channels, the Group has developed a partnership with Emmaüs France.

Since 2022, thanks in particular to the resources generated by the outperformance of the “ESG Impact” share buyback programme, the Group has been supporting the development of the textile and wood upcycling sectors within the Emmaüs network. This partnership provides funding to a financial support fund for the start-up or consolidation of Emmaüs textile and wood upcycling projects and the development of actions for vulnerable people in reintegration projects.

In order to go further to promote the actions of Emmaüs supported as part of this partnership, Maisons du Monde and Emmaüs Défi collaborated in September 2023 to create new products. For Paris Design Week, Maisons du Monde and Atelier des ReCréateurs d’Emmaüs Défi teamed up to offer four exclusive upcycled design pieces to be exposed in the window of the Maisons du Monde showroom, as part of the official programme of the Paris Design Week, from 7 to 16 September 2023.

3.7.1.4 Reduction and recovery of waste from activities

Waste management and reduction

Objective	2023 performance	Progress
80% of waste is sorted for reuse (excl. production)	61%	

Waste management is a real issue for the Group in reducing the overall environmental footprint of its business. By reducing waste at source, optimising packaging, selective sorting in stores and factories and by using solutions for reuse or recycling of products at the end of their lives, the Group is committed to reducing waste from its business activities at all stages of the life cycle.

VOLUME OF WASTE PRODUCED BY TYPE OF WASTE

Scope: Group excluding Rhinov – 99.9% of the group’s m^2

Tonnes	2023	2022
Store network	7,421	11,646
Administrative premises	22	35
Logistics	2,698	3,199
Production – Mekong	3,474	4,072
GROUP TOTAL	**13,595**	**18,954**

VOLUME OF WASTE PRODUCED

Scope: Group excluding Rhinov – 99.9% of the group’s m^2

Tonnes	2023	2022
Total recycled tonnages	9,602	12,653
Total non-recycled tonnages	3,955	6,259
Total hazardous waste	37	41.9
GROUP TOTAL	**13,596**	**18,954**
Percentage of waste sorted for reuse (excluding production) *(in %)*	**61%**	**58%**

The Group's business generated 13,596 tonnes of waste in 2023 across its various activities. The 28% decrease in waste tonnages compared to 2022 was mainly due to the slowdown in activity.

NETWORK & ADMINISTRATIVE PREMISES

The Group's stores mainly generate cardboard, plastic and polystyrene waste. This waste is related to the packaging of products received and sales activities.

The Group strives to optimise its management by establishing, where possible, in-store sorting equipment and coordinating waste collection by specialised providers.

In 2023, the stores and administrative premises generated 7,444 tonnes of waste, including:

- 3,992 tonnes of cardboard or plastic sent to recycling companies;
- 3,452 tonnes of non-hazardous industrial waste;
- 0.04 tonnes of hazardous waste.

VOLUME OF WASTE PRODUCED – ADMINISTRATIVE PREMISES

Scope: Administrative premises

Tonnes administrative premises	**2023**	**2022**
Non-recycled waste	17.7	27.2
Recycled waste	4.8	8.5
Percentage of waste sorted for reuse *(in %)*	**21%**	**24%**

VOLUME OF WASTE PRODUCED – NETWORK

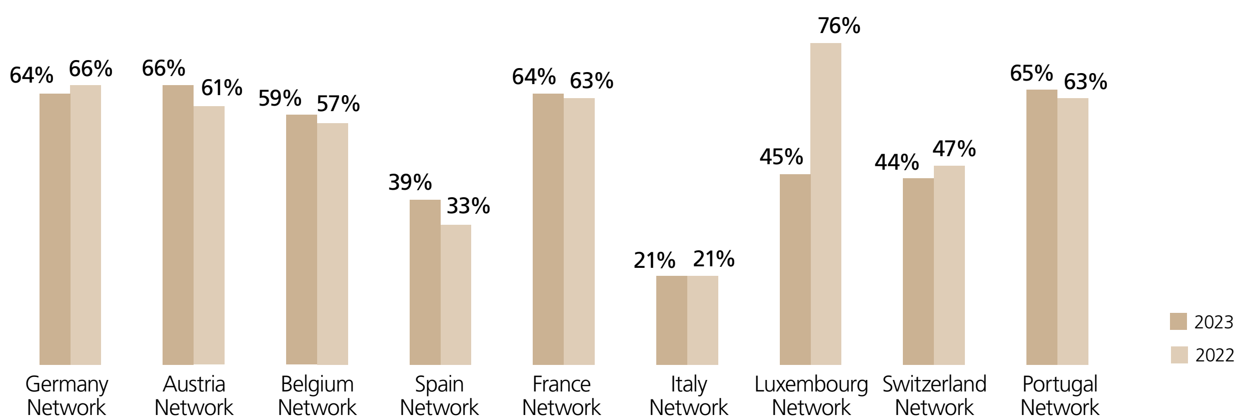
Scope: Stores

Tonnes stores	**2023**	**2022**
Non-recycled waste	3,452	5,544
Recycled waste	3,992	6,138
Hazardous waste	0.04	
Percentage of waste sorted for reuse *(in %)*	**54%**	**53%**

The overall decrease in tonnages (-36%) compared to last year is due to store closures leading to an increase in the volumes of non-recyclable waste. At the same time, the decrease in sales volumes led to a decrease in the overall volume of waste.

The overall rate of the sorted and reused waste rose to 54% and is explained by the international generalisation of the waste collection system (particularly in Italy) and the distribution of sorting instructions to the entire network via in particular the action and involvement of the Good is beautiful ambassadors and the Quality, Safety and Environment (QSE) coordinators.

SHARE OF WASTE SORTED FOR RECYCLING BY COUNTRY



While the introduction of sorting for the main waste flows is becoming more widespread, the proportion of waste sorted for recycling remained variable from one country to another. These disparities are related to store equipment, service contracts and the teams' sorting practices.

Stores in Spain and Italy still have the lowest waste sorting and recycling rates compared to rates for all stores. They are however likely to improve, due to the distribution of new internal sorting instructions and the awareness-raising carried out by the QSE coordination team. Consequently, stores in Spain have a reuse rate of 39%, i.e. 6 points more than in 2022.

With regard to minority waste streams, the Group has implemented various policies:

- damaged products are donated in accordance with the Group's donation management policy. This makes it possible to both reduce store waste and support the social and solidarity economy sector by stimulating reuse;
- as regards hazardous waste:
  - leftover paints after the redevelopment of sales areas are, as a priority, reused from one season to another, or are, if reuse is not possible due to changes of colour, donated, or are, as a last resort, thrown away and collected via private service providers,
  - damaged electrical and electronic products are disposed of via partnerships with national eco-organisations.

Whenever possible, non-recyclable waste is sent to a specially designed landfill and recyclable waste is recycled or used as fuel to produce energy.

Catalogues, commercial publications & paper

In 2023, Maisons du Monde decided to relaunch its catalogue in print, but with a targeted distribution strategy and therefore a more limited volume. It is now a seasonal catalogue (Spring/Summer and Autumn/Winter) with a reduced number of pages and is only present in three countries (France, Italy and Spain).

VOLUME OF COMMERCIAL PUBLICATIONS

Scope: Group – 100% of the Group's commercial publications

Commercial publications	Recycled tonnes	Recyclable tonnes	Certified tonnes	Tonnage 2023	Tonnage 2022
Paper/cardboard	0	242	239	242	1,019.5

Logistics

Waste management from the Group's logistics business also involves the systematic installation of selective sorting in all buildings. This ensures the recycling of reusable or recyclable waste. The Logistics business generates four main sources of waste: cardboard and plastics from product packaging, home furnishing waste (HFW) – primarily from customer returns, timber (mainly from broken pallets) – and non-hazardous industrial waste (NHIW).

In 2023, the Logistics subsidiary's warehouses and offices generated 2,698 tonnes of waste, comprising the following.

VOLUME OF WASTE PRODUCED – DISTRIMAG AND LEOLOG

Scope: Distrimag and LEOLOG

Tonnes	2023	2022
Hazardous waste	13	5
Non-hazardous waste	2,685	3,349
Non-recycled waste	504	781
Recycled or recovered waste	2,184	2,574
PERCENTAGE OF WASTE SORTED FOR REUSE (IN %)	**81%**	**77%**

In 2023, sorting of waste in the warehouses and offices of the Logistics entities ensured that 81% of the waste generated was recycled or reused. It should be noted that tonnages of waste from the Logistics business decreased in 2023 thanks to the continuous efforts of the EVA Department to reintegrate certain furniture and decoration items into reuse circuits, thus reducing the tonnages of home furnishing waste (HFW) and non-hazardous industrial waste (NHIW). A 35% decrease in the tonnage of non-reused waste was observed in 2023 compared to 2022.

Production

The Mekong Furniture production factory generates different types of waste:

- wood and veneer waste from the processing of raw materials or semi-finished products. This waste is collected by an external company to be recycled into industrial heating products;
- packaging waste (cardboard, foam and paper);
- metal waste from the metal components production section. This waste is donated free of charge for recycling;
- household waste generated by employees. This is collected by two specialised external companies;
- hazardous waste. This waste is collected and stored appropriately on the sites, then treated separately by an industrial waste treatment company.

VOLUME OF WASTE PRODUCED – PRODUCTION

Scope: Mekong

Tonnes Mekong	2023	2022
Hazardous waste	35	37
Non-hazardous waste	4,439	4,035
Non-recycled waste	47	51
Recycled waste	3,426	4,023
PERCENTAGE OF WASTE SORTED FOR REUSE (IN %)	99%	99%

The total tonnage of waste generated by the activity of the Mekong Furniture factories decreased in 2023 due to the decline in activity but also to the measures taken to manage and optimise the waste produced.

With a real desire to use recyclable packaging, Mekong Furniture also seeks to optimise it to increase its downstream recyclability. Alternative solutions to polystyrene, such as "honeycomb" cardboard, are beginning to be used for shipping Maisons du Monde products. In 2023, 100% of the packaging produced was recyclable.

Reduction of packaging volumes and reuse

The reduction of the Group's packaging volumes and the development of packaging recyclability targets the entire Group value chain.

PACKAGING FROM SUPPLIERS

In 2023, the Group updated its specifications and guidelines to ban the use of styrenic polymers and co-polymers in packaging, in line with the obligations stipulated in the Climate and Resilience Act, applicable from the year 2025.

PACKAGING USED AT CHECK-OUTS

During 2023, efforts were focused on the packaging SKUs with the highest environmental impact: bubble wrap and protective papers (offered to customers free of charge to protect their purchases). The referenced recyclable bubble wrap is now composed of 70% recycled material (versus 50% in 2022) and no longer contains artificial dyes.

In parallel with these improvements, the store teams were made aware of the consumption of bubble wrap and protective paper, with a view to reducing their consumption by at least 10%. Quarterly management was carried out, enabling each store to have clear reporting and to be an actor on the subject.

LOGISTICS PACKAGING

To reduce the environmental impact of packaging, Distrimag uses cardboard made from 100% recycled fibres. This packaging is FSC®-certified for the e-commerce portion. To facilitate the proper recycling of this cardboard by customers, specific sorting instructions are attached.

Lastly, to accelerate these efforts to reduce packaging quantities, several optimisation levers are activated: optimisation of purchases, review of designs and uses, and search for less impactful, recycled and recyclable materials. In 2023, Distrimag was able to activate various packaging solutions generating improvements in terms of environmental impact.

In particular, a new stretch pallet wrapping film was referenced allowing:

- improved recyclability by switching from an opaque and coloured wrapping film to a transparent film;
- a 50% reduction in the quantity of wrapping film discarded in stores;
- a 50% reduction in the quantity of wrapper cores discarded at Distrimag.

Lastly, for the inflatable air cushion bubble wrap SKU, the proportion of recycled polyethylene was increased from 20% to 30%.

PACKAGING VOLUME

Scope: Group – 100% of the Group's packaging

Tonnes of packaging	2023	2022
Network packaging tonnages	763	917
Logistics packaging tonnages	1,536	2,107
TOTAL PACKAGING TONNAGES	**2,299**	**3,024**
Tonnes of packaging/M EUR revenue	**2.04**	**2.44**

VOLUME OF PACKAGING BY RESPONSIBLE MATERIAL

Scope: Group – 100% of the Group's packaging (excluding suppliers and Leolog)

Packaging tonnages	Tonnage 2023	Tonnes not characterised as responsible	Recyclable tonnes	Recycled and recyclable tonnes	Certified and recyclable tonnes	Recyclable, certified and recycled tonnes
Plastic	493	39	314	140		
Wood	315		268		47	
Paper/cardboard	1,466		11	660	285	510
Textiles	25		25			
TOTAL	**2,299**	**39**	**618**	**800**	**332**	**510**
Total tonnages of packaging with at least one responsible feature	**2,260**					
Percentage of packaging with at least one responsible feature	**98%**					

3

III. Social information

3.8 Group HR policy

3.8.1 VISION OF THE MAIN CHALLENGES FOR MAISONS DU MONDE'S EMPLOYEES

In order to take into account the expectations of salaried employees, an annual engagement survey is conducted, giving them the opportunity to speak on subjects such as work-life balance, compensation, hours worked, diversity, the working environment and all topics that may be related to labour law and human rights. All European employees have the opportunity to express their expectations on these points. This internal survey called Your Voice is detailed on the Your Voice survey page 119.

As part of the change of management, a new strategic plan was developed for 2024-2026 taking into account the material challenges for the Group. In particular, the Leadership Group was consulted for the establishment of the priority actions for 2024-2026. In early 2024, the strategic and transformation plan was presented to the trade unions and to all employees, allowing for feedback on the new action horizons and applying it to all business lines.

The HR ambition for 2026 is therefore to "re-enchant and empower" employees around a strengthened customer culture and collective effectiveness in the definition of roles and responsibilities.

3.8.2 SOCIAL COMMITMENTS

Objective	2023 performance	Progress
Maintain the team commitment rate at the market level in 2026	53%	■■□□
4% of employees with disabilities in France	2.59%	■■□□
Reach 300 work-study students as of 31/12	254	■■■□
Reach 500 young people mentored in 2026	87	■□□□
Achieve 50/50 gender parity among the Group's top 100 employees, with no management committee having a gender balance of under 20% in 2026;	43%	■■■□
A gender equality index of at least 90/100	91/100	■■■■
An occupational accident frequency rate with lost time of less than 24 accidents per million hours worked (store network)	22.49	■■■■

3.8.2.1 Maisons du Monde, a "sustainable" employer

Maisons du Monde, a player in recruitment & employment development

JOB CREATION AND WORKFORCE

In June, Maisons du Monde set up a new HRIS for all its businesses and geographical areas in Europe: WORKDAY. This HRIS now makes it possible to manage external and internal recruitment for all job offers, securing and centralising all recruitment processes.

At 31 December 2023, the Group had 7,350 employees (6,544 full-time equivalents), down by 9% compared to 2022.

GROUP WORKFORCE BY GEOGRAPHICAL AREA AND BY ACTIVITY

Scope: Group – 100% of the workforce

	2023	2022
France Network	2,497	2,928
Logistics France	661	743
Headquarters France	945	1,018
Rhinov France	88	85
Total France	**4,191**	**4,774**
Europe Headquarters	38	37
Europe network	2,208	2,412
Total Europe	**2,246**	**2,449**
Production plant in Asia	913	885
TOTAL	**7,350**	**8,108**

Nearly 60% of employees work in France. Overall, the workforce decreased very slightly (-9%). The Mekong production factory in Vietnam accounts for 12% of the Group's employees.

Two-thirds of employees work in stores within the Maisons du Monde store network.

BREAKDOWN OF WORKFORCE BY CONTRACT TYPE

Scope: Group – 100% of the workforce

		2023
Permanent contract Number of permanent employees	Women	4,005
	Men	1,963
	TOTAL PERMANENT CONTRACTS	**5,968**
Fixed-term contract Number of temporary employees	Women	818
	Men	564
	TOTAL FIXED-TERM CONTRACTS	1,382
TOTAL	Women	1,823
	Men	2,527
	TOTAL WORKFORCE	**7,350**
Proportion of female employees		66%

BREAKDOWN OF WORKFORCE BY WORKING TIME

Scope: Group – 100% of the workforce

		2023
Number of full-time employees	Women	2,965
	Men	1,888
	TOTAL FULL TIME	**4,853**
Number of part-time employees	Women	1,858
	Men	639
	TOTAL PART-TIME	**2,497**
TOTAL	Women	4,823
	Men	2,527
	TOTAL WORKFORCE	**7,350**

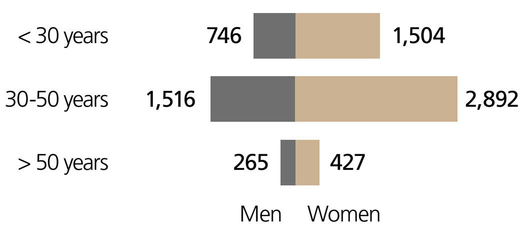
Over 80% of employees have permanent contracts. The average length of service of employees on permanent contracts is 5.31 years.

- Permanent contracts are prioritised in the network and the logistics business. The use of fixed-term contracts is mainly to replace absent employees and increased activity related to the Company's commercial seasons.
- As regards the production activities in Vietnam, the number of fixed-term contracts (563) is due to the fact that workers are primarily hired under fixed-term contracts, as is the local custom, but then their contracts are made permanent after three years.

At 31 December 2023, women represented 66% of the total workforce, as in 2022.

BREAKDOWN OF WORKFORCE BY AGE

The average age of employees is 36 years, stable compared to 2022.



BREAKDOWN BY GENDER, MEMBERS OF THE EXECUTIVE COMMITTEE AND LINE MANAGER

Considered as the top management, the members of the Leadership Group report to the seven Executive Committee members (N-1). They thus actively contribute to the development and deployment of the Group's strategy, and engage their teams of local managers in the company action plans.

BREAKDOWN BY GENDER, MEMBERS OF THE EXECUTIVE COMMITTEE AND LINE MANAGER

Scope: Administrative premises

	2023	2022
Women	24	27
Men	31	37
TOTAL	**55**	**64**
Proportion of female employees	**44%**	**42%**

HIRING, DEPARTURES AND LOCAL ECONOMIC IMPACT

Maisons du Monde is a local, national and international employment player and continues to create jobs in retail in all the countries in which it operates as well as in the various Headquarters & Logistics professions.

BREAKDOWN OF PERMANENT HIRES BY GENDER AND AGE

Hires in 2023	< 30 years	30-50 years	> 50 years	2023 total
Women	447	226	32	705
Men	198	133	16	347
TOTAL	**645**	**359**	**48**	**1,052**

In 2023, 1,052 employees were hired under permanent contracts (1,262 in 2022). For each store opening, Maisons du Monde favours hiring on permanent contracts and internal mobility.

BREAKDOWN OF DEPARTURES OF STAFF EMPLOYED UNDER PERMANENT CONTRACTS BY GENDER AND AGE

	< 30 years	30-50 years	> 50 years	2023 total
Women	565	697	93	1,355
Men	269	339	37	645
TOTAL	**834**	**1,036**	**130**	**2,000**

There were 304 dismissals in 2023 (311 in 2022). The average length of service of departing employees on permanent contracts was four years.

WORKING HOURS AT MAISONS DU MONDE

66% of employees are full-time. As a result of its activities, the Group may use temporary staff to meet more specific demands, such as reinforcements when setting up new stores or commercial periods such as the installation of the collections for Christmas. As regards logistics, the number of employees on temporary contracts may be higher, due to the specific nature of the activity.

Developing openness to the world: inclusion and diversity policy

In 2021, in line with its purpose, Maisons du Monde defined equal opportunities as being at the heart of its social and societal commitments and being an integral part of pillar 3 of its Good is beautiful movement. It takes the form of three actions:

- **gender equality** to strengthen leadership on this subject with real social advances and differentiation;
- developing the inclusion of **young people and social diversity** within teams for ever greater collective performance;
- the integration of **people with disabilities**, to meet legal obligations and develop team engagement.

Thus, a governance process was put in place with the creation of a Diversity and Inclusion Unit, in order to steer the development of the action plan included in our Group objectives. All actions implemented on diversity and inclusion are reviewed by the Human Resources Director, who is responsible for these decisions.

These commitments were strengthened in 2023 with the implementation of a dedicated e-learning programme for all on My MDM Coach (see Section on Training and skills development, page 114) to raise the awareness of all employees to cognitive biases and via a module dedicated to best practices for managers on non-discrimination. All Store Managers in Europe benefited from an awareness-raising campaign on inclusive recruitment in the first quarter of 2023 with a recruitment guide.

In addition, Maisons du Monde has drafted and distributed to all its teams a new Code of Conduct (see Section 3.11.2.1 "Code of conduct") with a specific section on non-discrimination and awareness of various forms of harassment. This Code of Conduct, sent to everyone in exchange for an electronic signature, was accompanied by an e-learning programme to understand the issues and anticipate any deviant action, and also to explain our whistleblowing policy in the event of serious events.

DIVERSITY CHARTER

In order to go the extra mile, the Group has been a signatory of the "Diversity Charter" since 2021. Thus, the Human Resources Department guarantees non-discrimination in hiring, employment and access to training. In addition, all job offers specify diversity-related commitments with the Diversity Charter logo but also a disability-friendly mention as a reminder of the Group's disability policy.

INTEGRATION OF PEOPLE WITH DISABILITIES

Continuation of the Maisons du Monde disability agreement

Maisons du Monde France strengthened its commitments to diversity and inclusion by signing its first disability agreement in consultation with trade unions in 2021. This agreement was approved by the French Regional Agency for Employment, Economy, Labour and Solidarity (Direction régionale de l'économie, de l'emploi, du travail et des solidarités – DREETS) of the Pays de la Loire region with the objective of achieving an employment rate of 4% of employees with disabilities in 2023 (*vs.* 1.03% in 2020). It oversees the Maisons du Monde structures in France across all its business lines, excluding its subsidiaries.

The various actions to maintain employment, training and awareness of teams about disabilities and the use of the sheltered and adapted sector made it possible to increase the rate of workers with disabilities to 2.59% in France in 2023. The target of 4% of people with disabilities was not achieved in view of the difficulties in sourcing candidates with disabilities in the region (significant competition with companies committed to the integration of people with disabilities like the Group) and whose health situation is compatible with the Maisons du Monde business lines, which are often physical.

In line with the actions of Maisons du Monde France, Distrimag signed a disability agreement to raise the rate of disabled workers to 4% by 2024.

NUMBER AND PERCENTAGE OF WORKERS WITH DISABILITIES

Scope: Group – 100% of the workforce

	2023
Number of workers with disabilities in the network	101
Number of workers with disabilities on administrative premises	11
Number of workers with disabilities at Distrimag and Leolog	27
Number of workers with disabilities at Rhinov	1
Number of workers with disabilities at Mekong	0
PERCENTAGE OF GROUP EMPLOYEES WITH DISABILITIES	**1.90%**

Recruitment of people with disabilities

In order to succeed in its recruitment ambition, Maisons du Monde works daily with specialised recruitment firms to recruit the talents of tomorrow for all types of needs: permanent contracts, fixed-term contracts, work-study contracts, internships.

Maisons du Monde continued its recruitment actions, with a specific in-store programme called "*Pépites Emploi !*", making it possible to target and support candidates with disabilities. Over the entire agreement period (2021-2023), 23 candidates were recruited in the stores, including 16 hires in 2023.

Retention in employment and workstation adjustments

As part of its disability agreement, Maisons du Monde France and Distrimag have set up job retention units when an employee with a disability needs workstation adjustments.

In 2023, 58 workstation adaptation requests were processed (3% coming from the head office, 95% from retail and 2% from Distrimag).

Internal Communication and Awareness raising

Maisons du Monde launched a Disability Week in 2018 to raise employee awareness on these issues. It includes the **three social commitments** on **disability, youth and gender equality** in order to raise awareness among all employees.

Several formats were offered during this week for all employees: quiz led by the sponsors of Mission Handicap, webinar on inclusive recruitment, awareness game on invisible disability led in-store or webinar on cognitive biases offered by the Good For Women club (see Section on Women's empowerment).

In 2022, Maisons du Monde signed a partnership with two young paralympic athletes to support the Disability Mission as sponsors of its objective of raising awareness of disability throughout the year via video testimonials with our employees and challenges throughout Europe.

As every year, Maisons du Monde offered its employees in France (head office and stores) the opportunity to participate in the "Duoday" national event on a voluntary basis. The aim is to welcome a person with disabilities into the Company and introduce him or her to the Group's business lines. Thus, 25 managers were paired with people with disabilities in November 2023, for the European Disability Employment Week.

In addition to internal communication and in order to achieve the ambitions defined in the Maisons du Monde agreement, it is essential to train and raise awareness amongst managers. **Two modules** are mandatory for all retail and corporate managers:

- Module 1: Recruiting and integrating an employee with a disability;
- Module 2: Retaining an employee with a disability.

In 2023, Distrimag took part in the Activ'Challenge in partnership with Agefiph, raising the awareness of no less than 350 employees on disability for three weeks on various themes.

NUMBER OF MANAGERS TRAINED ON DISABILITY

Scope: France Network and administrative premises (excluding Distrimag and Rhinov)

	2023
Number of employees trained on disability [(1)]	127
Percentage of managers trained on disability	22%

(1) Employees with more than six months of service present in 2023 and trained over the last three years.

Purchases from the protected and adapted sector

Use of the adapted and/or protected sector is another critical enabler in the social action of the Group. Since 2020, the disability team, within the HR Department, has been centralising the entire purchasing policy with the protected and adapted sector and working on the development of these services.

The Group works with the adapted sector for purchases of services for the maintenance of green spaces, print production, waste management from certain stores and, since 2021, has been working with a recruitment firm which provides support in this area. In 2023, Maisons du Monde chose to outsource the management of medical visits to an Adapted Company.

In 2023, more than EUR 237,436 of purchases were made from the adapted sector.

MAINTAINING AND DEVELOPING WOMEN'S RIGHTS

As part of its annual review of the gender equality situation, the Board of Directors approved the Group's gender equality policy. By 2026, this policy aims to achieve:

- 50/50 gender parity in the Group's top 100 employees, with no management committee having a gender balance of under 20%;
- a commitment rate among women that is equivalent to that among men, for equal positions and status;
- a gender equality index of at least 90 points.

These commitments enable Maisons du Monde to comply with the regulatory obligations (Copé-Zimmerman law) and the recommendation of the High Council for Equality (AFEP-MEDEF Code).

New gender equality agreement

In order to help monitor its commitments, Maisons du Monde signed a new gender equality agreement with the trade unions in December 2022, which came into force for the period from 1 December 2022 to 30 November 2025.

This agreement was drafted around three main objectives in order to provide greater support to female employees:

- promotion and development of female leadership;
- work-life balance;
- parenting and health.

Women's empowerment

In order to raise awareness among teams about gender equality, promote initiatives aimed at improving the working conditions of women in the Company and develop female leadership, Maisons du Monde set up the "Good for Women" club in line with the agreement signed in 2022.

This club, which meets every month, comprises 11 employees involved at different levels of the Company, corporate and network, with different backgrounds and different types of jobs in France.

In 2023, the Good for Women club implemented concrete actions for employees in three key areas:

- the development of female leadership thanks to two training sessions on speaking out offered to 20 female employees as well as the creation of a podcast on female leadership;
- raising employee awareness of breast cancer as part of Pink October with a webinar set up to inform teams of existing resource systems;
- on the occasion of the international day against violence against women, the teams were made aware of the cause by the creation of a guide against domestic violence written by Good for Women with the help of experts such as the Women's Foundation, the French National Gendarmerie and clinical psychologists, widely distributed to the teams.

Equal pay for women and men

Maisons du Monde is working to reduce the gender pay gap. In 2023, the actions previously put in place continued: an individual increase in the average for each socio-professional category when returning from maternity leave, and the creation of an increased catch-up budget in order to achieve overall consistency on the average compensation for each role.

3

AVERAGE AND MEDIAN COMPENSATION OF FULL-TIME FEMALE AND MALE EMPLOYEES IN FRANCE (1)

Scope: France network, French administrative sites – 49% of the workforce

	Average salary, women	Average salary, men	Median wage, women	Median salary, men
Executive salary	EUR 43,672	EUR 54,099	EUR 37,789	EUR 48,285
Non-executive salary	EUR 20,813	EUR 19,423	EUR 21,444	EUR 21,444

(1) This indicator concerns employees present in 2023 (from 01/01/2023 to 31/12/2023).

GENDER PAY GAP

Scope: France network, French administrative sites - 49% of the workforce

	2023
Gender pay gap (expressed as a percentage of the average pay level of male workers)	-17%

DEVELOPING THE EMPLOYMENT OF YOUNG PEOPLE

Maisons du Monde has made the inclusion of young people a pillar of its diversity and inclusion policy. Maisons du Monde is a player in local recruitment through the diversity of its store locations, but also in terms of the diversity of its business lines. Thus, equal opportunities are applied at all levels of the recruitment process, and a number of systems have been deployed to ensure this principle across all business lines and recruit future talent. The recruitment of work-study students has continued, ensuring the diversity of the profiles recruited. The Group also launched new programs to support access to studies for all with the continuity of the mentoring program and the Sirius program.

Development of work-study programmes

In 2021, to enable as many young people as possible to find a job or training opportunities, the French government launched a national plan called "one young person, one solution". Maisons du Monde, a major retail recruiter in Europe, committed to this programme in 2021 with a four-year plan through the implementation of a work-study development strategy. The Group thus strengthened its commitment in 2023 with the aim of considerably increasing its work-study workforce and reaching 5% in 2025.

In 2023, 254 (228 at MDM, 18 in logistics and 8 at Rhinov) young people benefited from a work-study contract (apprenticeship contract or professional training contract) in France.

Personalised support for young people on work-study programmes (guidance, regular interviews and HR contact) helps ensure that they have every chance of success in their studies. The tutor, meanwhile, is assisted in passing on his or her skills and developing relational and teaching skills.

In 2023, Maisons du Monde also launched its second year group of work-study students in partnership with CFA Codis of the IGS Group, including 29 young people taking an undergraduate course in Sales and Marketing Management. All of these young people are welcomed in stores throughout France through work-study programmes.

NUMBER OF WORK-STUDY STUDENTS AT 31 DECEMBER

Scope: France Network, administrative premises, Distrimag and Rhinov

	2023	2022
Number of work-study students	254	172

Guidance & support for young people: mentoring and the SIRIUS programme

After partnering with the Article 1 association in 2021 to launch mentoring with the Dema1n.org programme, Maisons du Monde has expanded its offer by integrating **Banlieues School**, a new association that supports high school students from priority urban areas in France.

The mentoring programme has been available since September 2023 and is open to managers at the head office and in stores. Since 2023, it has made it possible to mentor 87 young people.

The aim is to support **500 young people** through the various mentorships by the end of 2026.

In 2022, Maisons du Monde also became a partner of the **SIRIUS programme with the Audencia business school**, in order to help and cover part of the tuition fees of twelve young people holding a professional Baccalaureate and starting a Bachelor's degree programme. The purpose of this programme is to enable young people not destined for higher education to join a top French business school, and thus develop equal opportunities.

Incidents and complaints

All alerts reported by employees are indicated in Section 3.11.2.2 "Whistleblowing mechanisms". In 2023, there were three alerts on incidents related to human resources, including one related to a situation involving harassment. All alerts were processed in accordance with the alert processing protocol by the legal, risk and internal control teams.

Developing the employability of our teams

CAREERS, EMPLOYABILITY AND INTERNAL PROMOTIONS

Maisons du Monde strongly promotes internal mobility but also internal promotion, in order to develop the employability of its talented staff but also to continue to maintain its culture and know-how. Each position is open both externally and internally. Each request for an internal transfer results in discussions with the recruitment service and human resources, which enables employees to take advantage of HR support and assess their skills and know-how.

NUMBER OF INTERNAL PROMOTIONS

Scope: Group – 100% of the workforce

	2023	2022
Store network	176	212
Logistics	10	10
Production	48	84
Corporate	167	135
Rhinov	2	3
TOTAL	**403**	**444**
Percentage of women from internal promotion	72%	66%

TRAINING AND SKILLS DEVELOPMENT

Maisons du Monde is continuing to implement tools and programmes to develop the skills of in-store teams, and staff in the logistics warehouses and support functions.

PERCENTAGE OF PERMANENT AND FIXED-TERM EMPLOYEES (> 6 MONTHS) TRAINED BY ACTIVITY (1)

Scope: Group

	Trained	Training rate
Store network	3,495	91%
Logistics	498	57%
Production	463	72%
Administrative premises	758	98%
Rhinov	2	3%
TOTAL	**5,216**	**84%**

(1) *Permanent workforce at 31/12/2023.*

TRAINING EFFORT

Scope: Group

	2023	2022
France	1.36%	1.34%
Europe	1.25%	2.20%
Asia	0.16%	0.08%
TOTAL	**1.31%**	**1.55%**

In 2023, Maisons du Monde allocated a budget of EUR 2.3 million of the Group's payroll to the training of its employees based in Europe. The training effort represents training expenses in relation to the total payroll.

AVERAGE NUMBER OF HOURS OF TRAINING

Scope: Group – 100% of the workforce

Average number of hours of training	< 30 years	30-50 years	> 50 years	TOTAL	
Women	5.6	9.6	8.2	7.8	8.6
Men	5.6	11.0	13.0	9.9	

Store network

With the aim of developing its employees, Maisons du Monde continued to roll out major training programmes and introduced new ones in 2023 to support retail employees in the launch of new projects.

The entire store network uses the mobile My MDM Coach learning app, which enables sales teams to develop product and service skills through short training modules.

It enables Maisons du Monde employees to provide better advice to customers on products, inspire them and showcase Maisons du Monde's know-how and commitments. This application, which was acclaimed in 2022, continued its success in 2023 with more than 83% of retail employees connected (i.e. 4,875 employees). In order to maintain the appeal of the application with employees, 47 modules were made available in 2023 and new themes were addressed such as sales techniques, merchandising and customer relationship management.

On the network side and with a view to supporting Store Managers in their managerial role, Maisons du Monde continued to roll out training on "Conducting effective business" for its new managers in France, Italy, Luxembourg and French-speaking Belgium and Switzerland. A new face-to-face managerial module, "Train and Coach", was rolled out to all Store Managers in the French-speaking countries and in Italy. This module has boosted the skills of Store Managers in terms of managing and therefore being able to train their teams and coach them on a daily basis to embed professional actions.

Administrative premises

To support our employees in their careers at Maisons du Monde, a training plan is put in place each year. Numerous training topics are offered to develop employees' skills and thus guarantee their employability, in three main areas: business expertise (IT, Digital, Offering), the creation of the MDM Management School to develop the managerial culture, and management and personal development skills.

PERCENTAGE OF MANAGERS TRAINED IN MANAGEMENT

Scope: Group Manager – 91%

% of managers working on 31/12	2023
Number of managers trained on management (1)	525
Percentage of managers trained in management	91%

(1) *Employees with more than six months of service present in 2023 and trained over the last three years.*

In 2023, the rollout of the "IMPULSE" path for the members of the Leadership Group continued. This path, which comprises two phases, allows each participant to take the INSIGHTS test to discover their communication style and approach, and then to attend coaching aimed at a deep dive into management themes.

At the end of 2023, all members of the Leadership Group with more than six months of service had followed this course.

To continue the development of managers' skills, build a common managerial base and disseminate values, the "ESSENTIAL" course has been created. It consists of four modules:

- Module 1: Test Insight (for managers) or Parcours Impulse (for Leadership Group members);
- Module 2: "The MDM manager" allowing the experimentation, appropriation and development of behavioural skills;
- Module 3: "Managerial techniques" aimed at developing cross-functional managerial skills through experimentation;
- Module 4: "Managing your team & business for performance" to define priorities, measure performance and collectively lead a team project.

A training programme dedicated to "Project Management" was also set up in 2022, based on two modules, a "Project Management Basics" module and an "Expert" module. This training programme will be continued in 2024.

In September 2023, the My MDM Coach training application was rolled out to all head office employees, giving them access to content similar to network employees, on products or Good is beautiful commitments, for example, but also specific content on personal development, integration or management.

Logistics

Given the working environment and the business sector, Distrimag continues to deliver mandatory training on safety at work. In 2023, the Districhool made it possible to support employees in terms of safety, quality and business processes, particularly in a context of high versatility.

Two pathways were put in place in 2022 and continued into 2023:

- the "Manager" course with the purpose of providing the company's managers with the keys and tools for success, so that it can adapt to new structures (collaborative work, remote working);
- the "Lean Management" course with the purpose of providing the company's managers with the tools to lead and apply the 5S methodology on a daily basis.

Production

Faced with the specifics of the local jobs market and the lack of qualified personnel, Mekong Furniture is investing in training to enable employees and workers to acquire new technical or managerial skills that match their responsibilities.

In-house peer training is the main way in which the Company tailors employees' skills to their work. It is also a vital tool for conveying know-how and supporting the Company's business growth. Internal training courses are given for new staff so that they can quickly and efficiently adapt to the use of the machines and equipment installed on the production lines.

Training was provided for older workers who had been promoted to a new post requiring a specific technical skill. Indeed, the Company continued to train new employees in high-tech digital machinery of the CNC type thanks to new investments made on the two sites (training provided by the suppliers of the machines).

Training of workers, supervisors and managers for the ISO 14001 certification continued on technical subjects, machine and fire safety and the working environment.

Finally, a training and promotion programme for women within Mekong Furniture was launched on the use of more sophisticated machinery and equipment (CNC type). Following this training, the internal promotion of women to managerial positions is implemented when possible.

3.8.2.2 A "warm" employer

Health and safety policy and working conditions

The Group's activities, particularly its logistics production and store activities, may be a source of accidents. This is why Maisons du Monde monitors and implements action plans with field coordinators to prevent the risk of accidents.

NUMBER OF WORKPLACE ACCIDENTS WITH LOST TIME

Scope: Group – 100% of total workforce

	2023	2022
Store network	164	183
Corporate	3	-
Logistics	25	32
Production	30	31
Rhinov	0	0
TOTAL	**222**	**246**

FREQUENCY RATE OF WORKPLACE ACCIDENTS

Scope: Group – 100% of the workforce

	2023	2022
Store network	22.49	27.39
Corporate	1.9	0.00
Logistics	22.8	25.26
Rhinov	0.0	0.00
Production	15.77	15.98
TOTAL	**18.41**	**21.03**

Number of accidents with lost time / hours worked x 1,000,000 – the indicator excludes commuting accidents.

SEVERITY RATE OF WORKPLACE ACCIDENTS

Scope: Group - 100% of the workforce

		2023	2022
NUMBER OF DAYS LOST DUE TO WORKPLACE ACCIDENTS AND DEATHS	Store network	4,687	5,263
	Corporate	108	0
	Logistics	1,982	2,716
	Rhinov	0	0
	Production	255	291
	TOTAL	**7,032**	**8,270**
SEVERITY RATE OF WORKPLACE ACCIDENTS	Store network	0.64	0.79
	Corporate	0.07	0.00
	Rhinov	0	0
	Logistics	1.81	2.14
	Production	0.13	0.14
	TOTAL	**0.58**	**0.70**

Number of days lost due to temporary disability / hours worked x 1,000 – the indicator excludes commuting accidents.

TRAINING ON HEALTH AND SAFETY TOPICS

Scope: Group

	2023
Number of employees trained on health and safety topics (1)	3,547
Percentage of eligible employees trained on health and safety topics	57%

(1) Employees with more than six months of service present in 2023 and trained over the last three years.

Network and administrative premises

Maisons du Monde is committed to continuing its effort to ensure the health and safety of its employees, in line with its previous years' commitments. The process of collaboration and dialogue between the store network and the QSE Prevention and Coordination service has provided better understanding of the current professional risks and the expectations of employees.

In 2023, all Regional Directors were challenged on ten safety objectives and two environmental objectives as part of the QSE (Quality, Safety and Environment) visits. These indicators were monitored on a monthly basis by the Maisons du Monde Retail Committee, as were statistics related to workplace accidents.

Maisons du Monde trains all its employees in the network on workplace health and safety, both face-to-face and remotely (workstation safety, fire risk, electrical risk, manual handling of loads, etc.).

Logistics

Protecting our employees' health remains a priority for Distrimag's prevention teams which are responsible for mandatory safety training: driving authorisations, OHS, PPE, safe driving aptitude certificate, movement and posture. In 2023, Distrimag wanted to pay particular attention to the gestures and postures of its employees. Internal trainers work with employees directly at their workstations, thus enabling them to better support employees and ensure the proper implementation of the training.

Production

Over the years, Mekong Furniture has strengthened its HSE team in charge of health, hygiene, safety and environment issues. Constant changes in issues relating to the environment, workspace layout and health and safety at production sites require special attention.

In 2023, training was carried out on a regular basis to improve the safety of machine operators. In addition, Mekong Furniture distributed safety instructions and instructions on the proper use of machines through videos made available on the intranet. Operators have thus become aware of risks at their workstations. This made it possible to reduce and limit accidents and thus maintain a low frequency rate (15.77).

ABSENTEEISM

Maisons du Monde is attentive to absenteeism, monitoring trends and taking appropriate measures to reduce the number of staff off work. Annual appraisals are an opportunity to share specific situations. Systematic oversight of these appraisals and the implementation of action plans are means of reducing absenteeism. As an example, the Operational Human Resources Managers in the logistical centres interview all employees having expressed a need for this during their annual interview, to better understand the needs explained and to provide targeted solutions.

RATES OF ABSENTEEISM DUE TO ILLNESS

Scope: Group

		2023	2022
Number of cases of work-related illnesses that can be recorded, subject to the legal restrictions on data collection	France	17	14
	Europe	0	0
	Asia	0	0
	TOTAL	**17**	**14**
Rates of absenteeism due to illness	France	5%	6%
	Europe	10%	11%
	Asia	1%	1%
	TOTAL	**6%**	**7%**

Distrimag's Human Resources Department also keeps in contact with absent employees to encourage their return to work and conducts a return-to-work interview after all absences of more than 15 days.

To promote the well-being of teams, opportunities for discussion are promoted; each manager is encouraged to develop connections and approachability with their teams. In this regard, procedures for communication and discussion are written into the managerial and HR standards.

Improving employee well-being

LISTENING AND REGULAR COMMUNICATION WITH EMPLOYEES

Regular communication has been put in place for both the network teams and head office teams. Regular "MDM Talks" enable the Executive Committee to communicate the Group's news to all employees, and developments on strategic projects in each business line. Regular information meetings are also organised for each business line to streamline information.

In addition, the internal "MDM INSIDE" Instagram page was created in 2022 for all employees in Europe, to share day-to-day information and news. The account has more than 2,000 subscribers.

HELPLINE

In France, Maisons du Monde has maintained its psychological support line with the Stimulus Care Services firm. This line has enabled the Group to support its employees and managers, 24 hours a day, anonymously and confidentially. Anonymous support from psychologists was offered to employees who felt the need. In 2023, nine people benefited from the helpline with 19 conversations.

2023 YOUR VOICE SURVEY

The fifth "Your Voice" commitment survey was rolled out in October 2023 to all Group employees in Europe. Its purpose was to assess the employee commitment rate, employees' feelings about 24 topics, as well as morale within the teams. The commitment rate is the average of four indicators:

- I am proud to work for my company;
- I intend to stay in my company for a long time;
- I would recommend my company as a good employer;
- My company makes me want to excel.

53% of the employees say they are committed. The survey highlighted the main expectations of the teams, in order to improve the employee experience.

RESULTS OF THE 2023 YOUR VOICE SURVEY

Scope: Group excluding Mekong – 89% of the workforce

	2023	2022
Rate of participation in the Maisons du Monde survey	**79%**	**79%**
Employee engagement rate	**53%**	**60%**
Percentage of employees who would recommend Maisons du Monde as a good employer	55%	63%
Percentage of employees who are proud to work for Maisons du Monde	69%	76%
Percentage of employees who intend to stay at Maisons du Monde for a long time	47%	53%
Percentage of employees who find that Maisons du Monde makes them want to excel	41%	49%

In early 2024, the results of the Your Voice survey were presented within each department, to the employee representatives, and to the Headquarters and Retail teams. During workshops, employees are invited to co-construct an action plan leading to global actions, but also actions specific to certain departments or business lines. An initial assessment of these actions is already planned for September 2024.

SOCIAL DIALOGUE AND PROGRESS

Given the specific legislative features of each country, France, Belgium, Luxembourg, Italy and some Spanish stores have employee representatives.

In addition, Maisons du Monde is committed to ensuring that the majority of its employees are covered by collective bargaining agreements, whether these agreements are negotiated within the Company or agreements negotiated at regional or national level. Thus, with the exception of Luxembourg and certain stores in Germany and Switzerland, all French, Belgian, Austrian, Spanish, Portuguese and Italian employees are covered by collective bargaining agreements which confer significant advantages compared to the provisions of the legislation applicable in their respective countries.

PERCENTAGE OF EMPLOYEES COVERED BY EMPLOYEE REPRESENTATIVES AND BY COLLECTIVE BARGAINING AGREEMENTS

Scope: Group

	2023	2022
Percentage of employees covered by employee representatives (MDM France)	100%	99.8%
Percentage of employees covered by employee representatives (MDM Europe)	65%	40%
Percentage of employees covered by employee representatives (Distrimag)	100%	100%
Percentage of employees covered by employee representatives (Rhinov)	100%	100%
Percentage of employees covered by employee representatives (Mekong)	100%	100%
Percentage of total employees covered by employee representatives	**89%**	**82%**
Percentage of total employees covered by collective bargaining agreements	**97%**	**96.6%**

NUMBER OF MEETINGS WITH STAFF REPRESENTATIVES

Scope: France, Belgium, Luxembourg network and administrative sites, Distrimag, Rhinov and Mekong

	2023	2022
MDM France	32	14
Distrimag	29	19
MDM Belgium	23	22
MDM Luxembourg	2	1
Rhinov	4	6
Mekong	4	3
TOTAL	**94**	**65**

Network and administrative premises

In France, the employees of Maisons du Monde are represented by two trade unions and within the Economic and Social Committee (ESC). This committee has all prerogatives in economic matters as well as in health, safety and working conditions. The CFDT and UNSA trade unions operate within the Company.

In line with the discussions that took place in 2023, other committees exist or have been set up to respond more specifically to particular topics. This is notably the case for the health, safety and working conditions committee, the disability committee, the training committee, the information and housing assistance committee, the professional equality committee, the economic committee, the welfare and health expenses committee, the social fund committee and the business sector and variable compensation committee.

The discussions held with the staff representatives were reflected in the following agreements in 2023:

- mandatory annual negotiations on compensation, working time and professional equality (Maisons du Monde France);
- amendment to the new version of the Group profit-sharing agreement (Maisons du Monde France);
- agreement on equal opportunities for men and women (Maisons du Monde Spain);
- amendment to the Group incentive agreement (Maisons du Monde France);
- company incentive agreement for 2023 (Maisons du Monde Italy);
- agreement on non-current benefits related to results (Maisons du Monde Belgium);
- agreement organising the award of a bonus for certain categories (Maisons du Monde Belgium);
- agreement to extend the terms of office of RLS (safety union representatives) (Maisons du Monde Italy);
- agreement on the right to disconnect (Maisons du Monde Belgium);
- trade union agreements on the closure of Castione, Novara, Piacenza and Ravenna (Maisons du Monde Italy).

Logistics

In January 2023, Distrimag, aware of the evolution of inflation, granted a value-sharing bonus for the year 2022.

In 2023, two company agreements were signed:

- an agreement relating to compensation and other compensation benefits signed in April 2023;
- amendment to the incentive agreement signed in May 2023.

Production

In Vietnam, social dialogue is organised in close collaboration with union representatives. The Mekong Furniture trade union team is currently composed of 11 members, divided between the two factory sites.

The union representatives are consulted on all issues liable to contribute to improving employees' working conditions and environment. The union representatives are free to exercise their duties pursuant to rules laid down and set by local law. They meet regularly to discuss questions of health at work, changes to compensation and the salary policy, stability of the workforce and training.

In 2016, Mekong Furniture signed an agreement on the benefits granted by the Company to employees. This agreement with the staff representatives includes bonuses, allowances and additional benefits not determined by Vietnamese law.

During 2023, the ongoing dialogue between the trade union, the HR Department and the management team led to the extension of the trade union agreements and to changes to the internal regulations in order to comply with the new Vietnamese labour laws.

Rhinov

A total of six ESC meetings were held in 2023. The main topics of discussion focused on compensation, the organisation of work, and the improvement of working conditions. A company agreement on the organisation of working time was signed for 2023 in December.

Professional elections were organised in December, increasing the number of members from four to ten. The members of the ESC do not belong to any trade union organisation.

Promotion of work-life balance

DEVELOPMENT OF TELEWORKING

Maisons du Monde and its Rhinov and Distrimag entities have developed the right to teleworking and formalised a charter allowing employees to work remotely two days a week. In 2023, Maisons du Monde France renewed discussions with the social partners with a view to signing an agreement on teleworking. However, Mekong Furniture's production activity does not currently allow for the development of a remote working policy.

REDUCTION OF WORKING HOURS

Under the collective bargaining agreement, retiring employees benefit from a one-hour reduction in working time per day during the six months preceding voluntary retirement for employees with at least 15 years of service (pro-rated for part-time employees).

In addition, as part of the development of its social policy, the Group has taken measures for all employees. It has been decided that in the 12 months preceding the planned retirement date, all full-time employees will be able to benefit from a transition to part-time at 80%. During this period, the Company undertakes to maintain, with the individual agreement of the employee, the calculation of pension contributions (basic and supplementary pension) on the basis of a full-time salary. The company will cover employee and employer contributions.

Furthermore, pregnant women with a length of service of at least one year will benefit from a reduction in working hours of a quarter of an hour in the morning or evening when they are five months pregnant and, a quarter of an hour morning and evening (or half an hour in the morning or evening) when they are six months or more pregnant. In addition, as part of its agreement on professional gender equality dated 8 December 2022, the Company has granted pregnant employees one working day of leave before maternity leave subject to six months of service. Employees covered by a fixed-rate days agreement will benefit from a half-day of leave per week from the fifth month of pregnancy. In the same agreement, the Company decided to grant an employee undergoing fertility treatment two days of authorised paid leave per year in addition to the authorised leave granted by the French Labour Code.

WORKING TIME ORGANISATION CHARTER

In order to promote the sharing of family responsibilities, Maisons du Monde has drawn up a "Guide to parenthood" divided into several information sheets, namely: adoption leave, parental leave, maternity and the prevention of occupational risks, maternity and work, absences related to maternity as well as paternity and work.

This guide aims in particular to inform employees about the rights related to parenthood and to answer the questions that may legitimately be raised by the status of "employee-parent". The guide is available on the Group's intranet and accessible to all employees.

It is with this in mind that during the mandatory annual negotiations in 2022 and in the professional gender equality agreement of 8 December 2022, it was decided to continue the commitments made in this area by allowing employees to take leave without loss of pay for a maximum of three hours, in order to support their children's first school year in nursery or primary school. It was also decided to allow network employees assigned to a store to request a Saturday holiday once per calendar semester (January-June/July-December) to allow them a better work-life balance.

In order to participate in the range of on-call solutions, Maisons du Monde provides 13 childcare places for head office employees and 13 places for employees assigned to the network.

Finally, this same agreement provides that each employee will benefit from one paid hour per day to express breastmilk for a maximum of 12 months from the date of delivery (or a maximum of 18 months for medical reasons justified by a medical certificate from the doctor).

Distrimag also signed an agreement on gender equality in 2021. An amendment was signed in 2022 to expand the provision of the agreement, in relation to:

- working conditions during pregnancy: the workstation can be adjusted as needed and teleworking is also possible for positions that allow for it;
- the link between professional life and family responsibilities: Distrimag neutralises the impact of maternity leave or adoption leave on professional development, days off may be donated, a skills review is offered with a view to retraining after a long absence, and the company also helps employees find childcare solutions with 15 nursery places already set aside. Finally, a room has been set up as a dedicated space for breastfeeding women;
- support for victims of domestic violence: contacts are appointed within the company to take ownership of the issue. In the event of proven domestic violence, Distrimag provides a three-day paid leave to help victims find accommodation. At the same time, the company provides temporary housing in the event of an emergency within a maximum of three months before Action Logement offers a housing solution.

SOLIDARITY-BASED ACTIONS: DONATIONS OF DAYS

Aware that the legal provisions may sometimes prove insufficient in certain situations where employees need time to support their loved ones, Maisons du Monde has put in place, since 1 April 2017, a procedure relating to the donation of days, before signing a collective bargaining agreement on the subject in December 2019.

This "donation of days" procedure enables employees to donate their paid leave to a colleague who has a relative with a serious health condition that requires a sustained presence and extensive care, or a relative who is no longer independent or with a serious disability.

These provisions allow employees who wish to donate one or more days off by placing them in a solidarity fund. This fund will be used to help employees who need time to care for relatives with disabilities, that are no longer independent, have serious illness or are dying.

On the day it was introduced, in a spirit of solidarity and in order to support the implementation of the system, the Management allocated 50 days to the fund.

At Distrimag, any employee holding a permanent or fixed-term contract can also donate a maximum of ten days off per calendar year in the form of days. For each day of leave donated per employee, Distrimag makes a contribution of the same amount. The agreement was signed in April 2021 and one employee was able to benefit from the scheme. In 2023, Distrimag conducted two communication campaigns and thus enabled one employee to benefit from the scheme. Taking into account employee donations, Distrimag made a matching donation of 15 days.

3.8.2.3 An "inspiring" employer

Developing the performance of our talent

RAI AND ASSESSMENT POLICY

The annual interview allows the manager to assess the employee according to a certain number of skills and according to the objectives set in the previous year. The mid-year meeting allows the manager to readjust the objectives set during the annual interview with the employee, and to feed back any training needs.

PERCENTAGE OF ELIGIBLE EMPLOYEES WHO CONDUCTED AN ANNUAL INTERVIEW (1)

Scope: Group – 100% of the eligible workforce representing 78% of the total workforce

Percentage of employees who completed an RAI		2023	2022
Administrative premises	Women	610	
	Men	296	
		906	
	TOTAL	97%	94%
Store network	Women	2,818	
	Men	970	
		3,788	
	TOTAL	95%	89%
Distrimag	Women	165	
	Men	458	
		623	
	TOTAL	98%	87%
Rhinov	Women	44	
	Men	20	
		64	
	TOTAL	98%	
Production	Women	31	
	Men	39	
		70	
	TOTAL	100%	
PERCENTAGE OF EMPLOYEES HAVING CARRIED OUT AN RAI (GROUP EXCLUDING RHINOV AND MEKONG – 88% OF THE WORKFORCE)		96%	89%
PERCENTAGE OF EMPLOYEES HAVING CARRIED OUT AN RAI (GROUP-WIDE)		96%	

(1) Employees on permanent contracts, long-term fixed-term contracts (> 6 months) and work-study students who joined before 31/12/N-1.

LIVING WAGE AND BONUS

Maisons du Monde is scrupulous about setting fair and equitable compensation for all Group employees. Compensation levels are adjusted according to changes in social and contractual minima in the various countries of operation, but also as part of the annual compensation review. This is the perfect moment to align compensation with the internal and external market.

Maisons du Monde also promotes collective performance. This is why, from 2021, the Company set itself the mission that all of the Company's managers should receive variable compensation by 2024. In 2023, 100% of the managers received variable compensation.

This system is based on the achievement of individual objectives, as defined in the RAI, but also on the achievement of collective financial objectives, shared by all, in order to encourage everyone to contribute to the Group's success. In the interests of transparency, the bonus grids are shared within the organisation and depend on the organisational level: Executive Committee, Leadership Group, Manager, Executive.

In addition, 100% of the employees in the network and employed by Distrimag also benefited from a variable portion based on collective and commercial performance.

Lastly, in order to manage compensation internally, in addition to the Nomination and Compensation Committee, a Compensation Committee has been set up and is composed of the Chief Executive Officer, the Group HR Director and the HR Development Director. This Committee validates all requested individual increases, variable compensation and bonuses according to criteria defined in a framework note.

SHAREHOLDING AND LONG-TERM INCENTIVE PLAN

The Group has introduced a two-part incentive plan to complement its compensation policy and enable employees to benefit collectively from a share in the profits made by the Company:

- annual plan: a system of incentives was introduced for all Group employees (non-production) linked to hitting annual targets. Thus, employees receive an additional bonus, either in the form of an incentive payment (France – excl. Rhinov, Italy and Belgium), or in the form of a salary bonus (other European countries);
- three-year plan: through a free share award plan for certain Group employees. The vesting is based on the achievement of performance conditions as well as a presence condition set at three years. These awards are subject to approval by the Board of Directors.

PERCENTAGE OF EMPLOYEES WITH RESULTS-BASED BONUSES

Scope: France excluding Rhinov, MDM Italy, MDM Belgium

Percentage of employees with results-based bonuses	2023	2022
Number of employees with results-based bonuses	5,772	5,913
Percentage of employees with results-based bonuses	79%	73%

PERCENTAGE OF EMPLOYEE SHAREHOLDERS

Scope: Network and administrative premises

Percentage of employee shareholders	2023	2022	2021
Number or proportion of employee shareholders at MDM	194	218	282
Volume of percentage of employee shareholders at MDM	3%	3%	3%

3.9 Long-term relationships with suppliers

3.9.1 ANALYSIS OF IMPACTS, RISKS AND OPPORTUNITIES RELATED TO WORKERS IN THE VALUE CHAIN

Risk management in relation to working conditions at the Group's suppliers is one of the main issues being worked on in relation to Maisons du Monde's duty of vigilance.

To ensure the relevance of its approach, the Group relies on the guiding principles of the United Nations Global Compact (UNGC) to ensure respect for human and environmental rights within its operations and at its stakeholders:

- support and respect the protection of internationally proclaimed human rights;
- ensure respect for human rights;
- respect the freedom of association and the right to collective bargaining;
- eliminate all forms of forced and compulsory labour;
- abolish child labour;
- eliminate professional and job-related discrimination;
- support a precautionary approach to environmental challenges;
- undertake initiatives to promote greater environmental responsibility;
- encourage the development and dissemination of environmentally friendly technologies;
- fight against corruption in all forms, including extortion and bribery.

At the same time, the Group uses international indicators such as the Social Hotspot Database (SHDB) risk mapping. These tools make it possible to identify the main risks and challenges for workers in the value chain: health and safety in the factories, decent working conditions, the monitoring of working hours or the guarantee of a minimum monthly wage in line with local legislation, and thus estimate the level of social risk in the countries of production, and potential new areas of sourcing. This database makes it possible to prioritise countries of production with regard to their level of social risk, and therefore makes it possible to focus, during social audit campaigns, on countries considered to be at high risk (see section 3.9.2.2/Social audits and associated non-compliance issues).

In addition, for any new supplier located in a high-risk country, determined by the risk mapping, a compliant social audit is mandatory to be able to pre-validate this supplier and start a potential collaboration. A new supplier located in a high-risk country, which is either unaudited or has a non-compliant social audit, cannot work with Maisons du Monde.

Concerning the most vulnerable populations, Maisons du Monde has identified specific risks concerning migrant workers, particularly in Asian countries. When identified, Maisons du Monde asks and verifies with the plant concerned that migrant workers have the same rights and working conditions. The employment contracts are then checked to ensure that the provisions recorded are the same as for non-migrant workers.

In the same way, in 2023, Maisons du Monde identified that homeworkers escape the audits carried out in the factories of the Group's suppliers. As a social audit is not relevant to verify the working conditions of these workers, the Group launched a project in partnership with the Earthworm NGO to visit these local communities, in charge of the production of certain SKUs.

3.9.2 MEASURES IMPLEMENTED TO LIMIT SOCIAL IMPACTS AND RISKS AT SUPPLIERS

Objectives	2023 performance	Progress
100% of strategic factories comply with Maisons du Monde's social requirements	97%	▮▮▮▮
100% of high-risk strategic manufacturing plants audited for their tier 1 or 2 environmental practices	83%	▮▮▮▯

The supplier support programme aims to address the priority risks presented in Section 3.1.2 relating to a supplier's failure to comply with Maisons du Monde's social requirements, the identification of a situation of corruption involving the supplier or the occurrence of an environmental incident in a production plant. The Group seeks to limit the number of partner suppliers, currently comprised of 1,080 tier-1 suppliers (-16% *vs*. 2022) of which 90 strategic (representing 53% of purchase expenditure for 2023), as well as the number of product SKUs in order to better monitor its value chain and the related risks to transform its offering: framework agreements have been established to include the Good is beautiful prerequisites (on chemical substances, materials and Code of Conduct).

At the heart of the Group's roadmap, the work of supporting and monitoring suppliers has been extended to all Maisons du Monde suppliers, based on several criteria:

- all suppliers undertake to comply with the Group's requirements by signing the Supplier Code of Conduct;
- all supplier factories located in a country at risk must be audited on their social practices every two years, to be able to assess their social compliance in line with the Group's social requirements;
- any new supplier located in a high-risk country must undergo a compliant social audit to start a potential collaboration.

In 2023, thanks to the mobilisation of internal teams and the cooperation of suppliers, 194 strategic factories were audited and met the Group's social assessment criteria, making it possible to achieve a social compliance rate of 97% for its base of strategic factories.

Extending its efforts to trace its entire production chains and assess the social risk of all tier-1 plants in the context of the Duty of Vigilance law, Maisons du Monde has therefore mapped, assessed and recorded in its systems more than 1,264 existing plants, covering 99.1% of the product SKUs in the 2023 collection.

3.9.2.1 Supplier Code of Conduct

Reiterating all the requirements in relation to compliance with social conditions by suppliers, beginning with compliance with fundamental ILO Conventions, the Maisons du Monde Suppliers Code of Conduct serves as common ground for managing social impacts in the supply chain.

This document, which sets out Maisons du Monde's social and environmental requirements, has been included in the contract sent to all suppliers since 2022. It covers the following topics:

1.	Child labour
2.	Forced labour
3.	Discrimination
4.	Working time
5.	Compensation
6.	Freedom of association
7.	Health and safety
8.	Environment
9.	Subcontractors and traceability
10.	Management system and transparency
11.	Corruption

In order to be able to collaborate with Maisons du Monde, suppliers must sign the Code of Conduct, which has been appended to the contract since 2022.

3.9.2.2 Social audits and associated non-compliance issues

All Maisons du Monde suppliers must comply with the social requirements set by the Group. If the supplier is considered to be non-compliant via the social assessment process mentioned below, they are offered support.

The conditions and procedures for supporting suppliers regarding social issues are formalised in Maisons du Monde's social audit policy. This policy presents the control and monitoring procedures for social practices: identification of suppliers to be audited, types of audits commissioned, monitoring procedures and conditions for disengagement in the event of non-cooperation. This policy was built with the Purchasing Department and is sent to all suppliers prior to the annual social audit campaign.

The supplier's social compliance is based on a social audit report, necessary for any factory manufacturing for Maisons du Monde. Based on the results, a corrective action plan is adapted to the identified social risk.

To carry out these audits, Maisons du Monde recognises four international social audit standards: BSCI, ICS, SEDEX/SMETA and SA8000 (also a certification) in order to ensure the robustness of the audit report. Any other audit standards presented by a supplier are not recognised, and the plant is then considered unaudited. In addition, Maisons du Monde has tightened its social requirements, by prohibiting any so-called announced social audit in 2023, which allows the supplier to know the exact date of the social audit. This method is contrary to the social requirements of Maisons du Monde, which only accepts semi-announced or non-announced social audits.

Built on the basis of the four international standards recognised by the Group, the Group's supplier rating grid specifies the criticality thresholds for each non-compliance, adapted to the furniture and decoration sector. Three risk levels are defined (low, moderate and high) and only the low risk level allows the plant to be considered as compliant (OK) with the Group's social requirements. The other two risk levels imply that the factory must improve and become compliant (it is then considered NOK). The three risk levels can be characterised as follows:

Social assessment of each plant	ICS AUDIT Assessment based on an audit score (from A to E)	OTHER STANDARDS (BSCI/ SMETA/SA8000) Assessment based on identified non-compliance	Recommended action plan
OK - LOW RISK	A/B/C	≤ 5 major compliance issues (NC) and 0 critical NC	Factory compliant. **Re-audit within 24 months.**
NOK - MODERATE RISK	D	> 5 major NCs and 0 critical NC	Improvements needed. Re-audit within 12 months. **Factory must be compliant within 18 months.**
NOK - HIGH RISK	E	> 0 critical NC	Improvements necessary and rapid. Re-audit within 6 months. **Factory must be compliant within 12 months.**
		The factory has not been audited within 2 years.	**Mandatory audit within 6 months.** The Purchasing team will be notified of any audit refusal.

The social audits cover the following topics:

- Management system, transparency and traceability;
- Minimum working age, child labour and minors;
- Forced labour;
- Discrimination;
- Disciplinary practices, harassment and abuse;
- Freedom of association and grievance mechanisms;
- Hours of work and overtime;
- Compensation and benefits;
- Health and safety.

Then, for potential new suppliers, a pre-selection process was introduced, integrating social risk from the beginning of the business relationship and before any request for samples. This social risk is based on three assessment criteria:

- Mandatory signature of the supplier Code of Conduct;
- The social risk associated with the country where the plant is located (list of countries updated annually);
- The date of the last social audit if the country where the factory is located is considered to be of high risk, as well as the criticality of non-compliances identified: the audit must have taken place within the last two years; with no critical non-compliance and less than six major non-compliances identified.

In addition to the social assessment procedure for suppliers, a progress plan focusing on better management of social risk among existing suppliers was established at the end of 2021. This progress plan is based on several criteria such as the supplier's profile (manufacturer or trader), the number of SKUs manufactured per plant and the plant's compliance with social practices. Specific support is put in place based on these criteria to enable each factory to meet the Group's social requirements.

This progress and support plan is also accompanied by a withdrawal plan for non-compliant and non-cooperative suppliers, who have expressed a refusal to improve.

SUPPORT PLAN FOR SUPPLIERS WHO HAVE CARRIED OUT SOCIAL AUDITS

Scope: Group

	2023
Number of suppliers assessed with negative impacts during the audit	71
Number of suppliers with an actual / potential substantial negative impact and having agreed on a corrective action / improvement plan	39
Percentage of suppliers with an actual / potential substantial negative impact and having agreed on a corrective action / improvement plan	55%
Number of suppliers with actual / potential significant negative impacts that have been terminated	35

To go beyond tier-1 suppliers, in September 2022, Maisons du Monde launched a pilot project with the Earthworm Foundation NGO on social and environmental risks in production chains, beyond tier 1. Six Indian suppliers, considered strategic, have been identified to understand and further their tiers 2 and 3. This pilot project focuses on four materials considered to be at risk for Maisons du Monde: wood, metal, textiles and leather, and is divided into three main stages. Initially, Earthworm contacted and supported these selected suppliers to indicate their entire production chain to the Group. This first step was completed in December 2022. The second stage, which began in January 2023, consisted of some 15 on-site visits by the NGO to the identified factories, to verify potential social and environmental risks. Subsequently, Earthworm established recommendations with Maisons du Monde, so that a social and environmental strategy could be developed for suppliers and factories beyond tier 1.

Lastly, in 2023, Maisons du Monde launched a project to identify social and environmental risks concerning the use by some of its suppliers of homeworkers producing in their homes or in shared workshops. This project, launched in the second half of 2023, in partnership with the Earthworm NGO, focused on the production lines of four of our suppliers located in Vietnam. In 2023, the Earthworm team travelled to rural communities in North and South Vietnam, to interview the homeworkers in charge of the production of some of the products in the Group’s collections. To check the social conditions of these workers so that Maisons du Monde. The project is continuing in 2024 and Earthworm will report its conclusions to Maisons du Monde in the first quarter of 2024.

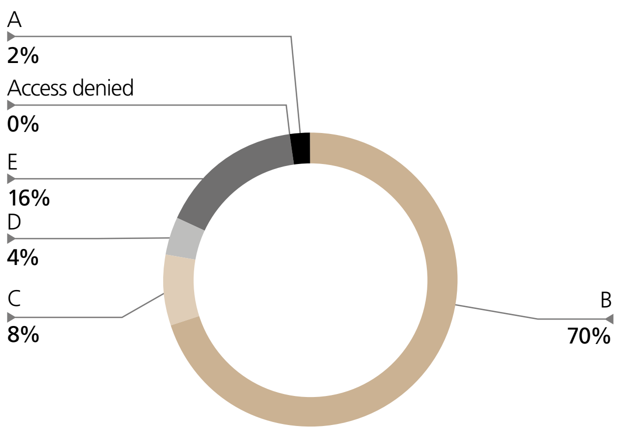
SOCIAL AUDITS BY TYPE

Scope: Group

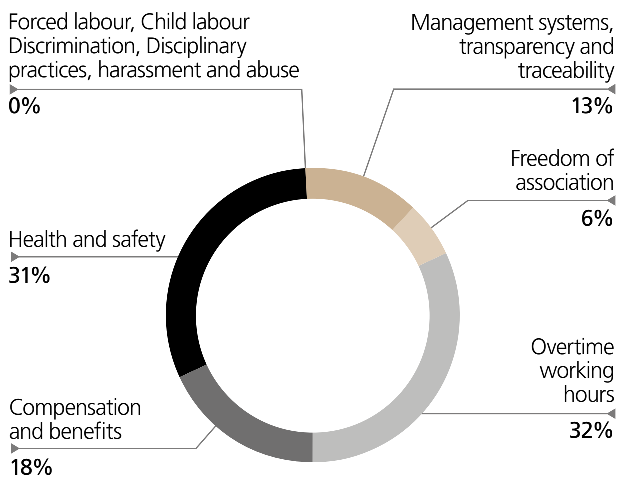
	2023	2022
ICS audits ordered by MDM	126	146
ICS audits at shared factories, ordered by other members	73	44
Social audits under other international standards (BSCI, SMETA with no critical non-compliance)	295	444
TOTAL	**494**	**634**

In 2023, 126 audits were commissioned by Maisons du Monde based on the Initiative for Compliance and Sustainability (ICS) framework, and 73 social audits were commissioned by other members of the initiative on suppliers shared with Maisons du Monde. In addition, 295 audits were carried out in 2023 according to other standards recognised by Maisons du Monde. This decrease in the number of audits was due to the streamlining of the supplier base (-16% of tier-1 suppliers compared to 2022) and plants initiated in 2022 and continued in 2023.

RATING OF ICS AUDITS AT MAISONS DU MONDE SUPPLIERS IN 2023



MAIN NON-COMPLIANCES IN THE RESULTS OF SOCIAL AUDITS



Supplier training

In 2023, Maisons du Monde continued its efforts to raise awareness of social and environmental issues among all suppliers and no longer just among strategic suppliers in supporting them in the improvement plans following their social or environmental audits.

	2023
Number of suppliers audited on social or environmental criteria	540
Number of suppliers assessed with an actual / potential substantial negative impact	86
Number of suppliers with an actual / potential substantial negative impact and having agreed on a corrective action / improvement plan	54
Percentage of suppliers with an actual / potential substantial negative impact and having agreed on a corrective action / improvement plan	62.79%
Number of suppliers with actual / potential significant negative impacts that have been terminated	36

Thus, a workshop for Chinese traders was organised in September 2023 in Shanghai by Maisons du Monde and the consulting firm Mind Up Consulting. During this workshop, the social and environmental requirements for traders were discussed, as well as the obstacles that these suppliers may face when implementing these requirements. This workshop also enabled the participation of the Quality Department and the Purchasing Department, in order to highlight the importance of these issues by all the Maisons du Monde Offering Departments.

In parallel with these actions, Maisons du Monde's social requirements were updated in 2023 and sent to all suppliers. These documents, written in English and Chinese, come in two versions: a version focused on social requirements for manufacturers, and a version for traders. Each version has requirements adapted to the type of supplier. These guidelines are updated annually. They are being reviewed in order to be sent to all suppliers in early 2024. This annual update forms part of a continuous improvement process for plants.

These actions, carried out in 2023, aim to meet Maisons du Monde's ambition to have all its suppliers trained on social and environmental requirements by 2026.

Training of offering teams

In 2023, Maisons du Monde continued to train internal teams in the social and environmental challenges of production chains. The quality teams were trained on the social and environmental issues through the implementation of awareness-raising sessions. The purpose of these training courses is to improve the skills of the quality teams, which become real drivers of the social and environmental requirements of Maisons du Monde.

In addition, the first tools were made available to the internal teams in order to be able to identify potential social risks during on-site visits. In particular, a checklist was distributed to the offering teams in order to be able to identify potential social risks during plant visits. It lists around ten points, focused on non-compliance issues critical for Maisons du Monde, which can be easily verified during visits. These tools aim to engage and raise awareness among teams about these particularly crucial issues.

3.9.2.3 Whistleblowing mechanism related to human rights and handling of alerts

In order to make the transmission of information more secure and to ensure the confidentiality of whistleblowers, Maisons du Monde set up Whispli, a dedicated whistleblowing platform in 2023 (see Section 3.11.2.2 “Whistleblowing mechanisms”). This tool allows Maisons du Monde to collect alerts reported anonymously.

Maisons du Monde will soon involve all its suppliers in the implementation of this alert reporting tool for their workers. Each plant will have to indicate the possibility for workers to report these anonymous alerts to Whispli, via their telephone.

When an alert made by a worker is reported to Maisons du Monde, the Legal Department receiving the alert must contact the Responsible Offering Department to handle the alert in a respectful manner that safeguards the worker's anonymity. In this context, Maisons du Monde will work with the supplier concerned so that the alert can be handled. Maisons du Monde undertakes that no reprisals may be taken by the supplier against its workers.

3.10 Customer commitments

Maisons du Monde places the satisfaction of its customers at the centre of its interests. In terms of CSR, this commitment includes customer safety, accessibility to stores for people with disabilities and philanthropic actions to support the donation of products to people in vulnerable situations.

3.10.1 MEASURES IMPLEMENTED TO SUPPORT THE CUSTOMERS

3.10.1.1 Customer safety

Safety is the basic foundation of customer expectations and the brand, anxious to comply with the product safety directive, takes measures to assess and prevent risks related to customer safety by offering products to a large customer base. Among the vulnerable customers targeted by Maisons du Monde, particular attention is paid to the health and safety of children.

Requirements on suppliers in terms of product quality

Overall, Maisons du Monde has defined its requirements on suppliers and products and has set up blocking points at the key stages of the product life process.

SELECTION OF SUPPLIERS

The factories and suppliers selected by the Purchasing Department are subject to a qualification process adapted to the product risk through:

- **a prequalification questionnaire** for new plants, which makes it possible to exclude plants deemed at risk based on their responses and the review of the documents provided;
- **a technical audit** to assess the risks for Maisons du Monde were it to engage with the supplier concerned. This audit, following an internal framework, covers the following areas: quality management, product development, purchasing, receipt of materials, manufacturing, finished product.

The factories are then assessed according to their performance. Depending on the rating and the strategic commitment set up with the supplier in question, action plans are undertaken, ranging from on-site support to the supplier's termination.

SPECIFICATIONS SHEET

By studying the incidents having occurred during the past year and the European and country-specific regulatory changes to come, Maisons du Monde strengthens its specifications annually. This makes it possible to develop safer and more efficient products for the following collections, while also raising the skill level of both suppliers and Maisons du Monde teams.

Maisons du Monde has established 44 specifications sheets for furniture and 84 for decoration in order to prevent risks on the various types of products. During the product selection process, the product is sent to a partner laboratory for testing according to the Group's quality requirements. Once the results are compliant, a final sample is validated, enabling production to be launched.

Product recall and alert escalation mechanism

Customers have several channels available to report non-compliance or any dissatisfaction:

- the Customer Service Department, which records each dispute, processes it and escalates it to the Quality Department in the event of suspicion of a product dangerous to consumer safety;
- product reviews;
- the authorities (DGCCRF / DDPP) through direct consumer reporting;
- stores;
- social networks.

The information is then processed by the Quality Department, which qualifies and reports the alerts to Management. If necessary, Maisons du Monde initiates the whistleblowing procedure:

- opening of an alert file to define whether the report is related to an isolated use of the product or more broadly concerns a batch;
- immediate scheduling to carry out the risk analysis and take the necessary measures;
- categorisation of the hazard as "minor", "major" or "critical" then specific treatment that may range from bringing the inventory back into compliance, withdrawal but also product recall if the safety risk is proven;
- decision to block, withdraw or recall the product;
- management of a recall (POS, customer contact, etc.).

NUMBER OF PRODUCT RECALLS
Scope: Group

	2023	2022
Number of product recalls	13	10
Number of non-compliances with substances that led to the recall of a product	-	
Costs of recalls (costs of bringing into compliance + cost of destruction) - in euros	223,865	729,244

Continuous product improvement

The Quality Department also analyses the quality performance of these products on a monthly basis, taking into account the opinions of external stakeholders and the quality results of its products:

- **customer review score**: In addition to customer service feedback, Maisons du Monde collects customer reviews after 21 days of product use. Each registered customer is invited to answer a questionnaire that allows him or her to rate the product on various aspects: style, quality, value for money and quality/style. The analysis of the products with the lowest ratings generates actions ranging from improving the products concerned to their discontinuation;
- **quality and breakage litigation rates**;
- **production non-compliance rates**.

In addition, each year, before the launch of the collection, an annual review is carried out. The latter establishes the performance of products but also of suppliers in order to take the necessary measures and improve the factory base.

3.10.1.2 Customer accessibility

Accessibility of points of sale

The accessibility of points of sale and the reception of people with disabilities in stores are key issues to which the Group is committed through two main action drivers: training for teams and fitting out buildings.

Since 2016, Maisons du Monde has undertaken two major training programmes to raise the awareness of all in-store employees about the reception of people with disabilities and regulations regarding establishments open to the public.

In the first instance, managers of Merchandising, Installation, Maintenance, Safety/Security and Technical Design teams initially received a one-day training session devoted to the prevailing regulations on accessibility. At the same time, an e-learning course dedicated to accessibility has been devised by the Maisons du Monde group's training service. This e-learning course, intended for all Store Managers and their employees, has been provided since 2017. In 2023, 2,562 employees of the network completed this course.

Maisons du Monde's commitment to accessibility is reflected in the desire to ensure fair access to its products for all its customers, both in stores and on its website. In stores, 100% of the European and French portfolio is accessible and complies with the Ad'Ap criteria.

Philanthropy policy – Creating welcoming living spaces for all

THE PHILANTHROPY POLICY – CREATING WELCOMING LIVING SPACES FOR ALL

In line with its purpose and ambition to create unique, warm and sustainable living spaces, Maisons du Monde supports numerous associations by donating products to create warm spaces, enabling beneficiaries to find comfort and reassurance.

Support for the reception of fragile and vulnerable populations

Objectives	2023 performance	Progress
Furnishing 100 Good is beautiful living spaces	53	

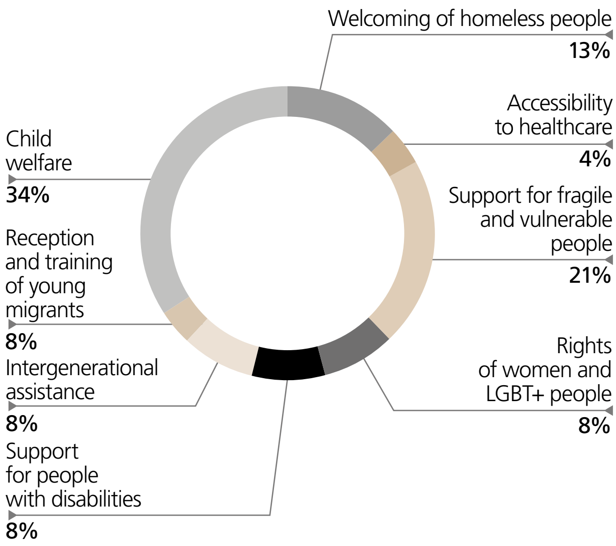
Good is beautiful living spaces

As part of commitment #2, based on solidarity within the Good is beautiful movement, Maisons du Monde is committed to taking action with grassroots associations to help those in need. This is why the Group has for many years been building partnerships with associations from the social and solidarity economy that help provide housing or create warm living spaces for people in need and/or vulnerable people.

The Group's objective is to furnish 100 Good is beautiful living spaces by 2025. A living space is a space with a "social" dimension where Maisons du Monde products can dress and decorate the room, bringing comfort and reassurance to those who need it most. At the end of 2023, 53 living spaces had already been furnished.

As is the case every year, Maisons du Monde renewed its partnership with the French Red Cross by furnishing and decorating four childcare centres in the "Children-Family" sector. Since 2015, 45 Red Cross establishments have been furnished. Similarly, very touched by the cause of women and the violence that may be inflicted on them, Maisons du Monde provides both financial aid and product donations to the *Fondation des Femmes*.

THE DIVERSITY OF THE SOCIAL ISSUES IMPACTED THROUGH LIVING SPACES



Product sharing

For the end-of-year holiday season, Maisons du Monde launched a solidarity initiative called "*Bougie Partage*". All proceeds from the product were donated to local partner associations in each country in which it was sold:

- in Italy, to the association D.ir.RE, *Donne in Rete contro la violenzia*, and its Autonomia project, to support women who are victims of domestic violence;
- in Spain, to the Ana Bella Foundation, which works to eliminate domestic and gender violence and is committed to gender equality;
- and finally in France, the Fondation des Femmes, which is committed to the rights of women and the fight against the violence they suffer.

Partnerships with reuse structures

To avoid the scrapping of "substandard" products that come from customer returns or were damaged upon receipt, the Maisons du Monde group gives priority to repair solutions and donations to non-profits before considering sending them to processing and recovery channels.

The Distrimag warehouses in Saint-Martin-de-Crau (Bouches-du-Rhône) are therefore equipped with an "Eco-centre" service with repair capacities specific to woodworking by furniture workshops and to the leather and textile trades, which oversees partnerships with reuse non-profits (see Section 3.10.1.2).

Products that cannot be repaired by the EcoCentre teams are collected by partner associations such as the Emmaüs network or Croix-Rouge Insertion in order to supply their solidarity shops and support their reuse activities. These associations can then renovate, repair or revamp donated products and share them with their beneficiaries at a social rate, by combining the circular economy with their community mission.

In addition to these partnerships, donations of downgraded products also directly support the creation of warm and sustainable living spaces for all. Thus, Maisons du Monde supports the "Solidarity Bank for Equipment" programme created by Emmaüs Défi. The products donated enable people in precarious situations, to furnish to their first permanent home at a low cost.

In 2023, more than 80,560 products were donated to those who need them most.

Exceptional and emergency donations

In the context of the earthquake of 8 September 2023 in Morocco, Maisons du Monde also provided financial support of EUR 10,000 to the French Red Cross in solidarity with the populations affected by this event.

3.10.1.3 Promotion of the Good is beautiful offer, consumer information

In order to provide transparent information to customers and to meet the ambition to be the reference of the inspiring, accessible and sustainable house, the Group includes the promotion of its commitments, and in particular its selection of responsible Good is beautiful products in its brand communication.

Since the launch of the Good is beautiful brand movement in February 2022, to give concrete expression to its CSR commitments to customers and guide them towards more responsible consumption, Maisons du Monde is constantly strengthening its communication around responsibility issues. In 2023, this included:

- strengthening the identification of Good is beautiful products in the customer experience (label indicating the criterion of responsibility affixed at source by the supplier, detailed product sheet) and regular promotion of the offer in the sales promotion plan;
- highlighting Good is beautiful in stores, on the e-commerce website and in the brand's communication;
- organising specific in-store and online operations to promote Maisons du Monde's commitments. Among the most important highlights of the year:
  - celebration of the first anniversary of the Good is beautiful movement in stores, on the web, with the press and influencers;
  - highlighting of products that preserve know-how: dedicated showcase, videos on the various channels, dedicated page on the web, press release, etc.;
  - highlighting the collaboration with Emmaüs during Paris Design Week;
  - solidarity product on the occasion of the international day against violence against women in collaboration with the committed French artist Agathe Sorlet. 100% of the profits from the candles sold in France, Spain and Italy are donated to partner associations.

Furthermore, since 2021, Maisons du Monde has been committed, alongside 14 French e-commerce retailers, to take action to reduce its carbon footprint by signing the French Federation of E-commerce and Distance Selling's (Fédération du e-commerce et de la vente à distance – FEVAD) charter of commitments to reduce the environmental impact of e-commerce. In signing this charter the signatory companies commit to strengthening their communication to:

- inform consumers of the environmental impact of product delivery;
- encourage best ordering practices and avoid multiple returns;
- educate on sorting and reuse instructions;
- identify products with the best environmental performance.

Committed collaborations

Raising customer awareness of environment-friendly consumption methods and promoting a more responsible product offering also involves the creation of specific collections, in collaboration with committed brands or designers. In 2023, Maisons du Monde collaborated with the BRAI brand to co-produce pop-up capsule collections whose profits were donated to the Robert Debré association, which works to improve the living environment and, more generally, well-being of hospitalised children.

Promoting more responsible consumption among customers

As a distributor of furniture and decoration items, Maisons du Monde is committed to reducing the environmental impact of its products throughout their value chain, from design to end-of-life. Commitment No. 4 of the Good is beautiful brand movement is part of a desire to offer its customers a range of products and services based on a circular, social and solidarity life cycle. The Group seeks to extend the life of its products, encourage reuse among its customers and promote recovery and recycling.

The Group is already implementing the following actions:

- a repair activity located in the Distrimag warehouses in Saint-Martin-de-Crau (Bouches-du-Rhône), which, in 2023, repaired, refurbished and returned to new inventory more than 64,000 products, marking a 3% increase compared to 2022. These products, returned by customers or resulting from quality disputes with suppliers are repaired in the workshops of the EVA Department by wood, leather or textiles experts;
- a take-back offering for products covered by the EPR for equipment and furniture waste for French customers, rolled out as of 1 January 2022 as part of the application of the AGEC law (Acting against Waste and Promoting the Circular Economy);
- customer information regarding their nearest community product reuse or recycling solutions in stores or on our website's product information pages, due to information provided by eco-organisations like Écomaison or Refashion;
- the publication of advice on furniture product maintenance on the e-commerce website to extend product life;
- Launch of the second chance offer (See Second Chance Programme section, page 102 Second Chance Programme) in stores to give a second life to slightly damaged products.

IV. Governance information

3.11 Fair trade practices

3.11.1 ANALYSIS OF RISKS RELATED TO FAIR TRADE PRACTICES

Since 2017 and the entry into force of the French Sapin II law, Maisons du Monde has set up a system for the prevention and detection of corruption and influence peddling applicable to all Group subsidiaries (see Section 2.2 "Risk factors").

In 2022, Maisons du Monde benefited from the support of an external firm to strengthen its anti-corruption system with the update of the anti-corruption risk mapping, the overhaul of the Code of Conduct and the provision of a new alert platform.

This map identifies and orders the Group's risks of exposure to corruption and enables proportionate internal procedures. This risk mapping was updated in 2022 in order to capture any changes in risks related to the evolution of the Group's activity.

The Internal Control Department and the Legal Department conducted a series of interviews with the heads of the Group's key functions and compiled questionnaires to:

- identify the Group's processes and all potential corruption risks to which the Group is exposed;
- assess the impact and probability of occurrence of these risks as well as the level of control of the associated control systems.

The results of the mapping update were presented to, and approved by, the Executive Committee. Corrective and preventive measures are being rolled out.

In addition, Maisons du Monde prohibits any political lobbying in the context of its activities and thus does not participate in any investment in political parties.

3.11.2 INTEGRATION OF FAIR TRADE PRACTICES INTO THE CORPORATE CULTURE

3.11.2.1 Code of Conduct

During the 2023 financial year, the Code of Conduct was updated and communicated by the Group's Chief Executive Officer to all employees. This document includes the link to the whistleblowing platform, accessible in all Group languages, as well as a whistleblowing procedure.

The Code of Conduct was also made available to employees in their electronic safes, allowing them to consult it at any time. An electronic confirmation request was requested from employees, ensuring their agreement and understanding of the content of the new Code of Conduct.

Maisons du Monde's Code of Conduct defines and illustrates the types of behaviour to be adopted and those to be prohibited within the Group. It applies to all executives and employees of companies controlled by the Group and Maisons du Monde applies it in all its relationships and relationships with third parties. It formalises a reference, ethical and legal framework for the Group's commitments, first as a responsible company (in particular as regards the fight against corruption and influence peddling, exchange of gifts, sponsorship and lobbying, etc.), second as an employer (in particular as regards forced labour, child labour, undeclared labour, harassment, discrimination and freedom of association), and third as a respectful actor for society and the planet. The Code of Conduct highlights the Group's zero tolerance policy with regard to proven acts of forced labour, discrimination, harassment, corruption and fraud. Employees who committed these criminal acts could be subject to disciplinary measures, which could lead to dismissal for misconduct and legal action before the civil and criminal courts. It sets out the fundamental principles that must govern everyone's professional behaviour, both individually and collectively. These principles are reaffirmed through our commitments as a responsible company, our commitments as an employer and our commitments as a respectful player for society and the planet.

The Code of Conduct is appended to the Group's Internal Regulations and has been translated into all Group languages.

3.11.2.2 Whistleblowing mechanisms

Whistleblowing mechanism related to business conduct and corruption

The whistleblowing platform (https://maisonsdumonde.whispli.com/speakup) was rolled out in all the countries in which Maisons du Monde operates in the course of 2022, in addition to a telephone whistleblowing platform. It ensures the anonymity of the person reporting the alert. This platform is available to the Group's employees as well as its external partners. The whistleblowing system has been configured to comply with the obligations arising from the Warsmann law.

It enables employees and third parties to report a situation that they believe is contrary to the Code of Conduct or regulations in force. The reports are received and processed by the Compliance Committee, comprising the Legal, Human Resources and Internal Control Departments. This committee ensures the proper handling of alerts by the departments concerned. The internal teams that receive the alerts have been trained on how to receive, analyse and process these alerts.

Maisons du Monde has also updated its Whistleblower Charter in order to specify the procedure followed by the Group for handling alerts and the protections granted to whistleblowers, primarily to comply with the Warsmann law from March 2022. The Code of Conduct is appended to the Group's Internal Regulations and has been translated into all Group languages.

During the 2023 financial year, three reports were collected via this Group whistleblowing system, but none concerning corruption or business conduct.

To ensure compliance with these procedures, the Group has prepared a training programme for all employees on the principles and values of the Code of Conduct, and more specifically on raising employee awareness of the risk of corruption and conflicts of interest. It was rolled out in 2023.

A Compliance Committee was set up in 2023, bringing together the Legal Department, the Human Resources Department and the Internal Control Department. This committee meets monthly with the aim of reviewing the alerts reported via the platform as well as the Group's compliance with the anti-money laundering and anti-corruption system. In 2023, the Group was not convicted of corruption.

The Audit Committee also ensures that the Group complies with the expectations of the Sapin II system and regularly monitors the alerts raised by the platform.

3.11.2.3 Training on business conduct

An e-learning programme was rolled out in 2023 to train employees on business ethics and on the anti-corruption, fraud and money laundering systems in place within the Group. This e-learning programme was rolled out on the My MDM Coach online training platform and is intended for all Group employees.

3.12 Methodology note

This Chapter 3 on "Non-financial performance statements" is in accordance with Article L. 2 25-102-1 of the French Commercial Code.

The following information, mentioned in Article L. 2 25-102-1 of the French Commercial Code, is not shown in this chapter because it is not considered to apply to Maisons du Monde group's business:

- measures to prevent food waste. The Group's business does not generate food waste beyond employee meals;
- measures against food insecurity. The Group's business has no impact on consumers' access to food;
- respect for responsible, fair and sustainable food. The Group's business has no impact on consumers' access to food;
- actions to promote physical and sporting activities. The Group's business has no impact on consumers' physical activity and sports;
- actions aimed at promoting the nation-army bond and supporting commitment to the reserves. The Group's activities have no impact on the commitment to the reserves or on the nation-army bond.

The information mentioned in Article L. 225-102-4 relating to the vigilance plan is shown in Section 3.1.1.2 of the chapter.

Scope and reporting period

The CSR indicators are communicated for the entire Group scope, *i.e.* all Maisons du Monde stores, administrative premises, Rhinov sites (service), Distrimag and Leolog sites (logistics), and Mekong Furniture sites (production plant in Vietnam).

The Group's reporting scope does not include franchise activities, which represented less than 1.1% of the Group's quantities sold in 2023. Concerning Rhinov, consolidated in 2019, only the HR and electricity indicators are presented in the document. Any other eventual exclusion from the scope of consolidation is specified in the body of the text and is set out below.

The data is reported for the period 1 January to 31 December.

3.12.1 ENVIRONMENTAL INDICATORS

Reporting tool

The information contained in the report was collected from various contributors from different parts of the Group's activities using data collection files specifically adapted for each contributor. The files were consolidated at Group level by the CSR Department.

Key methodological specificities

As regards the store network's reporting of waste, it should be noted that data have been extrapolated for stores for which data from service providers are not available for at least six months, or for which waste is not managed by Maisons du Monde (some out-of-town or shopping centre stores). This extrapolation was carried out according to a new methodology developed in 2021 using a linear regression model, which was updated in 2023. The extrapolation represents 32% of network tonnages. In addition, the tonnages of waste generated at administrative premises are limited to the quantities monitored by service providers. Waste from administrative premises that is collected directly by municipal services or that is not weighed by the service provider is excluded, and waste considered hazardous (WEEE and batteries) is not included in the reporting scope. Lastly, HP waste is not reported in the data because such waste was not significant and represented less than 1% of the Group's waste.

Maisons du Monde "product" data does not include products sold on the Maisons du Monde marketplace.

Packaging monitoring includes packaging distributed at check-out and product packaging purchased by Distrimag for order preparation. Packaging purchased by Maisons du Monde suppliers is not included in the report.

For reasons of data availability, the timber quantities reported for the production activities of the Mekong Furniture factories are estimates based on the number of trucks removed and converted directly according to the volume (m^3) and diameter of the timber.

The energy consumption (electricity, gas, fuel oil and thermal network for heating) is monitored on the basis of billing for the period from 1 January to 31 December 2023 and does not necessarily reflect the exact consumption for the reporting period due to invoicing time lags.

Regarding the electricity consumption, if the available data cover less than nine full months of the year, then the consumption is estimated on the basis of an average surface area intensity in kWh/m^2 per geographical cluster, or if the data available cover more than nine full months of the year, based on the average consumption of the rest of the year by store. These electricity estimates represent approximately 6% of the consumption in 2023 for the network. Regarding the consumption related to the heating and gas networks, respectively 42% of the heating network information and 60% of the gas information are not available because they are not indicated on the invoices. In addition, consumption related to the heating and gas network represents less than 1% of the total energy consumption and is therefore not considered significant. At the same time, Distrimag's energy consumption (electricity, fuel oil, propane) does not include the consumption of buildings subleased to external companies.

The fuel consumption of vehicles under long-term lease at Maisons du Monde is estimated on the basis of average consumption in litres per 100 km (maker's data) for each of the vehicle types used and quarterly monitoring of kilometres travelled reported by users. Short-term lease vehicle consumption is estimated on the basis of km travelled with an average consumption of 6 L/100 km.

Scope 1 & 2 CO_2 emissions are related to the energy consumption (electricity, fuel oil, gas, heating network) of the Group's buildings (Mekong Furniture, Distrimag, Rhinov, Network and administrative premises) as well as fuel consumption (petrol, diesel). The calculation of emissions is based on activity data (in kWh or litres) and emission factors from ADEME databases for the "combustion" part only. For buildings powered by renewable electricity, the emission factor used is 0. Scope 2 CO_2 emissions do not include the consumption of the heating network in Italy, which has no associated emission factor. They represent less than 0.1% of the Group's energy consumption.

When it comes to recognising CO_2 emissions, long-term lease vehicles (leasing) are recognised as direct Scope 1 emissions, short-term lease vehicles are recognised as indirect Scope 3 emissions relating to employee travel.

The data reported for the "Impact of raw materials and transformation" item relate to the production stages of products sold by MDM outside the marketplace during the year, from the extraction of raw materials to intermediate processing stages. They are calculated based on information regarding the composition of products (raw materials), the weight of the products and emission factors from the ADEME and Ecoinvent databases and the quantities of products sold. The breakdown of the product weighting between the different materials is calculated on the basis of a ratio between the materials used to make the product.

The GHG emissions related to the manufacturing of non-marketable products purchased by MDM (packaging used at check-outs, point-of-sale advertising, catalogues, etc.) are calculated from product composition information, their weight and emission factors from the ADEME databases.

GHG emissions related to the "product manufacturing stage (factories)" are calculated based on an estimate of the fuel oil and electricity consumption of the suppliers' factories according to the consumption of our own Mekong Furniture factory and the weight of the products manufactured. Emission factors are used according to the country in which the suppliers' factories are located and are taken from the ADEME databases.

GHG emissions related to transportation (Scope 3) include GHG emissions from the transportation of products from their port of departure or distribution platforms to MDM warehouses (upstream transport) and from MDM warehouses to stores or customer delivery addresses (downstream transport). For products leaving from our suppliers by road freight, upstream transportation emissions include emissions from the factory to the MDM warehouses. Emissions from upstream transportation are reported by sea, road and air freight forwarders. Downstream transportation emissions are calculated from activity data (number of trucks, average tonnages, etc.) using the "FRET21" tool.

Lastly, the greenhouse gas emissions generated by customer travel are calculated on the basis of the type of store and its location (urban, intermediary or peri-urban), assumptions of distances covered and means of transport (car, public transport or soft transport), the number of persons per vehicle and the total number of store visits recorded. It is considered that as a customer visits an average of 2.5 retailers during their trip, the total emissions attributed to Maisons du Monde for customer travel are therefore divided by 2.5.

3.12.2 HR INDICATORS

Perimeter

The social reporting scope includes all consolidated legal entities in accordance with the requirements of financial consolidation. Note that, for reasons of information availability, the indicators collected do not always cover the Group's entire scope. In a process of continuous improvement, the Group is working to expand the collection scope of HR data so as to disclose the most comprehensive information possible. Scope specificities are provided throughout the report.

Reporting tools

The indicators are derived from the payroll tool (Business Object), external payroll companies responsible for managing payroll in some countries, as well as the ERP (Odoo) of Mekong Furniture in Vietnam.

Social indicators were collected through a network of contributors identified at Maisons du Monde, Distrimag, Rhinov and Mekong on the basis of their business line expertise. The HR reporting managers run this network of contributors from France. The aim is to improve the quality of data and establish common definitions.

Key methodological specificities

Social data correspond exclusively to people with an employment contract with a Group entity. People on temporary contracts, external providers and franchises, as well as trainees and people on probation (Vietnam) are excluded from these data. However, people on combined work-study contracts (apprenticeship or professional qualification contracts) are included in the scope.

The hours worked are recorded on an actual basis.

The illness absenteeism rate is calculated on the basis of theoretical working hours. When sick leave is monitored in days, it is converted into hours on the basis of the legal weekly working time.

The frequency and severity rates are calculated in business days and workplace accidents (excluding commuting) are taken into account.

Concerning training indicators, the training of employees undergoing induction into the store network is included in the calculation of training hours and costs. The proportion of employees trained is calculated on the basis of the number of permanent and fixed-term (over six months) employees present at 31 December. For certain long-term training courses (health and safety, disability or management), the proportion of employees trained is calculated based on the workforce present in 2023 and trained in the last three years on these issues. For e-learning training, the number of hours completed is calculated on the basis of the theoretical duration of training.

Lastly, information on work-study contracts is only monitored for employees in France.

3.12.3 EUROPEAN TAXONOMY INDICATORS

ELIGIBLE ACTIVITY

This is an economic activity described in the delegated acts relating to the two climate objectives, whether or not this activity meets all the technical analysis criteria defined in these delegated acts. An economic activity not eligible for the taxonomy concerns any economic activity that is not described in the delegated acts.

TURNOVER KPI

Definition

The proportion of economic activities eligible for the taxonomy in the total revenue was calculated as the share of net revenue from products and services associated with the economic activities eligible for the taxonomy (numerator) divided by the net revenue (denominator), in each case for the financial year from 1 January 2023 to 31 December 2023. The denominator of the turnover KPI is based on Maisons du Monde net revenue consolidated in accordance with IAS 1.82(a). For more details on our accounting policies for Maisons du Monde consolidated net revenue, see Section 6.1.1 "Consolidated income statement".

Cross-reference

The Maisons du Monde consolidated net revenue can be reconciled with our financial statements, see the income statement in Section 6.1.1 "Consolidated income statement".

KPI CAPEX

Definition

The CapEx KPI defined as the CapEx eligible for taxonomy (numerator) divided by our total CapEx (denominator). Total CapEx consists of additions to property, plant and equipment and intangible assets during the year, before impairment, amortisation and any revaluation, including those resulting from revaluation and impairment, and excluding changes in fair value. It includes acquisitions of non-current assets (IAS 16), intangible assets (IAS 38) and right-of-use assets (IFRS 16). Goodwill is not included in CapEx as it is not defined as an intangible asset in accordance with IAS 38. .

Cross-reference

The total capital expenditure may be reconciled with the financial statements, see notes 16 "Other intangible assets", 17 "Property, plant and equipment" and 18.1 "Right of use" of the Universal Registration Document. It corresponds to the total types of movements (acquisition and production costs):

- additions;
- additions from business combinations for intangible assets, right-of-use assets and property, plant and equipment.

OPEX KPI

Definition

The OpEx KPI is defined as the OpEx eligible for taxonomy (numerator) divided by our total OpEx (denominator). Total operating expenses include direct non-capitalised costs related to research and development, building renovation measures, short-term leases, maintenance and repairs, as well as any other direct expenses related to daily maintenance of tangible assets.

3.13 Cross-reference table regarding TCFD recommendations

Themes	TCFD recommendations	Source of information in MDM reporting
Governance Describe the organisation's governance regarding climate-related risks and opportunities	**a)** Describe the Board's oversight of climate-related risks and opportunities **b)** Describe the role of management in assessing and managing climate-related risks and opportunities	3.1.3/CSR governance
Strategy Describe the existing and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning to the extent that the information is relevant	**a)** Describe the climate-related risks and opportunities that the organisation has identified for the short, medium and long term **b)** Describe the impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning **c)** Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a scenario of 2°C or below	a) and b) 3.3.1/Climate change risk mapping c) 3.3.2/Climate change mitigation plan
Risk management Describe how the organisation identifies, assesses and manages climate-related risks	**a)** Describe the organisation's processes to identify and assess climate-related risks **b)** Describe the organisation's processes for managing climate risks **c)** Describe how processes to identify, assess and manage climate-related risks are integrated into the organisation's risk management	a) 3.3.1/Climate change risk mapping b) 3.3.2/Climate change mitigation plan c) 3.1.3/CSR governance
Indicators & targets Describe the indicators and targets used to assess and manage climate-related risks and opportunities, to the extent that the information is relevant	**a)** Describe the indicators used by the organisation to assess climate-related risks and opportunities, in connection with its strategy and risk management process **b)** Disclose Scope 1 and Scope 2 greenhouse gas (GHG) emissions and, if relevant, Scope 3, and the corresponding risks **c)** Describe the objectives used by the organisation to manage climate-related risks and opportunities, and its performance compared with the objectives	a) 3.3.2./Climate change mitigation plan and 3.3.2.1/Greenhouse gas emissions reduction commitment b) 3.2.2.2./Scopes 1 & 2:Energy consumption and use of renewable energies and 3.3.2.3/Scope 3: Reduction of emissions from the main items c) 3.3.2/Climate change mitigation plan

3.14 Report by one of the Statutory Auditors, appointed as independent third party on the consolidated non-financial performance statement

Year ended 31 December 2023

To the Shareholders' Meeting,

In our capacity as Statutory Auditor of your company (hereinafter "entity"), designated as an independent third party ("third party"), accredited by COFRAC under number 3-1886 (Cofrac Inspection Accreditation, scope available on www.cofrac.fr), we carried out work aimed at formulating a reasoned opinion expressing a conclusion of moderate assurance on the historical information (observed or extrapolated) of the consolidated non-financial performance statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the financial year ended 31 December 2023 (hereinafter the "Information" and the "Statement" respectively), presented in the Group management report in accordance with the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures performed, as set out in the "Nature and scope of our work" section of this report, and the information collected, nothing has come to our attention that causes us to believe that the Statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the Statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practices on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, the main elements of which are presented in the Statement or available on request from the entity's registered office.

Inherent limitations in preparing the Information related to the Statement

The Information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and the quality of external data used. Some information is sensitive to methodological choices, assumptions and/or estimates used for their preparation and presentation in the Statement.

Responsibility of the entity

The Board of Directors is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of policies applied to mitigate these risks and the outcomes of those policies, including key performance indicators, and the information provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation);
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared by applying the entity's Guidelines as mentioned previously.

Responsibility of the Statutory Auditor appointed as an independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;

- the fairness of the historical financial information provided in accordance with Article R. 225-105 of the French Commercial Code concerning the results of policies, including the key performance indicators and the actions related to the main risks, hereinafter the “Information”.

As it is our responsibility to provide an independent conclusion on the Information as prepared by Management, we are not authorised to help prepare said Information, as that could compromise our independence.

However, it is not our responsibility to comment on:

- the entity’s compliance with other applicable legal and regulatory requirements (in particular, the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation), the French duty of care law and anti-corruption and tax avoidance legislation);
- the fairness of the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation);
- the compliance of products and services with the applicable regulations.

Regulatory provisions and applicable professional guidance

Our work described below was carried out in accordance with our audit programme pursuant to the provisions of Articles A. 225-1 *et seq.* of the French Commercial Code, the professional doctrine of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) and the international standard ISAE 3000 (revised - Insurance commitments other than audits or reviews of historical financial information).

Our independence and quality control

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) for statutory auditors. Our firm maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with applicable legal, regulatory and ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors relating to this engagement.

Means and resources

Our work was carried out by a team of four people between February and March 2024 and took a total of about four weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted about ten interviews with people responsible for preparing the Statement.

Our work involved the use of information and communication technologies allowing the work and maintenance to be carried out remotely without hindering their execution.

Nature and scope of our work

We planned and performed our work to address the areas where we identified that a material misstatement of the Information was likely to arise.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion:

- We obtained an understanding of all the consolidated entities’ activities, and the description of the principal risks associated.
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate.
- We verified that the Statement includes each category of social and environmental information set out in Article L. 225-102-1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation.
- We verified that the Statement provides the information required under Article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1 III, paragraph 2 of the French Commercial Code.
- We verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities’ activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks.
- We referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented;
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important [(1)].
- We verified that the Statement covers the scope of consolidation, *i.e.* all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code, within the limitations set out in the Statement.
- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information.

(1) Existence of formalised procedures concerning the following aspects addressed in the Statement: CSR dual materiality analysis; Mapping of physical and transition climate risks; Alert line; Second chance programme.

- For the key performance indicators and other quantitative outcomes that we considered to be the most important [(1)], we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities [(2)] and covered 100% of the consolidated data selected for these tests.
- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures performed in a moderate assurance engagement are less in extent than for a reasonable assurance engagement performed in accordance with the professional guidance issued by the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes); a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, on 24 April 2024

One of the Statutory Auditors,

Deloitte & Associés

Jérôme Quéro	Julien Rivals
Partner, Audit	Partner, Sustainable Development

(1) Environmental data: Percentage of global SKUs meeting a sustainability criterion; Share of global SKUs meeting the Good is beautiful offering criteria; Share of revenue linked to the responsible Good is beautiful offering; Number of responsible timber SKUs; Tonnes of wood and leather purchased; Tonnes of certified leather and wood; Number of leather SKUs included in an environmental approach; Number of responsible timber SKUs; Number of textile SKUs certified chemical-free (Oeko-Tex Standard 100 & GOTS); Energy consumption of buildings – Group; Energy consumption of buildings by energy source – Group; Fuel consumption – Store network, administrative premises, Distrimag; CO2 emissions Scope 1-2 (tCO2eq.); Average surface energy intensity (kWh/m2); Carbon intensity (tCO2eq/M EUR revenue); Scope 3 CO2 emissions (impact of raw materials and processing, upstream transport, downstream transport, customer travel); Percentage of strategic plants meeting social assessment criteria; Percentage of high-risk strategic plants (rank 1 or 2) audited on their environmental practices.
Social and societal data: Group workforce by geographical area and by activity, by type of contract, by gender; Frequency rate of workplace accidents; Severity rate of workplace accidents; Number of work-study students; Number of Good is beautiful living spaces; Results of the Your Voice Flash 2023 survey: participation rate in the Maisons du Monde survey, Employee engagement rate.

(2) Maisons du Monde S.A.; Distrimag; Mekong

3.15 Appendices - European Green Taxonomy

Revenue table

Economic activities (1)	Code (2)	Turnover (3)	Proportion of turnover, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum guarantees (17)	Proportion of turnover aligned with taxonomy (A.1.) or eligible for taxonomy (A.2.), year N-1 (18)	Enabling activity category (19)	Transitional activity category (20)
				Substantial contribution criteria						**Do No Significant Harm criteria ("DNSH criteria") (h)**									
EUR MILLIONS																			
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1. Environmentally sustainable activities (aligned with taxonomy)																			
Turnover from environmentally sustainable activities (aligned with taxonomy) (A.1.)		€	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	NO	NO	NO	NO	NO	NO	NO	0%	H	
Of which enabling	**N/A**	€	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	NO	NO	NO	NO	NO	NO	NO	0%		
Of which transitional	**N/A**	€	0%	N/EL						NO	NO	NO	NO	NO	NO	NO	0%		T
A.2. Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)																			
Turnover from activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy) (A.2.)	**€**	**0%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**								**N/EL**			
A. TURNOVER FROM ACTIVITIES NOT ELIGIBLE FOR TAXONOMY (A.1. + A.2.)	**€**	**0%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**								**N/EL**			
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
TURNOVER FROM ACTIVITIES NOT ELIGIBLE FOR TAXONOMY	**€**	**100%**																	
TOTAL (A+ B)	**€**	**100%**																	

	Proportion of turnover/Total turnover	
	Aligned with taxonomy by objective	Eligible for taxonomy by objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

CapEx table

Economic activities (1)	Code (2)	Turnover (3)	Proportion of turnover, year N (4)	Substantial contribution criteria: Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Do No Significant Harm criteria (“DNSH criteria”) (h): Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum guarantees (17)	Proportion of turnover aligned with taxonomy (A.1.) or eligible for taxonomy (A.2.), year N-1 (18)	Enabling activity category (19)	Transitional activity category (20)
EUR MILLIONS																			
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1. Environmentally sustainable activities (aligned with taxonomy)																			
CapEx of environmentally sustainable activities (aligned with taxonomy) (A.1.)	N/A	€	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	NO	NO	NO	NO	NO	NO	NO	0%		
CapEx of environmentally sustainable activities (aligned with taxonomy) (A.1.)		€	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	NO	NO	NO	NO	NO	NO	NO	0%		
Of which enabling	N/A	€	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	NO	NO	NO	NO	NO	NO	NO	0%	H	
Of which transitional	N/A	€	0%	N/EL						NO	NO	NO	NO	NO	NO	NO	0%		T
A.2. Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)																			
Acquisition and ownership of buildings	CCM 7.7	€	67.3%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Installation, maintenance and repair of equipment promoting energy performance	CCM 7.3	€	3.7%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
CapEx of activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy) (A.2.)		€	71.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
A. CapEx of activities eligible for taxonomy (A.1 + A.2)	€	71.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									0%		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
CapEx of activities not eligible for taxonomy	N/A	€	29.0%																
TOTAL (A + B)		€	100%																

	Proportion of CapEx/Total CapEx	
	Aligned with taxonomy by objective	Eligible for taxonomy by objective
CCM	0%	71.0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

OpEx table

Economic activities (1)	Code (2)	Turnover (3)	Proportion of turnover, year N (4)	Substantial contribution criteria: Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Do No Significant Harm criteria ("DNSH criteria") (h): Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum guarantees (17)	Proportion of turnover aligned with taxonomy (A.1.) or eligible for taxonomy (A.2.), year N-1 (18)	Enabling activity category (19)	Transitional activity category (20)
EUR millions																			
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1. ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (ALIGNED WITH TAXONOMY)																			
OpEx of environmentally sustainable activities (aligned with taxonomy) (A.1.)	N/A	€	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	NO	NO	NO	NO	NO	NO	NO	%		
OpEx of environmentally sustainable activities (aligned with taxonomy) (A.1.)		€	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	NO	NO	NO	NO	NO	NO	NO	%		
Of which enabling	N/A	€	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	NO	NO	NO	NO	NO	NO	NO	%	H	
Of which transitional	N/A	€	0%	N/EL						NO	NO	NO	NO	NO	NO	NO	%		T
A.2. Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)																			
Installation, maintenance and repair of equipment promoting energy performance	CCM 7.3	€	4.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								%		
Repairs, restoration and remanufacturing	CE 5.1	€	1.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								%		
OpEx of activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy) (A.2.)	€	5.7%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									%		
A. OpEx of activities eligible for taxonomy (A.1 + A.2)																			
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
OpEx of activities not eligible for taxonomy		€	94.3%																
TOTAL (A + B)		€	100%																

	Proportion of OpEx/Total OpEx: Aligned with taxonomy by objective	Eligible for taxonomy by objective
CCM	0%	4.7%
CCA	0%	0%
WTR	0%	0%
CE	0%	1%
PPC	0%	0%
BIO	0%	0%

Corporate governance

4|

The Corporate Governance Report describes the governance organisation and practices, the compensation policy for corporate officers and its implementation during the 2023 financial year.

It was prepared in accordance with the provisions of Article L. 225-37 paragraph 6 of the French Commercial Code and was approved by the Board of Directors at its meeting of 11 March 2024, after having been reviewed by the Nomination and Compensation Committee.

Maisons du Monde refers to the AFEP-MEDEF Corporate Governance Code, available on the MEDEF (www.medef.fr) and AFEP (www.afep.com) websites.

The Company complies with this Code, subject to the reservations shown in this report, where applicable (Summary Table 4.2.4).

4.1 Governance organisation and practices

4.1.1 COMPOSITION OF THE BOARD OF DIRECTORS

4.1.1.1 Overview of the Board of Directors

The Board of Directors is composed of thirteen members, including:

- eleven appointed by the shareholders, and
- two representing the employees.

The table below summarises the composition of the Board of Directors at 31 December 2023:

			Position on the Board			
Personal information	**Number of shares**	**Offices in listed companies**[1]	**Start of first term of office**	**Expiry of term of office**	**Length of service on the Board**	**Service on committees**
Executive Directors/directors						
Françoise GRI (F)[2] Chairperson French nationality 66 years	9,000	1	30/05/2023	AGM 2027	< 1 year	Nomination and Compensation Committee (member)
François-Melchior de POLIGNAC (M)[3] Chief Executive Officer French nationality 51 years	4,152	0	29/06/2023	AGM 2027	< 1 year	CSR (member)
Directors						
Michel-Alain PROCH (M) [4] Vice-Chairperson French nationality 54 years	30,000	1	10/03/2020	AGM 2024	4 years	Audit Committee (Chairperson) Nomination and Compensation Committee (member)
Cécile CLOAREC (F) French nationality 53 years	4,450	0	04/06/2021	AGM 2025	3 years	Nomination and Compensation Committee (Chairperson) CSR (member)
Laure HAUSEUX (F) French nationality 61 years	3,000	2	12/06/2020	AGM 2027	4 years	Audit Committee (member)
Victor HERRERO (M) Spanish nationality 55 years	12,600	2	26/01/2022	AGM 2027	2 years	Audit Committee (member)

Alexandra PALT (F) Austrian nationality 51 years	3,930	0	31/05/2022	AGM 2026	2 years	CSR (Chairperson)
Gabriel NAOURI (M) French nationality 42 years	N/A	0	31/05/2022	AGM 2026	2 years	Nomination and Compensation Committee (member)
MAJORELLE INVESTMENTS **Anouck DURANTEAU-LOEPER (F)** Permanent representative *since 29/06/2023* French nationality 56 years	10,383,129 5,200	0 0	29/06/2023	AGM 2027	< 1 year	
Adam EPSTEIN (M) British nationality 41 years	N/A	0	29/06/2023	AGM 2027	< 1 year	
TELEIOS CAPITAL PARTNERS LLC [(5)] **Sylvie COLIN (F)** Permanent representative *since 29/06/2023* French nationality 59 years	11,190,400 4,000	0 1	31/05/2022	AGM 2026	2 years	Audit Committee (member)
Directors representing the employees						
Samira MOUADDINE (F) French nationality 47 years	N/A	0	26/10/2022	AGM 2026	2 years	CSR (member)
Gregory CROZZOLO (M) [(6)] French nationality 39 years	N/A	0	26/10/2022	AGM 2026	2 years	Nomination and Compensation Committee (member)

(1) Other than the Company.
(2) At the date of publication of this Universal Registration Document, Françoise GRI holds 19,000 Company shares due to the acquisition of 10,000 additional Company shares on 8 April 2024.
(3) At the date of publication of this Universal Registration Document, François-Melchior de POLIGNAC holds 8,747 Company shares due to the acquisition of 4,595 additional Company shares on 13 March 2024.
(4) The term of office of Michel-Alain PROCH expires at the next Annual General Meeting. The latter informed the Board that he would not be requesting his term of office to be renewed due to the assumption of his new position in the United Kingdom.
(5) Represented by Adam EPSTEIN until 29 June 2023.
(6) By letter dated 13 February 2024, the representative union that initially appointed Gregory CROZZOLO informed the Company of his replacement by Christophe RICHARD as director representing the employees. See 4.1.1.8 below.

4.1.1.2 Changes in the composition of the Board of Directors

Changes during the 2023 financial year and early 2024

	Departure	Appointment	Reappointment
Board of Directors	**Julie WALBAUM** (resigned on 15 March 2023) **Thierry FALQUE-PIERROTIN** (resigned on 30 May 2023) **Gregory CROZZOLO** (term expires on 11 March 2024)	**Françoise GRI** (appointed on 30 May 2023) **François-Melchior de POLIGNAC** (appointed on 29 June 2023) **MAJORELLE INVESTMENTS** (appointed on 29 June 2023) **Adam EPSTEIN** (appointed on 29 June 2023) **Christophe RICHARD** (appointed on 11 March 2024)	**Laure HAUSEUX** (renewal on 29 June 2023) **Victor HERRERO** (renewal on 29 June 2023)
Audit Committee		**TELEIOS CAPITAL PARTNERS** (appointed on 29 June 2023)	
Nomination and Compensation Committee	**Thierry FALQUE-PIERROTIN** (resigned on 30 May 2023) **Gregory CROZZOLO** (term expires on 11 March 2024)	**Françoise GRI** (appointed on 30 May 2023) **Gabriel NAOURI** (appointed on 29 June 2023) **Samira MOUADDINE** (appointed on 11 March 2024)	
CSR Committee	**Samira MOUADDINE** (resigned on 11 March 2024)	**François-Melchior de POLIGNAC** (appointed on 29 June 2023) **Françoise GRI** (appointed on 11 March 2024) **Christophe RICHARD** (appointed on 11 March 2024)	

4.1.1.3 Organisation of the Board

In 2016, the Company's Board of Directors chose to separate the functions of Chairperson and Chief Executive Officer. This separation enables a clear distinction between the respective missions of the Chairperson and the Chief Executive Officer. This method of governance is regularly reviewed and then confirmed by the Board.

At its meeting of 25 March 2021, the Board considered that the current governance structure, which provides for the separation of the functions of Chairperson of the Board of Directors and Chief Executive Officer, still seems the best suited to the Group's needs. Its motivations were based on the observation that this separation is considered a good governance practice, as it ensures a balance of powers, and as such is desired by many investors, since it makes it possible to clearly distinguish between the respective duties of Chairperson and Chief Executive Officer.

As part of the change in governance that took place during 2023, the Board chose to maintain the Group's current governance structure, thus ensuring this separation of the functions of Chairperson of the Board of Directors and Chief Executive Officer.

As such:

- on 8 March 2023, the Board of Directors appointed François-Melchior de POLIGNAC as Chief Executive Officer with effect from 15 March 2023, in succession to Julie WALBAUM, whose term of office as Chief Executive Officer ceased on that date; and
- on 30 May 2023, the Board of Directors co-opted Françoise GRI as Chairperson and member of the Board of Directors to replace Thierry FALQUE-PIERROTIN, who resigned from his position as Chairperson and member of the Board of Directors. The co-option was ratified by the Annual General Meeting of 29 June 2023. The same meeting approved the appointment of Françoise GRI as director for a period of four years.

The Chairperson of the Board of Directors:

- organises and directs its work, on which it reports to the Annual General Meeting;
- ensures that Company bodies are running smoothly and, in particular, that directors are able to perform their duties;
- ensures the relationship between the Board of Directors and the shareholders.

The Chief Executive Officer:

- participates in the development of the strategy in collaboration with the Board of Directors;
- oversees the implementation of the decisions adopted;
- represents the Company and is in charge of the Group's operational functions.

4.1.1.4 Balanced representation of the Board

Diversity policy

In response to the Group's strategic issues, and to encourage high-quality internal debate, the Board of Directors seeks to establish and maintain a balance between the different directors' profiles so that they complement one another [(1)].

The Board is keen to prioritise diverse career paths and skills when appointing, or reappointing, its members.

It relies on its Nomination and Compensation Committee to obtain a long-term gender balance, a high number of Independent Directors and directors with the skills deemed to be necessary for the Board.

(1) At 31 December 2023, the Board was composed of six women and five men (excluding the directors representing employees who are not included in the calculation of the representation threshold).

Representation of skills on the Board

Diversity of skills is sought within the Board of Directors. The Company has already identified six skills represented in the table below.

	Knowledge of retail business lines	Knowledge of web businesses	Senior Management of an international group	Human resources and Social relations	Finance, risk management and control	Societal and environmental challenges
Françoise GRI		✓	✓	✓		✓
Michel-Alain PROCH		✓	✓		✓	
Cécile CLOAREC	✓			✓		✓
Laure HAUSEUX	✓		✓		✓	
Victor HERRERO	✓		✓		✓	✓
Alexandra PALT				✓		✓
Gabriel NAOURI	✓	✓	✓		✓	
MAJORELLE INVESTMENTS	✓		✓		✓	
Adam EPSTEIN					✓	
TELEIOS CAPITAL PARTNERS	✓		✓		✓	
Samira MOUADDINE	✓					
Gregory CROZZOLO	✓			✓		

4.1.1.5 Succession plan for Executive Directors

Over the last few years, the issue of the succession of the executive corporate officers, namely the Chairperson of the Board of Directors and the Chief Executive Officer is a subject that mobilised the Nomination and Compensation Committee and is the focus of the Board's attention.

To this end, the Committee had prepared a succession plan for the Chief Executive Officer and regularly updated it, in particular by means of market mapping, with the assistance of a leading external consulting firm. This plan separates unplanned successions and medium- and long-term planned successions.

During the second part of 2022, the Committee worked on the implementation of this plan, leading to the change of Chief Executive Officer decided in January 2023 (see paragraph 4.1.1.3).

In addition, given the resignation of the Chairperson of the Board of Directors announced in March 2023, the Board of Directors and the Nomination and Compensation Committee worked on the implementation of the succession plan for the Chairperson of the Board of Directors, resulting in the co-option of Françoise GRI as Chairperson on 30 May 2023.

Lastly, the Board and the Committee continued their work on the succession plans for all members of the Executive Committee.

4.1.1.6 Independence of Board members

The Nomination and Compensation Committee, and then the Board of Directors review the situation of each director in relation to the eight independence criteria defined by the AFEP-MEDEF Code every year:

Criterion	Criterion number
Is not nor has been during the previous five years (i) an employee or executive director of the Company, (ii) an employee, executive director or director of a company consolidated by the Company, or (iii) an employee, executive director or director of the Company's parent company or of a company consolidated by this parent company.	1
Is not an Executive Director of a company in which the Company directly or indirectly holds an office as director or in which an employee appointed as such or an Executive Director of the Company (current or within less than five years) holds an office as director.	2
Is not a customer, supplier, investment banker, or investment banker of (i) significant value to the Company or the Group, or (ii) for which the Company or the Group represents a significant part of the business (nor be directly related or indirectly to such a person).	3
Does not have any close family ties with a corporate officer.	4
Has not been a statutory auditor of the Company in the last five years.	5
Has not been a director of the Company for more than twelve years, the loss of the status of independent director occurring on the date of twelve years.	6
Does not, for an executive director, receive variable compensation in cash or securities or any compensation linked to the performance of the Company or the Group.	7
Does not hold 10% or more of the Company's share capital or voting rights, or represent a legal entity holding such a stake.	8

Summary table by director regarding the criteria set out in the AFEP-MEDEF Code Situation with regard to the independence of each director as at 31 March 2023

Last name	1	2	3	4	5	6	7	8	Qualification adopted by the Board of Directors
Françoise GRI	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Michel-Alain PROCH	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Cécile CLOAREC	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Laure HAUSEUX	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Victor HERRERO	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Alexandra PALT	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Gabriel NAOURI	✓	✓	✓	✓	✓	✓	✓		Not independent
MAJORELLE INVESTMENTS	✓	✓	✓	✓	✓	✓	✓		Not independent
TELEIOS CAPITAL PARTNERS	✓	✓	✓	✓	✓	✓	✓		Not independent
Adam EPSTEIN	✓	✓	✓	✓	✓	✓	✓		Not independent
Samira MOUADDINE		✓	✓	✓	✓	✓	✓	✓	Not independent
Gregory CROZZOLO		✓	✓	✓	✓	✓	✓	✓	Not independent

In this table, ✓represents an independence criterion met.

4

4.1.1.7 Process for selecting a new director

Definition of needs	Selection			Appointment
Definition of needs by the Nomination and Compensation Committee	Systematic use of a leading recruitment firm, with a governance practice and jointly selected by at least two members of the Committee	Systematic search and pre-selection of numerous potential backgrounds and individual interviews of candidates with at least two members of the Committee including the Chairperson then, in the event of a favourable opinion, individual interview of the candidate(s) with the Chief Executive Officer	Verification of compliance of the candidate(s) with the independence rules of the AFEP-MEDEF Code and of the absence of conflicts of interest within the meaning of the applicable European regulation AND Formulation of an opinion by the Nomination and Compensation Committee	Co-option by the Board of Directors and proposal for ratification by the Annual General Meeting OR Proposal for appointment by the Annual General Meeting

4.1.1.8 Representation of employees and employee shareholders

Director representing the employees

In accordance with the provisions of Article L. 225-27-1 of the French Commercial Code, as the Board of Directors is composed of more than eight directors, two directors representing employees were appointed to the Board.

Samira MOUADDINE was appointed by the trade union organisation in second place in the professional elections of Maisons du Monde and its subsidiaries whose registered office is located in France, and was appointed by the Board for a term of four years on 26 October 2022.

Gregory CROZZOLO was appointed by the trade union organisation having obtained the most votes during the first round of professional elections of Maisons du Monde and its subsidiaries whose registered offices are located in France, and was appointed by the Board for a term of four years on 26 October 2022. By letter dated 13 February 2024, this trade union organisation notified its decision to replace Gregory CROZZOLO with Christophe RICHARD for the remainder of his term of office. The Board of Directors noted this replacement on 11 March 2024.

Director representing employee shareholders

If the Board of Directors' Annual Report shows that the employees of the Company and its associated companies represent over 3% of the Company's share capital, a director representing employee shareholders is appointed by the Ordinary General Meeting, in accordance with the methods set by the regulations in force and by the bylaws, where applicable, provided that the Board of Directors does not already include one or several directors appointed from among the members of the Supervisory Boards of the Company mutual funds representing the employees.

As of 31 December 2023, Group employees represented less than 3% of the Company's share capital.

4.1.1.9 Lead Independent Director and non-voting board member

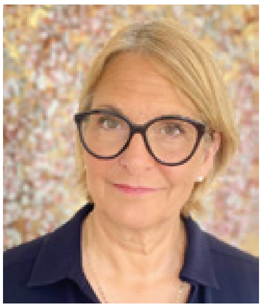
Lead Independent Director

As the functions of Chairperson of the Board and Chief Executive Officer are separate, and the Chair is held by an Independent Director, the Board of Directors has not, to date, considered it necessary to appoint a lead director. The Chairperson of the Board is responsible for good governance and the prevention of conflicts of interest at the Board, and oversees relations with shareholders.

Non-voting member

The Board does not currently have any non-voting board member.

4.1.1.10 Detailed presentation of the members of the Board of Directors at 31 December 2023



Date of birth
21 December 1957

Nationality
French

Date of 1st appointment
30 May 2023

End of term of office
2027 Annual General Meeting

Number of Company shares held at 31 December 2023
9,000 (1)

FRANÇOISE GRI

Business address: 8 rue Marie Curie, 44120 Vertou

Main position

Independent Director
Chairperson of the Board of Directors
Member of the Nomination and Compensation Committee
Member of the CSR Committee since 11 March 2024

Other positions

Company director

Biography

Françoise GRI began her career within the IBM group, where she became Chairperson and CEO of IBM France in 2001. In 2007, she was appointed Chairperson and CEO of the French subsidiary of Manpower before becoming Executive Vice-Chairperson for Southern Europe at Manpower Group in 2011. She joined the Pierre & Vacances – Center Parcs Group as Chief Executive Officer from 2013 to 2015.

She has particular expertise in the IT and digital fields, as well as services to companies and individuals. Since 2015, she has devoted herself entirely to her terms as Independent Director, including with Crédit Agricole S.A., of which she was Chairperson of the Risk Committee until May 2023. She is currently a member of the Boards of Directors of La Française des Jeux, WNS Services, Edenred and Berger-Levrault.

With her dedicated involvement in corporate governance issues, she was a member of the Medef Ethics Committee and the High Committee on Corporate Governance (HCGE).

She has published two books: *Women Power, Femme and Patron*, 2012; *Plaidoyer pour un emploi responsable*, 2010. Françoise GRI is a graduate of the École Nationale Supérieure d'Informatique et de Mathematiques de Grenoble (ENSIMAG).

Main offices held in the last five years

Current terms of office:

French companies:
- Chairperson of the Board of Directors of Maisons du Monde S.A.
- Director and member of the Nomination and Compensation Committee and the Responsible Gaming Committee of La Française des Jeux (listed company)
- Director and Chairperson of the Governance Committee of Berger-Levrault
- Member of the Supervisory Board of Educin Topco

Foreign companies:
- Director and Chairperson of the Nominating and Corporate Governance Committee of WNS Holding Limited (USA)

Terms of office expired during the last five years:

French companies:
- Director of Edenred (listed company)
- Director and Chairperson of the Risk Committee of Crédit Agricole S.A.
- Director of Crédit Agricole Corporate Investment Bank
- Member of the Supervisory Board of 21 Centrale Partners

Foreign companies:
- None

(1) *As of the date of publication of this Universal Registration Document, Françoise GRI holds 19,000 Company shares, due to the acquisition of 10,000 additional Company shares on 8 April 2024*

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MICHEL-ALAIN PROCH

Business address: 8 rue Marie Curie, 44120 Vertou

Date of birth
18 April 1970

Nationality
French

Date of 1st appointment
10 March 2020

End of term of office
2024 Annual General Meeting (1)

Number of Company shares held at 31 December 2023
30,000

Main position

Independent Director
Vice-Chairperson of the Board of Directors
Chairperson of the Audit Committee
Member of the Nomination and Compensation Committee

Other positions

Chief Financial Officer of Publicis Groupe until February 2024
Chief Financial Officer of London Stock Exchange Group since February 2024

Biography

Michel-Alain PROCH joined Publicis group as Chief Financial Officer in January 2021. Michel-Alain PROCH, appointed by the Supervisory Board of Publicis Groupe, was a member of the Management Board of Publicis Groupe S.A. until February 2024.

In March 2020, Michel-Alain PROCH was appointed Vice-Chairperson of the Board of Directors of Maisons du Monde, Chairperson of the Audit Committee and member of the Nomination and Compensation Committee.

In February 2019, Michel-Alain PROCH was appointed Chief Financial Officer of Ingenico, until the acquisition of the company by Worldline in November 2020. Since then, he has been advisor to its Chairperson and Chief Executive Officer on the consolidation of the two companies. He previously served as Senior Executive Vice-Chairperson and Chief Digital Officer of Atos group in 2018 after heading up the Group's operations in North America from 2015 to 2017.

As Executive Vice-Chairperson and Chief Financial Officer of Atos from 2007 to 2015, Michel-Alain PROCH oversaw several major acquisitions and successfully co-managed the IPO of Worldline. He was also named Best Chief Financial Officer (Europe, software and IT services) by Extel for four consecutive years. He was a member of the Worldline Board of Directors until 2016. He previously held management positions at Hermès in France and the United States for eight years. He began his career as a consultant with Deloitte & Touche in France and the United Kingdom.

Michel-Alain PROCH is a graduate of the École supérieure de commerce de Toulouse.

Main offices held in the last five years

Current terms of office (2):
French companies:
- Director of Maisons du Monde S.A.
- Member of the Supervisory Board of Iris Capital Management S.A.S.
- Member of the Management Board of Publicis Groupe S.A. (listed group)
- Chairperson and Chairperson of the Management Committee of Multi Market Services France Holdings S.A.S. (MMSFH)
- Chairperson of Publicis Finance Services S.A.S.
- Chairperson of the Board of Directors and director of Publicis Ré S.A.
- Representative of MMSFH, Chairperson of Ologir S.A.S.

(1) The term of office of Michel-Alain PROCH expires at the next Annual General Meeting. He is not requesting its renewal due to the assumption of new duties in the United Kingdom.
(2) All of the French and foreign mandates held by Michel-Alain PROCH are exercised within the Publicis Group, with the exception of those of Maisons du Monde and Iris Capital Management.

Foreign companies:
- Chairperson and Director of Multi Market Services Canada Holdings Inc. (Canada)
- Chairperson and Director of TMG Mac Manus Canada Inc. (Canada)
- Chairperson of the Board of Directors of MMS Italy Holdings S.A.R.L. (Italy)
- Chairperson of the Board of Directors of Mexico Holdings S. de RL de C.V. (Mexico)
- Chairman of the Board of Directors of SWELG Holdings AB (Sweden)
- Director of Multi Market Services Australia Holdings Pty Ltd. (Australia)
- Director of MMS USA Holdings Inc. (United States)
- Director of MMS Multi-Market Services Ireland DAC (Ireland)
- Director of MMS Multi Euro Services DAC (Ireland)
- Director of MMS Netherlands Holdings B.V. (Netherlands)
- Director of Publicis Groupe Holdings B.V. (Netherlands)
- Director of Zenith International (Media) Ltd. (United Kingdom)
- Director of Lion Re:Sources UK Limited (United Kingdom)
- Director of MMS UK Holdings Limited (United Kingdom)
- Director of Saatchi & Saatchi Holdings Limited (United Kingdom)
- Director of Profitero UK Ltd. (United Kingdom)
- Co-Manager of MMS Germany Holdings GmbH (Germany)
- Co-Manager of Multi Market Services Spain Holdings, S.L.U. Spain
- Co-Manager of Lion Re:Sources Iberia, S.L.U. Spain

Terms of office expired during the last five years:
French companies:
- Representative of MMSFH, Chairperson of Publicis Sapient France DBT S.A.S.
- Director of Worldline S.A.
- Chairperson of Ingenico Support S.A.S.
- Chief Executive Officer of Acquirers International Holding S.A.S.
- Chief Executive Officer of Ingenico and Acquirers France S.A.S.
- Chief Executive Officer of Retail International Holding S.A.S.
- Representative of MMSFH, Chairperson of Ella Factory S.A.S.

Foreign companies:
- Director of MMS USA Investments Inc.
- Co-Manager of Re:Sources Germany GmbH
- Director of Ingenico Holdings Asia II Limited (Hong Kong)
- Director of Ingenico Support Americas, S. de RL de C.V. (Mexico)
- Director of Ingenico International (Singapore) Pte Ltd. (Singapore)
- Director of Fujian Landi Commercial Equipment Co., Ltd. (China)
- Director of Ingenico Corp. (USA)
- Director of Ingenico Inc. (USA)
- Director of Ingenico Retail Enterprise US Inc. (USA)
- Director of Ingenico Holdings Asia Limited (Hong Kong)
- Member of the Supervisory Board of Global Collect Services B.V. (Netherlands)
- Director of Stichting Beheer Derdengelden Ingenico Financial Solutions (Netherlands)
- Director of Bambora Top Holding AB (Sweden)
- Chairperson, Director and Treasurer of Obtineo USA, Inc. (United States)
- Director of Publicis Communication Pty Ltd. (Australia)
- Director of BBH Holdings Limited (United Kingdom)

CÉCILE CLOAREC

Business address: 8 rue Marie Curie, 44120 Vertou

Date of birth
13 May 1970

Nationality
French

Date of 1st appointment
4 June 2021

End of term of office
2025 Annual General Meeting

Number of Company shares held at 31 December 2023
4,450

Main position

Independent Director
Chairperson of the Nomination and Compensation Committee
Member of the CSR Committee

Other positions

Human Resources, Communication and Sustainable Development Director at FM Logistic Group

Biography

Cécile CLOAREC has 25 years of experience in coordinating human resources policies and has also been responsible for the CSR and communication strategies of international BtoC and BtoB companies for the last ten years.

Cécile CLOAREC is Human Resources, Communications and Sustainable Development Director of the FM Logistic Group, where she has been overseeing the growth strategy and transformation towards an omnichannel and sustainable supply chain since 2014. Cécile CLOAREC was previously Human Resources, Communication and Sustainable Development Director of Monoprix from 2011 to 2014. From 2004 to 2010, she also completed an international HR career within the Carrefour Group: as Head of Compensation and Benefits from 2004 to 2007, then as Head of Human Resources for France and Group Head of Human Resources from 2007 to 2010.

Cécile CLOAREC began her career in 1993 as an economic researcher at the Fédération Nationale des Travaux Publics, then as a compensation management consultant at Hay Group (now Korn Ferry), before joining Groupe Rocher in 2000 as Group Compensation and HR Strategic Projects Director.

Cécile CLOAREC is a graduate of the Institut d'études politiques de Paris and holds a post-graduate degree in business administration from the IAE in Paris.

Main offices held in the last five years

Current terms of office:

French companies:
- Director of Maisons du Monde S.A.
- Member of the Board of Directors of FM Foundation (FM Logistic Group)

Foreign companies:
- None

Terms of office expired during the last five years:

French companies:
- None

Foreign companies:
- None

LAURE HAUSEUX

Date of birth
14 August 1962

Nationality
French

Date of 1st appointment
12 June 2020

End of term of office
2027 Annual General Meeting

Number of Company shares held at 31 December 2023
3,000

Business address: 8 rue Marie Curie, 44120 Vertou

Main position

Independent Director
Member of the Audit Committee

Other positions

Independent Director

Biography

Laure HAUSEUX has carried out her career in Senior Management and Finance Management positions, mainly in B2B and B2C distribution within prestigious brands, and also in industry (automotive, IT), and services. She is a recognised expert in the strategic and financial fields, in the identification and management of ambitious, innovative, profitable and complex transformation projects, with multiple experience, from SMEs to large groups, listed and unlisted, in France and internationally.

Currently an Independent Director, Laure HAUSEUX held these positions at Zodiac Aerospace from 2011 to 2018, at Casino Guichard Perrachon and at European Camping Group until 2021. She currently sits on the Boards of Plastics du Val de Loire (Plastivaloire), Maisons du Monde, Fnac-Darty, Empruntis and the Pomona Group.

Previously, she held various senior management positions at Control Data France and Gérard Pasquier, then within the PPR Group (currently Kering), notably at FNAC, Printemps, and Conforama Italy. She then pursued her career successively as Vice-President Finance and Information Systems and Services at Inergy Automotive Systems, then at the management of Virgin Stores, and GAC Group.

Laure HAUSEUX holds an MBA from ESCP Europe, with a specialisation in finance, a degree from the French-German Chamber of Commerce, a DESS in financial control from the University of Paris IX Dauphine and an MBA from Kering's executive programme in INSEAD.

Main offices held in the last five years

Current terms of office:
French companies:
- Director of Maisons du Monde S.A.
- Director of Fnac-Darty S.A. (listed group)
- Director of Plastiques du Val de Loire S.A. (listed group)
- Member of the Supervisory Board of Pomona S.A.
- Member of the Supervisory Committee of Empruntis S.A.S.
- Manager of SCI Le Nid

Foreign companies:
- None

Terms of office expired during the last five years:

French companies:
- Director of Casino Guichard Perrachon S.A.
- Director of ECG Holding S.A.S.

Foreign companies:
- None

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VICTOR HERRERO

Business address: 8 rue Marie Curie, 44120 Vertou

Main position held in the Company

Independent Director
Member of the Audit Committee

Other positions

Director at G-III Apparel Groupe

Biography

Victor HERRERO brings an in-depth understanding of the global fashion industry with 25 years of experience in some of the world's most renowned fashion & lifestyle brands and largest fashion markets.

Victor HERRERO is a member of the Board of Directors of G-III Apparel Group and Chairperson of the Board of Directors of Bossini. From 2015 to 2019, he was CEO of Guess. Previously, Victor HERRERO was Head of Asia-Pacific at Inditex Group, the largest global retailer with brands such as ZARA, Massimo Dutti, Pull & Bear, Bershka and Stradivarius, where he spent more than 12 years.

Victor HERRERO holds an MBA from the Kellogg School of Management and a BA in Business Administration from ESCP Europe.

Date of birth
3 August 1968

Nationality
Spanish

Date of 1st appointment
26 January 2022

End of term of office
2027 Annual General Meeting

Number of Company shares held at 31 December 2023
12,600

Main offices held in the last five years

Current terms of office:

French companies:
- Director of Maisons du Monde S.A.

Foreign companies:
- Director of G-III Apparel Group (listed group)
- Chairperson of the Board of Directors of Bossini
- Director of Viva China (listed group)

Terms of office expired during the last five years:

French companies:
- None

Foreign companies:
- CEO and Director Guess Inc.

Date of birth
25 May 1972

Nationality
Austrian

Date of 1st appointment
31 May 2022

End of term of office
2026 Annual General Meeting

Number of Company shares held at 31 December 2023
3,930

ALEXANDRA PALT

Business address: 8 rue Marie Curie, 44210 Vertou

Main position held in the Company

Independent Director
Chairperson of the CSR Committee

Other positions

Chief Executive Officer – Corporate Social Responsibility
Chief Executive Officer of the Fondation L'Oréal

Biography

Alexandra PALT is a lawyer by training and a human rights specialist.

After working with Amnesty International, then as Director of Equality Promotion at the High Authority for the Fight against Discrimination and for Equality (HALDE), she worked for ten years in organisations specialising in CSR and diversity.

In 2012, she joined L'Oréal, where she launched the Group's first sustainable development programme.

She became Chief Executive Officer of Corporate Social Responsibility and of the L'Oréal Foundation and joined the Executive Committee in 2019.

In June 2020, the Group launched its second sustainable development strategy, L'Oréal for the Future, with a series of ambitious targets for 2030.

Main offices held in the last five years

Current terms of office:

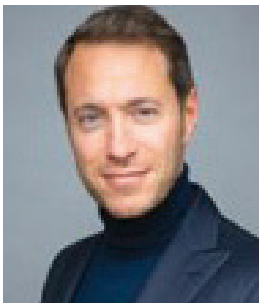
French companies:
- None

Foreign companies:
- None

Terms of office expired during the last five years:

French companies:
- Happy Chic S.A.

Foreign companies:
- None



GABRIEL NAOURI

Business address: 8 rue Marie Curie, 44210 Vertou

Main position held in the Company

Director
Member of the Nomination and Compensation Committee

Other positions

Chairperson of Majorelle Investments

Date of birth
6 July 1981

Nationality
French

Date of 1st appointment
31 May 2022

End of term of office
2026 Annual General Meeting

Number of Company shares held at 31 December 2023
None

Biography

Gabriel NAOURI is the founder of Majorelle Investments, an investment holding company that invests in all segments of the consumer industry.

He is also the Chairperson and Founder of FIGANA, an investment platform that provides expertise and funds to entrepreneurs in the new technology sector worldwide.

He began his career in New York, at Rothschild Bank, as an analyst specialising in mergers and acquisitions. In 2007, he joined the Casino Group where, for more than 10 years, he held various positions in France, Asia and Latin America. In 2018, he became Senior Advisor to the CEO of Aeon Group (the largest Japanese retailer). Gabriel NAOURI has previously served on the Board of Directors of numerous listed and private companies worldwide.

He holds a master's degree in applied mathematics from the University of Paris-Dauphine and is a director certified by NYSE-Euronext.

Main offices held in the last five years

Current terms of office:

French companies:
- Chairperson of Financière GN

Foreign companies:
- Chairperson of the Management Board of Majorelle Investments S.A.R.L.

Terms of office expired during the last five years:

French companies:
- None

Foreign companies:
- Director of TicTrac Ltd.
- Director then Chairperson of the Board of Directors of Yandex.market

MAJORELLE INVESTMENTS S.A.R.L.

Business address: 8 rue Marie Curie, 44210 Vertou

Date of 1st appointment
29 June 2023

End of term of office
2027 Annual General Meeting

Number of Company shares held at 31 December 2023
10,383,129

Main position held in the Company

Non-independent director

Other positions

Investment platform

Biography

Majorelle Investments is a flexible, long-term investment platform, founded by Gabriel Naouri and co-controlled by the latter and Apollo Hybrid Value. The platform aims to take holdings, in France or abroad, in brands with a strong DNA and recognised for the relevance and potential of their omnichannel positioning.

Main offices held in the last five years

Current terms of office:

French companies:
- None

Foreign companies:
- None

Terms of office expired during the last five years:

French companies:
- None

Foreign companies:
- None

ANOUCK DURANTEAU LOEPER

PERMANENT REPRESENTATIVE OF MAJORELLE INVESTMENTS S.A.R.L.

Business address: 8 rue Marie Curie, 44120 Vertou

Date of birth
18 October 1977

Nationality
French

Main position held in the Company

Permanent representative of Majorelle Investments, Director (not independent)

Other positions

Chief Executive Officer of Isabel Marant

Biography

Anouck Duranteau- Loeper is Chief Executive Officer of Isabel Marant, a French company specialising in the design, production and distribution of luxury ready-to-wear and accessories.

Anouck is also the Chairperson of the Chambre Syndicale de la Mode Féminine (Chambre de la Fédération Française de la Haute Couture et de la Mode).

She began her career in Paris at McKinsey & Company as a consultant, then joined the LVMH group where she worked in the group's strategy department and then in the fashion division for five years. Also within the LVMH Group, she joined the House of Céline in 2009 as Director of Leather Goods and Accessories under the Artistic Direction of Phoebe Philo, a period during which the House of Céline returned to growth and profitability.

In 2014, she took over the Senior Management of Paco Rabanne Mode, a position she held for three years before taking over the Senior Management of the House of Isabel Marant in 2016.

She is a graduate of the Ecole Supérieure de Commerce de Paris (ESCP EAP) with a major in marketing. She also trained at IIMA (Indian Institute of Management Ahmedabad).

Main offices held in the last five years

Current terms of office:

French companies:
- Chief Executive Officer of Smile Group and IM Group

Foreign companies:
- Chairperson of IM Germany
- Director and Chief Executive Officer of IM Netherlands/IM Denmark/IM UK/IM Japan KK
- Chairperson of the Board of Directors of IM Italy
- Director of IM Spain/IM Norway/IM Sweden/IM Switzerland/IM Asia Limited (HK)/IM Gulf Trading (Dubai)
- Chairperson of the Board of Directors and legal representative of IM Shanghai

Terms of office expired during the last five years:

French companies:
- None

Foreign companies:
- None

ADAM EPSTEIN

Business address: 8 rue Marie Curie, 44120 Vertou

Date of birth
20 January 1983

Nationality
British

Date of 1st appointment
29 June 2023

End of term of office
2027 Annual General Meeting

Main position held in the Company

Director

Other positions

Co-founder of Teleois Capital

Biography

Adam Epstein is co-founder of Teleios Capital, an investment fund manager based in Zug, Switzerland, and London, whose purpose is to acquire significant positions in equity securities of listed companies in Europe and maximise their long-term potential through collaborative work with all stakeholders.

He was previously Chief Investment Officer of IPGL Limited after having been a partner at Audley Capital. He began his career with the investment bank, Merrill Lynch.

Adam Epstein holds an advanced degree in Politics, Philosophy and Economics from Trinity College, University of Oxford.

Main offices held in the last five years

Current terms of office:

French companies:
- None

Foreign companies:
- None

Terms of office expired during the last five years:

French companies:
- None

Foreign companies:
- None

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TELEIOS CAPITAL PARTNERS

Business address: 8 rue Marie Curie, 44120 Vertou

Nationality
Company incorporated under Swiss law

Date of 1st appointment
31 May 2022

End of term of office
2026 Annual General Meeting

Number of Company shares held at 31 December 2023
11,190,400

Main position held in the Company

Director

Other positions

Biography

Teleios Capital, founded in 2013, is an independent investment firm that manages assets on behalf of institutional clients comprising endowment funds, foundations and pension funds, as well as family offices.

Teleios Capital invests in medium-sized European listed companies through the acquisition of substantial minority stakes over the long term.

Main offices held in the last five years

Current terms of office:

French companies:
- None

Foreign companies:
- None

Terms of office expired during the last five years:

French companies:
- None

Foreign companies:
- None

SYLVIE COLIN

PERMANENT REPRESENTATIVE OF TELEOIS CAPITAL PARTNERS

Business address: 8 rue Marie Curie, 44120 Vertou

Date of birth
30 July 1964

Nationality
French

Main position held in the Company

Permanent representative of Teleios Capital Partners, Director (non-independent), as from the Annual General Meeting of Maisons du Monde convened for 29 June 2023, replacing Adam Epstein (subject to his appointment as a director in his own name by the aforementioned Annual General Meeting).

Other positions

See "Current terms of office" below

Biography

Sylvie COLIN has supported the growth of many Fashion brands, mainly in the Retail universe, in different positions.

Firstly, for 10 years, in Collection management functions within the ETAM group, then by joining the CHANTELLE group in the position of Product and Communication Director.

She then successively took over the General Management of the brands:

- CAROLL from 2007 to 2014,
- MAJE from 2014 to 2017, after the acquisition of the SMCP group by KKR,
- KENZO from 2017 to 2021 within the LVMH group.

In addition to the terms of office related to her executive positions, Sylvie COLIN was a member of the Supervisory Board of CARRE BLANC for five years.

She has also been an Independent Director and Chairperson of the Compensation Committee of SPARTOO, a European player in online shoe sales, since its IPO in July 2021.

Sylvie COLIN is a graduate of the Ecole Supérieure de Commerce de Tours and holds a degree from the University of Paris-Sorbonne.

Main offices held in the last five years

Current terms of office:

French companies:
- Independent Director of SPARTOO
- Chairwoman of the Compensation Committee of SPARTOO

Foreign companies:
- None

Terms of office expired during the last five years:

French companies:
- Member of the Supervisory Board of CARRE BLANC
- Member of the Compensation Committee of CARRE BLANC
- Director on the Board of Directors of KENZO France

Foreign companies:
- CAROLL from 2007 to 2014,
- MAJE from 2014 to 2017, after the acquisition of the SMCP group by KKR,
- KENZO from 2017 to 2021 within the LVMH group.

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FRANÇOIS-MELCHIOR DE POLIGNAC

Business address: 8 rue Marie Curie, 44120 Vertou

Main position held in the Company

Chief Executive Officer
Member of the CSR Committee

Other positions

None

Date of birth
24 March 1973

Nationality
French

Date of 1st appointment
29 June 2023

End of term of office
2027 Annual General Assembly meeting

Number of Company shares held at 31 December 2023
4,152 (1)

Biography

François-Melchior de POLIGNAC has been Chief Executive Officer of Maisons du Monde S.A. since 15 March 2023. He was Deputy Chief Executive Officer of Maisons du Monde S.A. between 25 January 2023 and 15 March 2023.

He was previously Executive Director and Zone General Manager in charge of Belgium, Romania and Poland within the Carrefour Group since 2020. Previously, he held the position of Group Executive Vice President Merchandise from 2018 to 2020 and Chief Executive Officer for Romania from 2011 to 2018 after leading a Group's organisational transformation programme in France from 2009 to 2011. He joined the Carrefour Group in 2000.

François-Melchior de POLIGNAC began his career at L'Oréal in the Financial Control team of Lancôme Italy in 1995 before joining the Boston Consulting Group in Paris.

He graduated from HEC in 1994 and holds a master's degree in International Relations from the University of Cambridge.

Main offices held in the last five years

Current terms of office at the date of publication of this Universal Registration Document:

French companies:
- Chief Executive Officer of Maisons du Monde S.A.
- Chairperson of Savane Vision S.A.S. (Rhinov) (Maisons du Monde group)

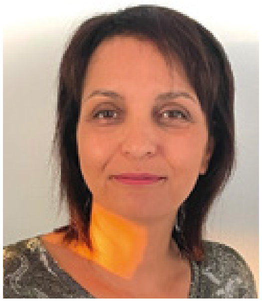
Foreign companies:
- Manager of Maisons du Monde Germany GmbH
- Manager of Maisons du Monde Austria GmbH
- Director of Maisons du Monde Belgium S.A.
- Director of Maisons du Monde Spain S.L.
- Director of Maisons du Monde Italy S.R.L.
- Manager of Maisons du Monde Luxembourg S.A.R.L.
- Manager of Maisons du Monde Portugal Unipessoal Lda
- Manager, Chairperson of Maisons du Monde Switzerland S.A.R.L.
- Director of MDM UK Furniture & Decoration Ltd. (Maisons du Monde group)
- Chairperson of the Board of Directors of Mekong Furniture United Limited (Maisons du Monde group)

Terms of office expired during the last five years:

French companies:
- Carrefour Marchandises Internationales S.A.S.
- Hyparlo
- Carrefour Import

Foreign companies:
- None

(1) *At the date of publication of this Universal Registration Document, François-Melchior de POLIGNAC holds 8,747 Company shares due to the acquisition of 4,595 additional Company shares on 13 March 2024.*



SAMIRA MOUADDINE

Business address: 8 rue Marie Curie, 44210 Vertou

Date of birth
28 October 1976

Nationality
French

Date of 1st appointment
26 October 2022

End of term of office
2026 Annual General Meeting

Number of Company shares held at 31 December 2023
None

Main position held in the Company

Director representing the employees
Member of the CSR Committee until 11 March 2024
Member of the Nomination and Compensation Committee since 11 March 2024

Other positions

Director of the Maisons du Monde Mondeville store

Biography

Samira MOUADDINE has more than 20 years of experience in retail, particularly in large food distribution, fashion and decoration.

Samira MOUADDINE is a graduate of the Institut Universitaire et Technologique de Lisieux in Marketing Techniques.

Samira began her career in 1999 by joining the Carrefour group, where she worked until 2004 as a Textile Manager in various hypermarkets.

Samira MOUADDINE then joined the H&M Group from 2004 to 2019 as Store Manager. For 15 years, she carried out numerous cross-functional assignments, such as employee training as well as their skill development and store openings.

Samira MOUADDINE joined the Maisons du Monde group in 2019 and is currently Director of the Caen Mondeville Megastore.

Main offices held in the last five years

Current terms of office:

French companies:
- Director representing the employees of Maisons du Monde S.A.

Foreign companies:
- None

Terms of office expired during the last five years:

French companies:
- None

Foreign companies:
- None

GRÉGORY CROZZOLO

Business address: 8 rue Marie Curie, 44210 Vertou

Main position held in the Company

Director representing the employees
Member of the Nominations and Compensation Committee

Other positions

Training Project Manager Maisons du Monde France

Date of birth
7 October 1984

Nationality
French

Date of 1st appointment
26 October 2022

End of term of office (1)
2026 Annual General Meeting

Number of Company shares held at 31 December 2023
None

Biography

Grégory CROZZOLO has more than 16 years of experience with Maisons du Monde.

Grégory CROZZOLO joined Maisons du Monde as a salesperson, then moved on to various managerial positions in France and through missions in Italy and Belgium, thus developing his vision of retail and the operational reality of the teams.

Grégory CROZZOLO joined the Maisons du Monde head office when the training department was created and is tasked with managing multimodal training projects for retail employees, from the definition of the need to the deployment of training, through educational engineering. This function involves working with both the head office and the retail business lines and gives him knowledge of both the back-office and the front-office.

Main offices held in the last five years

Current terms of office:

French companies:
- Director representing the employees of Maisons du Monde S.A.

Foreign companies:
- None

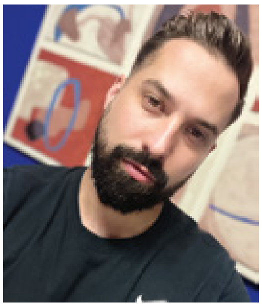
Terms of office expired during the last five years:

French companies:
- None

Foreign companies:
- None

(1) By letter dated 13 February 2024, the representative union that initially appointed Gregory CROZZOLO informed the Company of his replacement by Christophe RICHARD as director representing the employees. See 4.1.1.8 above.

4.1.1.11 Detailed presentation of the new director appointed since the start of the 2024 financial year



Date of birth
27 December 1976

Nationality
French

Date of 1st appointment (1)
11 March 2024

End of term of office
2026 Annual General Meeting

Number of Company shares held at 31 December 2023
None

CHRISTOPHE RICHARD

Business address: 8 rue Marie Curie, 44210 Vertou

Main position held in the Company

Director representing the employees since 11 March 2024
Member of the CSR Committee since 11 March 2024

Other positions

Director of the Maisons du Monde Vendenheim store

Biography

After several experiences as Store Manager, notably at Maxizoo, Christophe Richard joined Maisons du Monde on 1 August 2022 to take up the position of Store Manager.

He began by performing his duties at the Kingersheim store.

Since 1 August 2023, he has held the position of Store Manager in Vendenheim.

Main offices held in the last five years

Current terms of office:

French companies:
- Director representing the employees of Maisons du Monde S.A.

Foreign companies:
- None

Terms of office expired during the last five years:

French companies:
- None

Foreign companies:
- None

(1) By letter dated 13 February 2024, the representative trade union that won the most votes in the last professional elections appointed Christophe RICHARD as director representing the employees. See 4.1.1.8 below.

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4.1.1.12 Status of the terms of office of the members of the Board of Directors

Michel-Alain PROCH's term of office will expire at the end of the Annual General Meeting of 21 June 2024. Michel-Alain PROCH has decided not to request the renewal of his term of office. The Board of Directors expressed its sincere thanks to Michel-Alain PROCH for his commitment and invaluable contribution throughout his term of office.

This Annual General Meeting, in accordance with the recommendations of the Nomination and Compensation Committee, will therefore be asked to appoint Michel SIRAT as director for a period of four years expiring at the end of the 2028 Annual General Meeting called to approve the financial statements for the previous financial year.

Subject to his election, Michel SIRAT will be appointed Chairman of the Audit Committee and he will become a member of the Nomination and Compensation Committee.

Date of birth
13 May 1961

Nationality
French

Proposed appointment
4 years

End of new term of office
2028 Annual General Meeting

MICHEL SIRAT

Business address: 8 rue Marie Curie 44120 Vertou

Main position held in the Company

Independent Director

Other positions

Managing Director Greenhill & Co

Biography

Michel SIRAT joined Greenhill bank in January 2024.

He was previously Chief Financial Officer of the CMA-CGM Group for 12 years. In this capacity, he led the financial turnaround of the CMA-CGM Group in 2011-2013 and then the execution and financing of the diversification strategy from 2018 to create a group with a strong presence simultaneously in sea freight, freight forwarding, ground logistics, terminals, and air transport.

Previously, he held various managerial responsibilities at Engie for 11 years, successively in financial positions and in operational management positions in France, the United States and Belgium.

Michel SIRAT began his career at the Treasury Department (Ministry of Finance - Paris) where he spent 11 years.

Michel SIRAT is a graduate of the École Centrale de Paris, the Institut d'Études Politiques de Paris and the École Nationale d'Administration.

Main offices held in the last five years

Current terms of office:

French companies:
- Independent director and member of the Audit Committee of CMA-CGM (from 17 May 2024)

Foreign companies:
- None

Terms of office expired during the last five years:

French companies:
- Independent director and member of the Audit Committee of Eutelsat (representative of CMA-CGM Participations) July 2022 - November 2023
- Independent director and member of the Audit Committee of Futuren June 2018 - December 2019

Foreign companies:
- None

4.1.2 OPERATION OF THE BOARD OF DIRECTORS

Maisons du Monde adopted internal regulations in line with industry recommendations aiming to guarantee compliance with fundamental principles of corporate governance and, in particular, those referred to in the AFEP-MEDEF Corporate Governance Code for listed companies.

The Board of Directors' internal regulations are available on the Company's website at corporate.maisonsdumonde.com/ en/ finance/permanent-documents.

4.1.2.1 Provisions governing the practices of the Board of Directors

Duties and powers of the Board

The Board of Directors of Maisons du Monde is a collegiate body that collectively represents all the shareholders and whose duty is to act in the interest of the Company. It sets guidelines for the Company's business and oversees their implementation. It deals with any issues relating to the smooth operation of the Company and, through its deliberations, takes decisions on related issues.

The Company performs the duties and exercises the powers invested in it by law, by the Company's bylaws and by the Board's internal regulations.

Duties of the Chairperson of the Board of Directors

The Chairperson of the Board of Directors organises and directs the work of the Board and reports on this to the Annual General Meeting.

The Chairperson ensures that Company bodies are running smoothly and, in particular, that directors are able to perform their duties.

Information for directors

The directors receive the agenda for each Board Meeting and any items for consideration in good time before the meeting, except under exceptional circumstances.

The Chairperson updates the directors on a regular basis and, if necessary, between meetings, on any relevant information about the Company. In addition, each director may solicit any explanation or additional information that he/she may deem appropriate.

Directors receive any training they may need in order to successfully perform their duties as a Board member and if appropriate, as a committee member. Such training is provided, or approved, by the Company.

Potential limitations of the powers of the Chief Executive Officer

The Board gives its prior approval to strategic decisions that cannot be implemented by the Chief Executive Officer without the express prior approval of the Board.

This relates, in particular, to the approval or amendment of the annual budget, the approval of the annual and consolidated financial statements as well as the approval of any expenditure, the creation, purchase or sale of holdings, or the settlement of disputes, where the amount exceeds the threshold set and which may not have been budgeted for.

Details of these updated authorisations appear in Appendix I of the Board's Internal Rules, which are regularly reviewed and updated by the Board of Directors, and which are published on the Group's website.

Ethics of directors of Maisons du Monde

Holding of shares

In accordance with Maisons du Monde's Internal Rules and in application of the AFEP-MEDEF Code, each director, whether a natural person or a legal entity, must be a shareholder in a personal capacity (or, (i) if the director is a management company, through the investment funds or clients it manages, (ii) if the director is a natural person appointed on the proposal of a legal entity shareholder of the Company, through the intermediary of this shareholder) and own a relatively significant number of Company shares.

If they do not own shares when they take office, directors must use the compensation in respect of their directorship to acquire Company shares within eighteen (18) months of taking office.

Since 2022, the Internal Regulations stipulate that each director must undertake to hold, directly or indirectly, through a Group mutual fund where this type of holding is permitted, a minimum number of Company shares equivalent to the sum of EUR 40,000, using the weighted average purchase price of the shares as a reference value.

On the date of this Universal Registration Document, all directors concerned complied with this obligation.

Obligation of confidentiality and abstention

The directors, as well as any person called to attend the meetings of the Board or its Committees, are bound by an absolute obligation of confidentiality which goes beyond the simple obligation of discretion provided for by the texts, with regard to the content of the discussions and deliberations of the Board and its committees, and all the information and documents presented therein, or provided to them in the preparation of their work, or that may have come to their attention in the course of their duties.

In addition, since Company shares are traded on a regulated market, certain information shared with the Board may be inside information and holders of inside information are, in particular, prohibited:

- from carrying out transactions in relation to Company shares, or having such transactions carried out by third parties, whilst such information is not in the public domain;
- from disclosing such information to third parties outside the normal course of their profession or duties or for purposes other than those for which the information has been received.

With regard to directors who are physical persons, the ban on disclosing inside information also applies within the companies by which they are employed, even if they are shareholders therein.

The permanent representative of a legal entity that is a director or an executive director or representative of a legal entity that is a shareholder of the Company, acting in the normal exercise of his/her duties, may provide documents, in particular preparatory documents, to the Board of Directors and confidential information (some of which may constitute insider information) to the corporate officer(s) of this legal entity or to members of the management, legal and compliance teams in charge of investment in the Company, in the event that an investment fund is a direct or indirect shareholder, and to their advisors, it being specified that:

- this dissemination may be made only for the proper performance of the mission of director of the legal entity, and must be limited, both in its content and in the number of recipients, to that strictly necessary for this purpose, and in the compliance with applicable regulations;
- the legal entity must take all necessary measures to ensure strict confidentiality on the part of the corporate officer or members of the management, legal and compliance teams in charge of investment in the Company, in the cases where an investment fund is a direct or indirect shareholder, and their advisors.

Before each so-called “blackout window” period, the Company reminds directors that they must refrain from carrying out, directly or indirectly, on their own behalf or on behalf of others, on the market or off-market, any transaction involving securities issued by Maisons du Monde:

- for a continuous period of 30 calendar days preceding the date on which the interim and annual financial statements are published;
- for a continuous period of 15 calendar days preceding the publication of financial information or quarterly or interim financial statements.

In addition to these periods of abstention, in the event that they hold insider information, the directors are informed that they must refrain from carrying out, directly or indirectly, on their own behalf or on behalf of others, on the market or off-market, any transaction involving securities issued by Maisons du Monde, until the information is no longer classified as insider information (*e.g.* the information is made public or the project is abandoned). They are included on the lists of insiders drawn up by the Company’s Ethics Officer.

The Company has a Stock Market Ethics Code which is available on the Group’s website at: corporate.maisonsdumonde.com/fr/finance/permanent-documents

Prevention and management of conflicts of interest

To the Company’s knowledge, there are no family ties between the members of the Company’s Board of Directors and Senior Management.

Likewise, over the last five years, no member of the Board has incurred a fraud conviction, been involved in a bankruptcy, court-ordered receivership or liquidation, and no criminal offence and/or official public sanctions have been ordered against one of the aforementioned persons by the statutory or regulatory authorities (including the designated professional bodies). No member of the Board has been prevented by a court from being a member of an administrative, management or supervisory body of an issuing company, or from taking part in the management or leadership of the business of an issuing company.

To the Company’s knowledge, there is no potential conflict of interest between the duties of the members of the Board of Directors with regard to the Company and their private interests.

In accordance with the AFEP-MEDEF Code, in the event of conflicts of interest, the director concerned abstains from taking part in the corresponding vote, and from taking part in the discussions.

4.1.2.2 Organisation and work of the Board

The Board meets as often as the interest of the Company requires it.

The Chairperson endeavours to ensure that there are at least five calendar days between Board Meetings being convened and held. They also endeavour to consider the constraints imposed by Board members' schedules so as to ensure that as many members as possible are able to attend each meeting.

As a general rule, meetings are organised as required by the Group's business. These meetings must enable the Board to receive a regular flow of relevant information, thus ensuring that conditions are in place for robust corporate governance.

Members of the Maisons du Monde Executive Committee or any other person with a particular skill of relevance to the Board's agenda, may attend all, or part, of a Board Meeting, at the Chairperson's request.

Likewise, the Company's Statutory Auditors may be invited to attend meetings other than those they are required to attend by law.

Organisation of the Board in 2023

Chairperson:	12	Attendance rate:	Independence:	Gender distribution:
Françoise GRI	Board meetings	96,1%	55%	5 men 6 women

Directors' attendance at Meetings in 2023

In 2023, the attendance rate of directors at the Board Meetings was 96.1%:

Directors *	Attendance at Board Meetings
Françoise GRI	100%
Thierry FALQUE-PIERROTIN	100%
Michel-Alain PROCH	100%
Cécile CLOAREC	100%
Laure HAUSEUX	100%
Victor HERRERO	83%
Alexandra PALT	83%
Gabriel NAOURI	100%
Majorelle Investments	100%
Adam EPSTEIN	83%
TELEIOS CAPITAL PARTNERS	92%
François-Melchior de POLIGNAC	100%
Julie WALBAUM	100%
Samira MOUADDINE	100%
Gregory CROZZOLO	100%
Average attendance	**96.1%**

* *Information on the changes that took place within the Board and committees during the 2023 financial year is provided in paragraph 4.1.1.2.*

Summary of the Board's work in 2023

During the 2023 financial year, the Board of Directors decided on the following subjects in particular:

Financial statements, finance and financial communication	• review of the work of the Audit Committee and the recommendations made; • approval of the 2023 budget; • approval of the annual financial statements for the financial year ended 31 December 2022; • review of the interim financial statements for the current financial year; • review of financial communication drafts; • authorisation of the share capital reduction through the cancellation of treasury shares; • review of the Group's financing;
Strategy and development of the Company	• review of the Group's strategic directions; • development of the 24/26 strategic plan, Inspire Everyday; • one-day meeting devoted solely to strategic issues; • oversight of the implementation of the Group's main strategic projects; • review of the amendment to the Shareholders' agreement of the Rhinov partnership;
Compensation and governance	• review of the work of the Nomination and Compensation Committee and the recommendations made; • appointment of a new Group Chief Executive Officer; • appointment of a new Chairperson of the Board of Directors; • changes in the composition of the Board due to the appointment of new directors; • changes in the composition of the Committees due to the election of these new directors; • review and determination of the components of the compensation system for the Executive Directors and non-executive corporate officers and members of the Board; • allocation of free performance shares to the employees of the Group and the Chief Executive Officer; • assessment of the achievement of the performance conditions of all Senior Management compensation schemes; • annual evaluation of the independence of the members of the Board of Directors; • annual evaluation of the practices of the Board of Directors and its committees; • updating the Board of Directors' Internal Regulations; • annual review of the Group's situation with regard to gender equality rules;
Annual General Meeting	• preparation of the Annual General Meeting of 29 June 2023, including the review of the resolutions put to the vote of the shareholders and their compliance with the voting policies of the shareholder advisory agencies; • approval of the draft resolutions and the convening of the 2023 Annual General Meeting;
CSR	• review of the work of the CSR Committee and the recommendations made; • review of the Group's main social and environmental challenges; • review of the Group's climate trajectory;
Regulated agreements	• oversight of implementation of the procedure relating to the identification of regulated agreements and the evaluation of agreements relating to day-to-day transactions concluded under ordinary terms.

Executive session

In addition, an executive session during which the members of the Board met without the presence of the executive directors was held on 25 October 2023.

Policy for the representation of women in the Group's management bodies

As part of its annual review of the situation in terms of gender equality, on 10 May 2023, the Board of Directors reviewed the progress of the implementation of the new policy for the representation of women in Group management bodies decided in December 2021.

This ambitious policy aims to achieve the following four objectives by 2025:

- top 100 of employees of the European subsidiaries of the Group at 50/50, with no Management Committee with less than 20% gender balance;
- maintain ranking in the top 5 best-ranked groups within the SBF 120 (as listed in the official ranking sponsored by the public authorities);
- achievement of an engagement rate of women equivalent to that of men (as measured by the engagement surveys carried out by the Group on a regular basis); and
- a gender equality index of at least 90 points.

The Board decided to increase the target for the percentage of women on each of the management committees from 20% to 30%. It highlighted the progress made in 2022, in particular with the establishment of an internal Good for Women network dedicated to gender equality issues, and it asked the Group to continue its efforts.

Summary of the work of the Chairperson of the Board

Thierry FALQUE-PIERROTIN was Chairperson of the Board from 1 July 2021 to 30 May 2023. Since that date, Françoise GRI has been Chairperson of the Board.

The Chairpersonship of the Board involves participation in the work of the Nomination and Compensation Committee and the CSR Committee, and also a regular dialogue with the Company's major shareholders.

Above all, the Chairperson of the Board ensures that the functioning of the Board is satisfactory, that all the directors have the information necessary to carry out their duties both within the Board and the committees, and that the Chief Executive Officer and his/her teams within the Executive Committee teams benefit from close support and also from a permanent but benevolent challenge from the members of the Board.

During the 2023 financial year, the Chairperson's activities included:

- preparation of the Annual General Meeting of June 2023, including the study of the recommendations of the voting advisory agencies;
- preparation for the integration of new directors elected at the Annual General Meeting of 29 June 2023;
- meetings with the Company's main shareholders;
- the preparation of an executive session meeting of the Board of Directors;
- in conjunction with the Nomination and Compensation Committee, the update of management succession plans;
- completion of the annual assessment of Board practices.

4.1.2.3 Assessment of the Board practices

The AFEP-MEDEF Code recommends that, once a year, the Board discusses its operation and that an assessment of the Board be carried out every three years with the help of an external consultant.

In accordance with this recommendation, at least once a year, one item on the agenda is devoted to the evaluation of the Board's operation, an account of which is given in the Corporate governance report, such that shareholders are kept informed, on a yearly basis, of the evaluations performed and, if necessary, any follow-up given.

In 2020, the Board therefore implemented an external assessment with the help of Say-on-Pay. In 2022 and 2021, the Board updated this assessment internally, on the basis of a questionnaire prepared by this firm, and aimed in particular at an annual progress report on the various improvement measures implemented since the 2020 external assessment. These questionnaires were accompanied by discussions between the Chairperson and each director, and an in-depth study at several meetings of the Nomination and Compensation Committee.

In view of the numerous governance changes that took place during 2023 (appointment of five new directors, including the Chairperson of the Board in June 2023), it was decided to postpone the use of an external consultant for one year in order to allow new directors suitable time to integrate into their new roles.

Therefore, in 2023, the Board prepared an assessment questionnaire which was completed by each director. The Chairperson of the Board of Directors then conducted additional interviews with the directors. The members of the Board present before June 2023 noted progress in terms of the quality of the discussions, the information provided by management and the reports made by each Committee Chairperson. They also appreciated the communication with operational managers and expressed the wish to continue their regular presentation to the Board.

In order to continue the satisfactory functioning of the Board, it was decided to implement the following actions:

- strengthen the CSR Committee by appointing an additional person. On 11 March 2024, the Board appointed Françoise GRI as a member of the CSR Committee;
- maintain the quality of documents by incorporating a systematic summary in the presentations and monitoring of the key indicators of the strategic plan;
- include in the agenda of the Board regular presentations of each member of the Executive Committee.

4.1.3 SPECIALISED COMMITTEES OF THE BOARD

The Board of Directors is assisted by three permanent specialised committees: the Audit Committee, the Nomination and Compensation Committee and the CSR Committee.

4.1.3.1 The Audit Committee

5 committee meetings	Attendance rate: **100%**	Independence: **75%**	Gender distribution: **2** men **2** women

The Audit Committee is composed of the following directors [(1)]:

Chairperson	Michel-Alain PROCH – Independent Director
Members	Laure HAUSEUX – Independent Director
	since 29 June 2023 - TELEIOS CAPITAL PARTNERS – Non-independent Director
	Victor HERRERO – Independent Director

The Audit Committee assists the Board of Directors in its mission of approving the statutory and consolidated financial statements and in preparing the information to be delivered to the shareholders and to the market.

The Audit Committee ensures that the internal control systems and the risk management procedures of the Group are effective and efficient. It also monitors questions relating to the preparation and control of the accounts and financial information, as well as the legal control of the accounts.

In this framework, the Audit Committee carries out the following duties:

- monitoring the process of preparing the financial information;
- monitoring the appropriateness and consistency of accounting methods;
- monitoring of the Statutory Auditors' independence;
- tracking of the amounts paid to the Statutory Auditors for their work on matters other than those related to the legal audit of the financial statements;
- monitoring and effectiveness of internal control and risk management systems relative to the procedures for the preparation and processing of accounting and financial information.

(1) The skills of the members of the Audit Committee are presented in paragraph 4.1.1.10 above

Summary of the Audit Committee's work in 2023

In 2023, the Committee met five times with an attendance rate of 100% at each meeting. Its main missions in 2023 were:

Accounts, financial statements and statutory auditors	● examining the 2022 annual financial statements and the 2023 interim financial statements, and the control of these financial statements by the Statutory Auditors; ● examining the draft budget; ● reviewing the draft press releases relating to the Group's results; ● examining the fees paid to the Statutory Auditors and the services provided by them other than the certification of the financial statements (in 2023, these services, which were approved by the Audit Committee, consist mainly of the verification of the Group's CSR data); ● reviewing the Group's financial position;
Finance, risk management and control	● reviewing the measures implemented to strengthen internal control; ● reviewing the risk factors included in the Universal Registration Document; ● reviewing the progress made on the Finance Department transformation project; ● reviewing the legal risks, litigation and important events that may have a significant impact on the financial position and assets of the Group; ● reviewing the security status of the Group's information systems; ● reviewing the anti-corruption policy and the actions implemented in terms of compliance and ethics; ● reviewing the mapping of climate change risks and the Group's CSR risks.

4.1.3.2 The Nomination and Compensation Committee

11 committee meetings	Attendance rate: 100%	Independence: 75%	Gender distribution: 3 men 2 women

The Nomination and Compensation Committee is composed of the following directors (1):

Chairperson	Cécile CLOAREC – Independent Director
Members	*until 11 March 2024* - Gregory CROZZOLO – Director representing the employees
	Françoise GRI – Independent Director
	since 11 March 2024 - Samira MOUADDINE – Director representing the employees
	since 29 June 2023 - Gabriel NAOURI – Non-independent Director
	Michel-Alain PROCH – Independent Director

(1) The skills of the members of the Nomination and Compensation Committee are presented in paragraph 4.1.1.10 above

The Nomination and Compensation Committee is a specialised committee whose principal duty is to help the Board of Directors in the composition of the management bodies of the Company and the Group and in determining and regularly evaluating the compensation and benefits granted to Group executives (including all deferred benefits and/or compensation.

In this context, the Nomination and Compensation Committee's duties are:

- to make proposals in relation to the appointment of members of the Board of Directors and of the members of the Management of the Company, as well as the members and the Chairs of each of the other committees;
- set all the items and conditions of compensation of the Group's main executives as well as those of the directors;
- to perform an annual evaluation of the independence of the members of the Board of Directors.

Summary of the Nomination and Compensation Committee's work in 2023

During the 2023 financial year, the Nomination and Compensation Committee met eleven times. In accordance with the compensation policy approved by the Annual General Meeting of 29 June 2023, the number of meetings that may be subject to compensation was capped at ten. As a result, one meeting was held for which the members of the Nomination and Compensation Committee did not receive any compensation.

The attendance rate is 100%. The main missions of the Nomination and Compensation Committee in 2023 were:

Appointments	• implementing the succession plan for Senior Management, in particular by finalising the selection of a Chief Executive Officer; • implementing the succession plan for the Chairperson of the Board of Directors, in particular by selecting a recruitment firm and reviewing and selecting candidates; • organising the procedure for selecting directors and reviewing candidates; • issuing opinions on the proposed appointment and reappointment of directors, after reviewing their independence and the absence of any conflict of interest; • drawing up the new succession plans for the Chief Executive Officer and the Chairperson of the Board of Directors;
Compensation	• reviewing the compensation policy for directors; • examining all the components of the executive directors' compensation in respect of the variable portion for the previous financial year, or for the current financial year, and analysing the appropriateness of the performance criteria used for the financial year future plans and the Group's strategy; • examining the compensation of the members of the Executive Committee; • proposing the implementation of a long-term incentive plan in the form of performance shares in line with previous grants and the Group's compensation policy, determining the expected performance conditions, the conditions of the plan as well as the amounts awarded;
Governance	• assisting the Chairperson in the implementation of the annual assessment of the practices of Board of Directors; • examining the draft resolutions to be submitted to the 2023 Annual General Meeting and examining their compatibility with the voting policies of shareholder advisory agencies; • issuing an annual opinion on the situation of all directors with regard, in particular, to the independence criteria set out in the AFEP-MEDEF Code, but also on their situation with regard to potential conflicts of interest; • review the corporate governance chapter of the Universal Registration Document;
Human resources	• examining the Group's gender equality policy, the objectives assigned and the action plans; • reviewing the results of the Group employee satisfaction survey.

4.1.3.3 The CSR Committee

4 committee meetings	Attendance rate 100%	Independence: 75%	Gender distribution: 1 man 3 women

The CSR Committee is composed of the following members [(1)]:

Chairperson	Alexandra PALT – Independent Director
Members	Cécile CLOAREC – Independent Director
	since 11 March 2024 - Françoise GRI – Independent Director
	François-Melchior de POLIGNAC – Non-independent Director
	until 11 March 2024 - Samira MOUADDINE – Director representing the employees
	since 11 March 2024 - Christophe RICHARD – Director representing the employees

The main mission of the CSR Committee is to assist the Board in terms of social and environmental responsibility and to support the transformation of the business model towards a low-carbon model, with a low environmental impact and a strong positive social and societal impact.

Summary of CSR Committee's work in 2023

In 2023, the Committee met four times with an attendance rate of 100% at each meeting. Its main missions in 2023 were:

Risks	• reviewing the 2022 non-financial performance statement; • examining changes in the reporting framework with the upcoming entry into force of the Corporate Sustainability Reporting Directive;
Environmental issues	• reviewing the mapping of climate change risks; • reviewing the Group's greenhouse gas emissions reduction trajectory; • proposing CSR elements for the definition of Senior Management compensation;
Human resources	• reviewing the Group's main HR indicators; • reviewing the Group's equal opportunities policy; • reviewing the Group's gender equality policy.

(1) *The skills of the members of the CSR Committee are presented in paragraph 4.1.1.10 above*

4.1.4 THE MAISONS DU MONDE EXECUTIVE COMMITTEE

4.1.4.1 Composition and diversity

As of 31 December 2023, the Executive Committee was composed as follows:

- François-Melchior de POLIGNAC - Chief Executive Officer;
- Christophe LAPOTRE - Chief Store Operations Officer;
- Guillaume LESOUEF - Head of Marketing, Merchandise and Sustainability;
- Constance FOUQUET - Digital Chief Executive;
- Gilles LEMAIRE - Acting Chief Financial Officer;
- Sophie MOUHIEDDINE - Chief Human Resources Officer;
- Julien VIGOUROUX - Chief Supply Chain Officer.

The Maisons du Monde Executive Committee has two female members, representing 28.5% of its members.

Two changes within the Executive Committee have occurred since 1 January 2024:

- Cédric PARIS was appointed Chief Supply Chain Officer, replacing Julien VIGOUROUX, who left the Group on 31 December 2023; and
- Denis LAMOUREUX was appointed Chief Financial Officer on 4 March 2024 and Gilles LEMAIRE became Deputy Chief Financial Officer.

4.1.4.2 Action principles

The Executive Committee ensures the smooth running and development of the Group's day-to-day operations.

In 2023, the Executive Committee committed to the implementation of the 3C Plan, focused on:

- Customers, to create the conditions for sustainable growth,
- Costs, to accelerate the simplification of the operating model through robust optimisation initiatives and generate savings,
- Cash, to ensure a solid generation of Free Cash Flow.

The Executive Committee also formalised the medium-term (2024-2026) transformation plan, Inspire everyday, building on the solid foundations laid by the 3C Plan. Inspire everyday focuses on the Customer aspect and prioritises operational excellence as well as financial efficiency.

4.2 Compensation and benefits of corporate officers

4.2.1 COMPENSATION POLICY

4.2.1.1 General principles

In accordance with the provisions of Articles L. 22-10-8 and R. 22-10-14 of the French Commercial Code, the compensation policy applicable to the corporate officers of Maisons du Monde is described in this corporate governance report.

The Board of Directors established the compensation policy for corporate officers, on the recommendation of the Nomination and Compensation Committee and in accordance with the principles set out in the AFEP-MEDEF Code, whose general principles are as follows:

Corporate interest and alignment of interests

- the overall amount of Executive Directors' compensation submitted to the Board for approval takes into consideration the general interest of the Company and its stakeholders, industry practice and the Executive Directors' performance;
- clearly stated reasons, corresponding to the general interest of the Company, are given for each of the components of their compensation;
- the Board of Directors ensures that the compensation policy is in line with the Company's strategy and contributes to its sustainability;
- the appropriateness of the compensation proposed is assessed within the context of the Company's business and in reference to French and international industry practice.

Equal compensation

- the compensation of Executive Directors is set fairly and in line with that of other Group Executive Directors and employees, in view of their responsibilities, skills and personal contributions to the Group's performances and development.

Transparency and performance

- the rules applicable to this compensation are, as far as possible, simple, stable and transparent. The performance criteria used correspond to the Company's objectives, and are demanding, explicit and sustainable.

4.2.1.2 Decision-making process followed for the implementation of the compensation policy

Each year, the Nomination and Compensation Committee reviews the various components of the compensation of the members of the Board of Directors, the Company's Senior Management and other corporate officers.

In light of the recommendations of the Nomination and Compensation Committee, the Board of Directors establishes the compensation policy that is submitted to the vote of the next General Meeting of the Company's shareholders.

In accordance with the provisions of Articles L. 22-10-8 II. and L. 22-10-34 of the French Commercial Code, the Annual General Meeting is called to vote on:

- the resolutions of the *ex-ante* vote on the compensation policy for year N; and
- the resolutions of the *ex-post* vote on the components of compensation and benefits of any kind paid or awarded in respect of year N-1;
- resolutions relating to all executive officers on the one hand, and to each executive officer on the other.

As a reminder, in 2023, at the Annual General Meeting of 29 June:

- the resolution on the approval of the components of the total compensation and benefits of any kind paid during the financial year ended on 31 December 2022 or granted in respect of this same financial year to Julie WALBAUM, in her capacity as Chief Executive Officer, was approved by 98.86% and that pertaining to Thierry FALQUE-PIERROTIN, in his capacity as Chairperson of the Board, by 99.85%;
- the resolution on the approval of the compensation policy for the Chairperson of the Board of Directors was approved by 99.85%, that pertaining to Julie WALBAUM in her capacity as Chief Executive Officer for the period from 1 January to 15 March 2023 by 99.72% and that pertaining to François-Melchior de POLIGNAC in his capacity as Chief Executive Officer from 15 March 2023 by 98.76%;
- lastly, the resolution approving the total annual amount to be allocated to the members of the Board of Directors for the 2023 financial year was approved by 99.55%.

4.2.1.3 Structure of compensation schemes

In general, the overall target compensation consists of three components: a basic salary, an annual variable compensation, and a variable long-term incentive.

The basic salary must reflect the executive's responsibilities, level of experience and skills and be in line with market practices.

The variable portion (annual variable compensation and long-term incentive where applicable) of executive compensation must be consistent with their annual performance evaluation as well as with the Group strategy.

The performance criteria used to calculate the variable portion of Executive Directors' compensation, whether this relates to a bonus or stock options or performance share grants, must:

- be simple to establish and explain;
- be a satisfactory reflection of the Group's performance and economic development objective, and its non-financial (social and environmental) issues;
- enable transparency with regard to shareholders; and
- be consistent with the Company's objectives, as well as the Company's normal practices in terms of executive compensation.

The target annual variable compensation is subject to the achievement of financial and non-financial targets that may be exceeded up to the maximum amount provided for in the event of outperformance.

Each criterion is assessed separately, in relation to a target set by the Board. To assess the attainment rate of each criterion, the Board of Directors sets a performance threshold, a target and a ceiling.

Medium- and long-term incentives: in the same way as the Group's other senior executives, executives and high potentials, executive officers may be awarded free performance shares, where applicable.

These awards, when granted, make it possible to better recognise, retain and motivate those who have an impact on results and which the Group needs to grow.

They make it possible to link the interests of the beneficiaries with those of the shareholders and, at the same time, to strengthen the alignment of all around common objectives, in line with the ambitions of Maisons du Monde in the medium and long term, and thus support the Group's profitable and sustainable growth.

More specifically, the awarding of free performance shares must be subject to the following conditions:

- Presence conditions:

  Unless otherwise provided for by the legislation in force, the allocation of free performance shares becomes definitive only after a vesting period set by the Board of Directors, which may not be less than three years. This is approved subject to the beneficiary being employed by the Company at the end of this vesting period, unless otherwise decided and duly justified by the Board of Directors. In this case, the Board must nevertheless apply at least the *pro-rata temporis* rule to the vesting shares and await the evaluation of the share performance to determine the number of shares.
- Performance conditions:

  Any allocation of shares is subject to the achievement of several demanding performance conditions measured over three years, including one TSR or stock market type.

Other elements and benefits in kind: as these other elements of compensation and benefits in kind may be specific to the profile and career of the executive officer, they will be described in detail and presented at the Annual General Meeting each year. In the case of Julie WALBAUM and François-Melchior de POLIGNAC, the components from which the corporate officers benefit are described in detail in Section 4.2.2.1.

4.2.1.4 Implementation of the compensation policy over the last five years (pay ratio)

In accordance with Article L. 22-10-9 of the French Commercial Code, the ratios between the compensation of the Chief Executive Officer and Chairperson of the Board of Directors and the average and median compensation of employees of Maisons du Monde in France, over the last five financial years are provided below:

	2019	Change	2020	Change	2021	Change	2022	Change	2023	Change
Compensation of employees *(in euros)*										
Average compensation of employees	25,500	4%	24,000	-6%	25,000	4%	24,745	-2%	29,402	19% [1]
Median compensation of employees	23,500	4%	22,500	-4%	24,500	9%	22,425	-9%	25,345	13%
Compensation of the executive corporate officer (CEO) (in euros)										
Theoretical CEO [2]									1,304,956[2]	-24%
Julie WALBAUM	1,366,000 [3]	N/A	1,148,000 [4]	-16%	1,374,500	20%	1,722,984	25%	208,818	
François-Melchior de POLIGNAC	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,096,138	
Ratio *vs.* average	53.57	-	47.83	-	54.98	-	69.63	-	44.38	-
Ratio *vs.* median	58.13	-	51.02	-	56.10	-	76.83	-	51.49	-
Compensation of the Chairperson of the Board of Directors *(in euros)*										
Theoretical Chairperson of the Board of Directors [2]					150,000 [2]	4%			150,000 [2]	=
Thierry FALQUE-PIERROTIN	N/A	N/A	N/A	N/A	75,000		150,000	0%	61,233	
Françoise GRI									88,767	
Peter CHILD	N/A	N/A	143,750 [4]	N/A	75,000		N/A	N/A		
Sir Ian CHESHIRE	100,000	-5%	N/A	N/A	N/A	N/A	N/A	N/A		
Ratio *vs.* average	3.92		5.99		6.00		6.06	N/A	5.10	
Ratio *vs.* median	4.26		6.39		6.12		6.69	N/A	5.92	
Maisons du Monde indicators *(in EUR millions)*										
Revenue	1,125	1.26%	1,178	5%	1,307 [5]	10.6%	1,240	-5%	1,125	-9.3%
Current operating profit before operating income and expenses	117.0	8%	94.4	-22.3%	115.7	27.3%	70.9	-39%	46	-35.1%
Net income	62	2%	-16.1	N/A	79.1	N/A	34.2	N/A	8.8	N/A

(1) *Average and median compensation of employees up, but mainly due to reduced use of fixed-term contracts: 1,305 fixed-term contracts in 2023 vs. 2,924 fixed-term contracts in 2022.*
(2) *Theoretical CEO: sum of compensation paid to the two CEOs who succeeded each other in 2023, idem for the theoretical Chairperson of the Board of Directors.*
(3) *Increased "theoretical" compensation: the 2018 variable portion paid in 2019 was multiplied by two to take into account the fact that it compensated only six months' performance, as the position was taken up during the year.*
(4) *Theoretical annual compensation including a reduction of EUR 18,750 thousand for the Chief Executive Officer and EUR 6,250 thousand for the Chairperson to preserve cash flow and reduce costs in the wake of the health crisis.*
(5) *It should be noted that the 2021 figures do not include Modani*

The compensation ratios have been calculated based on the following components:

- the compensation retained for executive corporate officers corresponds to the compensation paid in year N in respect of N-1. It consists of the fixed portion including benefits in kind, the variable portion paid in year N in respect of year N-1, and performance shares granted in year N;
- when an element of compensation must be considered for a period of less than the year (for example a bonus for six months of office), and for transparency purposes, the amount is “recalculated” to correspond to an annual basis;
- for employees in France (100% of entities in France), the compensation used corresponds to the compensation paid during financial year N (including benefits in kind). It comprises the full-time equivalent fixed portion, the variable portion paid during financial year N in respect of financial year N-1, profit sharing and holdings paid during financial year N in respect of financial year N-1 and performance shares allocated during financial year N.

The decrease in 2020 is due to the exceptional conditions of the health crisis including: fewer extended hours (Sundays/public holidays) or additional hours as well as lower premiums paid.

The increase in 2021 is due to a return to a normal situation after the health crisis.

The increase in the equity ratio in 2022 is linked to the payment of the Chief Executive Officer’s 2021 bonus in March 2022 while the variable bonuses of network and logistics employees are paid on a month-to-month basis in the reference year 2022.

The decrease in the equity ratio in 2023 is linked to the fact that the Chief Executive Officer received a much smaller bonus than in previous financial years in respect of 2022 in 2023.

This decrease is also linked to an increase in the average and median level of employee compensation, mainly due to reduced use of fixed-term contracts: 1,305 fixed-term contracts in 2023 *vs*. 2,924 fixed-term contracts in 2022 (a decrease of 55%). If fixed-term contracts are isolated, the change in employee compensation is up by 7% on average and 8% on the median.

4.2.2 DETAILED PRESENTATION OF THE COMPENSATION OF CORPORATE OFFICERS

4.2.2.1 Compensation of the Executive Director (Chief Executive Officer)

Summary of compensation paid during the 2023 financial year

Following the change in governance that took place on 25 January 2023, several compensation summaries should be determined for the 2023 financial year.

SUMMARY OF COMPENSATION PAID DURING THE 2023 FINANCIAL YEAR – JULIE WALBAUM

This summary of compensation covers the period from 1 January 2023 to 15 March 2023, date of the termination of the term of office of Ms Julie WALBAUM.

Julie WALBAUM received the following compensation for the 2023 financial year:

- **Fixed compensation:**

  The fixed annual compensation of Julie WALBAUM was set by the Board of Directors, on the recommendation of the Nomination and Compensation Committee, at a gross sum of EUR 500,000.

  Between 1 January 2023 and the end of her term of office (15 March 2023), Julie WALBAUM received a gross sum of EUR 104,484.77.

- **Variable compensation:**

  Amount received for the 2022 financial year

  In 2023, Julie WALBAUM received gross variable compensation due in respect of the 2022 financial year for a total amount of EUR 100,000.

  This amount represents an achievement rate of 20% of the target value, and 20% of the reference fixed compensation for the period.

  The variable compensation owing to Julie WALBAUM for the 2022 financial year was approved by the Annual General Meeting of 29 June 2023.

  Amount due for the 2023 financial year:

  For the 2023 financial year, the Board, at its Meeting on 22 March 2023, on the recommendations of the Nomination and Compensation Committee, set gross variable compensation for Julie WALBAUM at the sum of EUR 104,000.

  It should be noted that the Board set the terms of this variable compensation at its Meeting of 25 January 2023 as follows:

  For the period from 1 January 2023 – 15 March 2023, corresponding to the transition period before the entry into force of the appointment of François-Melchior de POLIGNAC as Chief Executive Officer:

  - the annual variable compensation of the Chief Executive Officer may be between 0% and 100% of her gross annual fixed compensation *pro-rata temporis* over the duration of her term of office, *i.e.* from 1 January 2023 to 15 March 2023, based on the achievement of the objectives set by the Board of Directors;
  - the cumulative objectives to be achieved, which will be assessed by the Board of Directors, were as follows: quality of the transition with the future Chief Executive Officer and quality of internal and external communication regarding the Company.

  The Board of Directors, on the recommendation of the Nomination and Compensation Committee, assessed the overall achievement of these objectives at 100%. By applying this achievement rate to the target annual variable compensation of the Chief Executive Officer on a *pro rata* basis for the period from 1 January to 15 March 2023 (*i.e.* two and a half months out of the year), the amount of the gross annual variable compensation due to the Chief Executive Officer in respect of 2023 was EUR 104,166, rounded to EUR 104,000.

  The gross variable portion for 2023 will therefore be paid, subject to shareholder approval at the Annual General Meeting of 21 June 2024, rounded to EUR 104,000, or 20.8% of the reference fixed compensation for the period.

  The actual payment of this variable compensation will be submitted for a vote by the shareholders at the Annual General Meeting approving the financial statements for the 2024 financial year.

- **Medium/long-term incentives:**

  - **Performance shares vested in 2023**

  At its meeting of 8 March 2023, the Board of Directors, on the proposal of the Nomination and Compensation Committee, confirmed the 100% rate of achievement of the performance conditions with regard to the 2020 performance share plan, as well as the final number of shares to be acquired by Julie WALBAUM, corresponding to 53,900 shares.

  This vesting was still subject to the condition of the Chief Executive Officer's continued presence until 10 March 2023. The Board, on the recommendation of the Nomination and Compensation Committee, noted that this condition of presence had been met, and noted the final delivery of 53,900 free shares to Julie WALBAUM in accordance with the regulations of this plan.

  As a reminder, the vesting was subject to the following economic performance conditions: 20% on 2021 revenue, 50% on cumulative 2020 + 2021 EBITDA and 30% on cumulative 2020 + 2021 normative EPS.

Based on the financial statements for 2020 and 2021, with 2021 revenue of over EUR 1,350 million, EBITDA over EUR 500 million and EPS equivalent to EUR 1.72 exceeded, and the overall achievement rate is 100%.

- **Performance shares granted in 2023**

No performance shares were granted to Julie WALBAUM in respect of the 2023 financial year.

- **Benefits in kind:**

In 2023, Julie WALBAUM received a benefit in kind for a total amount of EUR 4,332.77.

This amount corresponds to the use of a vehicle, as well as unemployment social contributions, as the Chief Executive Officer is the beneficiary of an executive social security plan (GSC) giving her 12-month compensation, capped at 70% of her net compensation for the tax year for tranches A and B, and 55% for tranche C.

With regard to social protection, Julie WALBAUM has benefited from the same supplementary social protection cover as all the other Company executives, governed by binding contracts between the Company and its insurers. On this basis, she is covered by the "incapacity – disability – death" scheme and the healthcare scheme applicable within the Company.

- **Commitments made to the Chief Executive Officer:**
  - **Pension commitment:**

As per the legislation applicable to social security old age pensions, Julie WALBAUM is a beneficiary of the ARRCO and AGIRC supplementary schemes.

In 2023, the Chief Executive Officer benefits from a supplementary defined-contribution pension plan (*Plan d'Épargne Retraite Entreprise Obligatoire*), open to managers of Maisons du Monde S.A. whose gross annual compensation exceeds three social security ceilings. The mandatory payments used to finance the pension contract correspond to 5% of the gross annual compensation, calculated within the limit of five social security ceilings. These mandatory payments are fully covered by the company.

  - **Commitment in the event of the termination of duties:**

Julie WALBAUM does not benefit from any commitments in the event of termination of her term of office.

- **Non-compete severance payment:**

The Board of Directors had decided, in order to protect the interests of the Company, that Julie WALBAUM would be subject to the non-compete commitment that she had subscribed, as from the end of her corporate office, under the conditions set in the compensation policy adopted by the shareholders on 31 May 2022. Julie WALBAUM thus received, for a period of twelve months from the effective date of the termination of her corporate office, a special flat-rate monthly sum equal to 50% of her average gross monthly compensation received during the last twelve full months of her activity.

Thus, following the expiry of her corporate office and the activation of her non-compete clause, Julie WALBAUM received the sum of EUR 535,832.98 in respect of her non-compete severance indemnity.

SUMMARY OF COMPENSATION PAID DURING THE 2023 FINANCIAL YEAR – FRANÇOIS-MELCHIOR DE POLIGNAC

For the 2023 financial year, François-Melchior de POLIGNAC served as Deputy Chief Executive Officer (from 25 January to 15 March 2023) and then as Chief Executive Officer (from 15 March to 31 December 2023). During the financial year he received, *pro-rata temporis* for the two terms of office, the following compensation:

- **Fixed compensation:**

The fixed annual compensation of François-Melchior de POLIGNAC was set by the Board of Directors, on the recommendation of the Nomination and Compensation Committee, at a gross sum of EUR 500,000.

Between 25 January 2023 and 31 December 2023, François-Melchior de POLIGNAC received EUR 481,205.57. This represents the compensation paid in respect of his term of office as Deputy Chief Executive Officer (from 25 January to 15 March 2023) and then for his term of office as Chief Executive Officer (from 15 March to 31 December 2023).

- **Variable compensation:**

Amount received for the 2023 financial year:

In accordance with the 2023 compensation policy, this variable compensation is due in respect of service as Deputy Chief Executive Officer and Chief Executive Officer.

For the 2023 financial year, the Board of Directors, at its Meeting on 11 March 2024, on the recommendations of the Nomination and Compensation Committee, set gross variable compensation for François-Melchior de POLIGNAC at the sum of EUR 25,000.

In accordance with Article L. 22-10-34 II of the French Commercial Code, this compensation will only be paid after its approval by the Annual General Meeting of 21 June 2024. It should be noted that the Board set the terms of this variable compensation at its Meeting of 22 March 2023 on the recommendations of the Nomination and Compensation Committee. These compensation conditions were subsequently approved by the Annual General Meeting of 29 June 2023.

The annual variable bonus was between 0 and 125% of the target value, based on performance. The maximum bonus was 125% of the gross annual fixed compensation, with no guaranteed floor.

Each criterion was assessed separately, in relation to its target. To assess the attainment rate of each criterion, the Board of Directors, on the recommendation of the Nomination and Compensation Committee, used the following defined performance thresholds, targets and ceilings:

- **Assessment of financial objectives:**
  - Group sales: 30% of the target variable portion, with a maximum of 125% in the event of outperformance. The achievement rate is 0%;
  - Group EBIT: 25% of the target variable portion, with a maximum of 140% in the event of outperformance. The achievement rate is 0%;
  - Group free cash flow: 30% of the target variable portion, with a maximum of 125% in the event of outperformance. The achievement rate is 0%.
- **Assessment of non-financial objectives:**
  - Climate: reduction of intensity of carbon emissions: 10% of the target variable portion, capped at 100%. The achievement rate is 0%;
  - Social: number of work-study students in the Group at 31/12/2023: 5% of the target variable portion, capped at 100%. As part of the Group's policy in favour of young people and equal opportunities, reach 230 work-study or professional training contracts in the Group by 31 December 2023. This objective helped maintain the trajectory of 300 young people on work-study contracts within the Group by the end of 2025. The development of the employer brand as well as the policy of integrating work-study students has enabled Maisons du Monde to exceed its initial objective by integrating just over 250 work-study students, resulting in a 100% achievement rate of this objective.

The Board of Directors, on the recommendation of the Nomination and Compensation Committee, therefore assessed the overall attainment of the Chief Executive Officer's variable portion for 2023 at 5% of the target performance, with the following attainment rates by criterion:

	Target weighting	Target attainment rate	Attainment rate *vs.* target variable
Financial objectives			
• Group sales	30%	0%	0%
• Group EBIT	25%	0%	0%
• Free cash flow	30%	0%	0%
Non-financial objectives (quantifiable)			
• Climate Objective: Reduction of carbon emissions in intensity between the end of 2022 and the end of 2023 compared to the 2018 reference value	10%	0%	0%
• Social objective: reach 230 work-study students in the Group by 31/12/2023	5%	100%	5%
Attainment rate/bonus			5%
• Reference fixed compensation	EUR 500,000		
• Target variable compensation: 100% of fixed compensation	EUR 500,000		
• Maximum variable compensation: 125% of the target compensation	EUR 625,000		
VARIABLE COMPENSATION TO BE PAID			**EUR 25,000**

The variable portion for 2023 will therefore be paid, subject to shareholder approval at the Annual General Meeting of 21 June 2024, rounded to a gross sum of EUR 25,000, or 5% of the reference fixed compensation for the period.

At its meeting of 11 March 2024, the Board of Directors took note of these results, which are largely due to a low cycle in the Home & Furniture market (geopolitical uncertainties, unprecedented inflation, deteriorated customer confidence).

Thus, the Board considers that the variable compensation of the Chief Executive Officer for 2023 (resulting from criteria set in early 2023) is in line with Maisons du Monde's performance in 2023, but does not reflect the quality of the Chief Executive Officer's work, nor their commitment as evaluated and assessed by the Board of Directors as a whole.

- **Medium/long-term incentives:**
  - **Performance shares vested in 2023**

François-Melchior de POLIGNAC did not acquire any performance shares in 2023.

- **Performance shares granted in 2023**

At its meeting of 22 March 2023, the Board of Directors, on the recommendations of the Nomination and Compensation Committee, allocated 71,944 free performance shares (or 0.16% of the share capital) to François-Melchior de POLIGNAC. This decision allowed the Chief Executive Officer to take part in the 2023 Plan set up for the 200 Group employees.

The vesting of all shares allocated to François-Melchior de POLIGNAC is subject to a continuous three-year presence condition until 22 March 2026, as well as to the performance conditions defined below.

The final number of performance shares that will vest will be dependent on the achievement of performance conditions measured as follows:

- Sales CAGR: Compound annual growth rate between 2023 and 2025 – Weighting of the criterion: 20%;
- EBIT: Cumulative EBIT expected over the 2023-2025 period – Weighting of the criterion: 40%;
- TSR: Total Shareholder Return over three years, measured by the cumulative increase in share price (calculated on the average of the 30 quotations before the plan grant date and before the maturity date of this plan) and its yield (including dividends), relative to a specific index composed of (i) 50% of the CAC Mid 60 GR index (including dividends) and (ii) 50% of an index composed of six European retailers (Fnac Darty/Roche Bobois/Cafom/Home 24 SE/Dunhelm Group PLC/DFS Furniture PLC). However, no payment will be due in respect of this performance criterion if the average of the 30 quotations before the maturity date of this plan does not reach a demanding floor price and higher than the price on the grant date – Weighting of the criterion: 20%;
- **Corporate Social Responsibility:**
  - Climate/environmental criterion: share of the Good is beautiful responsible offering in Maisons du Monde's overall offering at the end of 2025 – Weighting of the criterion: 10%,
  - Social criterion: employee engagement rate at the end of 2025 *vs*. the end of 2022 (the engagement rate is calculated using a constant method on the basis of the average of the four Indicators) – Weighting of the criterion: 10%.

  The Board of Directors, on the recommendation of the Nomination and Compensation Committee, set the target and threshold levels expected for each of the performance conditions:

  - the lower limit of the performance gives the right to 50% of the shares dependent on this condition;
  - the performance target (at 100% of the objective) gives the right to 100% of the shares dependent on this condition;
  - below this lower limit, no shares are acquired for this performance;
  - between the lower limit and the performance target, the shares for this condition are acquired on a proportional and straight-line basis;
  - with regard to the two CSR conditions, between the lower limit and the performance target, the shares for these conditions are acquired on a proportional and straight-line basis.

With regard to the TSR stock market criterion, subject to achievement of a demanding floor price that is higher than the price on the allocation date:

- The performance threshold allowing the acquisition of 50% of the shares bearing this condition was set at the achievement of a performance at least equivalent to the specific index used;
- The target allowing the acquisition of 75% of the shares with a TSR condition is set at 120% of the index;
- The target allowing the acquisition of 100% of the shares with a TSR condition is set at 130% of the index;
- The level of outperformance allowing the acquisition of 125% of the shares linked to this criterion is set at 150% of the index;
- Between the lower limit and the performance target, the shares for this condition are acquired on a proportional and straight-line basis.

In the event that the number of performance shares obtained following the application of the above performance conditions is greater than the number of shares allocated, the number of shares vested may under no circumstances exceed 100% of the shares allocated; lastly, if the number of shares is not a whole number, it shall be rounded down to the nearest unit.

The Chief Executive Officer will be required to retain 40% of the actually vested shares in registered form until the end of his term of office, until he holds a quantity of shares representing at least two years of fixed compensation.

Lastly, the Board reaffirmed that the Chief Executive Officer may not use hedging products on the Company's shares as well as all related financial instruments, and noted François-Melchior de POLIGNAC's commitment not to use such hedging transactions including on the allocated performance shares.

- **Benefits in kind:**

In 2023, François-Melchior de POLIGNAC received a benefit in kind for a total amount of EUR 14,919.51.

This amount corresponds to the use of a vehicle, as well as unemployment social contributions, as the Chief Executive Officer is the beneficiary of an executive social security plan (GSC) giving him 18-month compensation, capped at 70% of his net compensation for the tax year for tranches A and B, and 55% for tranche C.

With regard to social protection, François-Melchior de POLIGNAC has benefited from the same supplementary social protection cover as all the other Company executives, governed by binding contracts between the Company and its insurers. On this basis, he is covered by the "incapacity – disability – death" scheme and the healthcare scheme applicable within the Company.

- **Commitments made for the Chief Executive Officer:**
  - **pension commitment:**

  As per the legislation applicable to social security old age pensions, François-Melchior de POLIGNAC is a beneficiary of the ARRCO and AGIRC supplementary schemes.

  In 2023, the Chief Executive Officer benefits from a supplementary defined-contribution pension plan (*Plan d'Épargne Retraite Entreprise Obligatoire*), open to managers of Maisons du Monde S.A. whose gross annual compensation exceeds three social security ceilings. The mandatory payments used to finance the pension contract correspond to 5% of the gross annual compensation, calculated within the limit of five social security ceilings.

These mandatory payments are fully covered by the company.

- **non-compete commitment:**

François-Melchior de POLIGNAC would be subject to a non-compete obligation in the event of the termination of his duties within the Company.

In exchange for this twelve-month commitment, starting from the termination of her corporate office, François-Melchior de POLIGNAC would receive, once his term of office has been terminated and for the entire duration of this non-compete clause, a special monthly payment of 50% of the average gross fixed monthly compensation received for the last twelve complete months of his activity.

However, the Board of Directors may waive the application of the non-compete obligation upon the termination of François-Melchior de POLIGNAC's term of office. In this case, the special fixed monthly payment would not be made.

The Chief Executive Officer would no longer receive special fixed monthly payments once he exercises his right to retire. In any event, no compensation will be paid after she reaches the age of 65.

- **commitment in the event of the termination of duties:**

François-Melchior de POLIGNAC does not benefit from any commitments in the event of termination of his term of office.

Compensation policy for the 2024 financial year

- **Fixed compensation:**

The annual fixed compensation remains set at a gross amount of EUR 500,000.

- **Variable compensation:**

The Board of Directors, at its Meeting of 11 March 2024, on the proposal of the Nomination and Compensation Committee, set the annual variable compensation of François-Melchior de POLIGNAC as follows:

The annual variable compensation of François-Melchior de POLIGNAC will be paid according to the achievement of criteria measuring financial performance (revenue and free cash flow), the proper execution of the strategic plan (Inspire Everyday) as well as the Group's CSR performance (climate and social). This annual variable compensation may be between 0% and 150% of the gross annual fixed compensation with a target set at 100% of the gross annual fixed compensation.

Each criterion will be assessed independently, in relation to a target set by the Board of Directors. To assess the attainment rate of each criterion, the Board of Directors, on the recommendation of the Nomination and Compensation Committee has set performance thresholds, a target and a ceiling. The maximum triggering threshold for financial targets corresponds to the payment of 50% of the target amount; the target corresponds to 100%, and the caps are set as follows:

- Financial objectives: 65% of the target variable
  - A. Group sales (on a Like-for-Like basis): 35% of the target variable portion, with a maximum of 175% of this amount in the event of outperformance.
  - B. Group Free Cash Flow: 30% of the target variable portion; with a maximum of 175% of this amount in the event of outperformance.

Between the threshold, the performance target and the outperformance target, the variable compensation for each financial criterion is achieved on a step-by-step basis and, between two levels, on a proportional and straight-line basis.

- Objective linked to the strategic plan: 20% of the target variable
  - A. Inspire Everyday plan: 20% of the target variable portion, capped at 100%.

This indicator is an overall qualitative indicator of the execution of the strategic plan by the Chief Executive Officer and will be assessed by the Board of Directors on the basis of four key elements: the number of stores to be opened or transferred into a franchise or affiliation, improvement of the retail conversion rate, the implementation of the savings plan as well as the transformation of the Maisons du Monde offering.

- CSR targets: 15% of the target variable
  - A. Climate: 10% of the target variable portion capped at 100%:
    - a. Climate Objective 1: 5% of the target variable portion, capped at 100%. As part of the overhaul of the Group's carbon trajectory, an assessment of the progress made on the creation, sourcing and purchasing policies and processes in order to better take into account sustainability commitments in the collections;
    - b. Climate Objective 2: 5% of the target variable portion, capped at 100%. Pursuing Maisons du Monde's ambition to reduce CO_2 emissions by keeping Group CO_2 emissions (scopes 1, 2 and 3) at a lower level in absolute value, than the 15% reduction from 2021.
  - B. Social: 5% of the target variable portion, capped at 100%. As part of Maisons du Monde's commitments to integrating young people, pursuing the objective set in 2022 of mentoring 500 young people by the end of 2026, through individual and collective mentoring, by mentoring 100 young people in 2024, at least 30 of which are in individual mentoring.

Between the threshold, the performance target and the outperformance target, the variable compensation for each criterion is achieved on a step-by-step basis.

The achievement of the annual variable compensation targets for François-Melchior de POLIGNAC will be assessed by the Board of Directors at its meeting to approve the Company's 2024 financial statements.

- **Retention plan for the Chief Executive Officer:**

The Board of Directors, on the recommendation of the Nomination and Compensation Committee, decided to set up a retention scheme for the Chief Executive Officer.

The primary features of this retention plan for the Chief Executive Officer would be as follows:

This retention plan covers the years 2024, 2025 and 2026 for an eventual target amount of EUR 500,000, with the possibility of doubling it depending on the performance achieved.

Obtaining the bonus is subject to:

1. for one half, compliance with a condition of presence in the workforce at 31/12/2026; and
2. for the other half, based on the same condition of presence and based on the average success rate of the performance objectives set for the annual variable compensation for the years 2024, 2025 and 2026.

Note: the Board of Directors has decided that the final allocation of the amounts provided for in the retention plan would take place before the end of the vesting period only in the event of (i) death or (ii) disability of the beneficiary corresponding to the classification in the second or third of the categories set out in Article L. 341-4 of the French Social Security Code.

In the event of departure during the period, no amount will be earned, except in the specific case of a forced departure occurring within 12 months following a change of control of the company, in which case the retention bonus will be acquired on a on a *pro rata* basis and paid on the due date. Similarly, if, in this specific case of departure, the payment under the retention plan, combined with any non-compete severance payment, were to exceed two years of compensation (fixed and annual variable), then the amount due to the employee under the retention plan would be reduced accordingly.

- **Allocation of free performance shares for the 2024 financial year**
  - The Chief Executive Officer is the beneficiary of free performance shares allocated on the condition of continued presence at the end of a three-year period and subject to performance conditions (allocations subject to the achievement of several demanding performance conditions measured over three years), in the same way as the other senior executives and executives of the Group.
  - As part of the implementation of a plan to boost the Group's commercial and financial performance, the Annual General Meeting approved the Board's March 2023 proposal to grant, in addition to the 50,000 performance shares planned each year, an additional allocation of 90,000 shares, with the aim of establishing a strong link between the long-term compensation of the Chief Executive Officer in the months following their arrival and this recovery plan.

<u>As a reminder:</u>

Pursuant to this policy, any vesting of shares resulting from the allocation of free performance shares to the Chief Executive Officer will be subject to the achievement of several demanding performance conditions measured over three years on:

- one or more internal quantifiable indicators including at least one CSR performance condition,
- one or more additional stock market performance conditions (TSR).

The Chief Executive Officer must keep in registered form, until the end of their term of office, 55% of the shares vested. Given this holding obligation, the availability of the performance shares is not conditional on the purchase of additional Company shares.

The Chief Executive Officer may not use hedging products on Company shares or on any related financial instruments. François-Melchior de POLIGNAC's commitment not to use such hedging transactions, including on the performance shares granted, has been recorded.

- Under the authorisation conferred by the Annual General Meeting on 29 June 2023, the Board of Directors therefore decided, on 11 March 2024, following a proposal from the Nomination and Compensation Committee, to allocate 140,000 free performance shares to the Chief Executive Officer. These shares are existing or to be issued shares of the Company, corresponding to 0.34% of the capital.
  - The allocation of these shares is concomitant with an allocation made to nearly 110 employees of the Maisons du Monde group, representing a total of 1.77% of the share capital.
  - The vesting of all shares allocated to François-Melchior de POLIGNAC is subject to a continuous three-year presence condition until 10 March 2027, as well as to the performance conditions defined below:

(i) half of the shares are allocated subject to economic and CSR performance conditions

- Like-for-Like Sales CAGR: compound annual growth rate between 2023 and 2026 – Weighting of the criterion: 25%;
- Average EBIT/revenue rate in 2024, 2025, 2026: average EBIT rate in relation to revenue over the three financial years 2024, 2025 and 2026 – Weighting of the criterion: 25%;
- Cumulative free cash flow: cumulative free cash flow in millions of euros for the 2024, 2025 and 2026 financial years – Weighting of the criterion: 20%;
- Inspire Everyday plan: performance criterion in line with the strategic plan – Weighting of the criterion 15%:
  - Rate of switching of the network to affiliation/franchise reached in 2026: share of the network of stores under affiliation/franchise in 2026 *vs.* 2023 – Weighting of the criterion 7.5%,

- Share of new business revenue achieved in 2026 *vs.* 2023: (B2B, services, new offering categories) – Weighting of the criterion 7.5%.

- **Corporate Social Responsibility:**
  - Environmental (circular economy):
    - "Second chance web" revenue and circular economy objective (spare parts sales, etc.) achieved in 2026 – Weighting of the criterion: 10%;
  - Social (engagement rate):
    - Employee engagement rate at the end of 2026 vs. the market benchmark (the engagement rate is calculated using a constant method on the basis of the average of four Indicators) – Weighting of the criterion: 5%.

The Board of Directors, on the recommendation of the Nomination and Compensation Committee, set the following quantifiable target and threshold levels expected for each of the performance conditions:

Regarding the economic criteria:

- The lower limit of the performance gives the right to 50% of these shares,
- The performance target (at 100% of the objective) gives the right to 100% of these shares,
- Below this lower limit, no shares are acquired for this performance,
- Between the lower limit and the performance target, the shares for this condition are acquired on a proportional and straight-line basis, with the exception of the CSR conditions (fixed boundaries).

(ii) the other half of the shares is allocated subject to the same economic and CSR performance conditions and an additional TSR condition:

This 50% of the shares granted will be subject to the achievement of a TSR criterion as follows, and, cumulatively and proportionally, to the economic performance conditions mentioned in (i).

This TSR condition was defined by the Board of Directors as follows: rate of return on the share measured by the cumulative increase in its share price (calculated using the average of the 90 quotations before the plan's grant date and before the plan's due date), including dividends.

Regarding the TSR criterion:

- the triggering threshold allowing the acquisition of 15% of the shares bearing this TSR condition was set at the achievement of a TSR performance of at least 45%. Any performance below this standard will result in none of the shares subject to a TSR being vested,
- the performance level allowing the acquisition of 100% of the shares with a TSR condition is set at the achievement of a TSR performance of greater than 400% of the index.

Several steps have been defined between the triggering threshold and the maximum.

Between two levels, the TSR performance will be determined on a proportional and straight-line basis.

Thus, the first half of the shares granted relies on economic performance and CSR conditions, and the other half of the shares granted would be delivered subject to conditions of the cumulative achievement (on a proportional basis) of the economic and CSR conditions mentioned above and of the TSR condition.

In the event that the number of performance shares obtained following the application of the above performance conditions is greater than the number of shares allocated, the number of shares vested may under no circumstances exceed 100% of the shares allocated; lastly, if the number of shares is not a whole number, it shall be rounded down to the nearest unit.

The allocation of shares will also be subject to the beneficiary being employed by the Company at the end of this vesting period, it being specified that:

1. in the event of forced departure (request for resignation, dismissal, non-renewal), other than for serious or gross misconduct, other than that referred to in (2), the Board of Directors may waive the condition of presence with a duly justified decision, it being specified that in the aforementioned cases, the rule of pro-rata temporis will still be applied to the shares in the process of vesting.
2. in the event of forced departure other than for serious or gross misconduct in the 12 months following a takeover, the condition of presence will automatically be waived, it being specified that in this case, the rule of pro-rata temporis will still be applied to the shares in the process of vesting (the current financial year will be considered as fully completed).

Furthermore, the Board of Directors has provided for the definitive allocation of the shares before the end of the vesting period, and the free transferability of these shares, in the event of the death or disability of the Chief Executive Officer corresponding to the classification in the second or third of the categories set out in Article L. 341-4 of the French Social Security Code.

- **Mandatory PER pension plan (Article 83):**

In the same way as the managers of the company Maisons du Monde S.A. whose gross annual compensation exceeds three social security ceilings, the Chief Executive Officer benefits from the mandatory defined-contribution pension plan. The mandatory payments used to finance the pension contract correspond to 5% of the gross annual compensation, calculated within the limit of five social security ceilings.

These mandatory payments are fully covered by the company.

- **Non-compete commitment:**

The Chief Executive Officer is subject to a non-compete obligation in the event of the termination of their duties within the Company.

In exchange for this twelve-month commitment, starting from the termination of his term of office, the Chief Executive Officer would receive, once his term of office has been terminated and for the entire duration of this non-compete clause, a special fixed monthly payment of 50% of his average gross fixed monthly compensation received over the last twelve complete months of his activity.

However, the Board of Directors may waive the application of the non-compete obligation upon the termination of the Chief Executive Officer's term of office. In this case, the special fixed monthly payment would not be made.

The Chief Executive Officer would no longer receive special fixed monthly payments once he exercises his right to retire.

In any event, no compensation will be paid after she reaches the age of 65.

- **Health, personal risk, disability and pension coverage:**

The Chief Executive Officer benefits from the same additional cover as all the Company's executives, governed by binding contracts between the Company and its insurers. On this basis, he is covered by the "incapacity – disability – death" scheme and the healthcare scheme applicable within the Company.

- **Unemployment insurance:**

The Chief Executive Officer benefits from unemployment insurance under an executive social security plan (GSC) (known as "Formula 70") for a period of 18 months.

- **Benefits in kind:**

During his term of office, the Chief Executive Officer is granted a benefit in kind corresponding to the private use of a company car. The Company covers all of the vehicle's maintenance and insurance expenses. A petrol card is made available to him for the performance of professional activities.

- **Other items:**

No severance payment is provided for in the event of the termination of his term of office.

In the event of his resignation as Chief Executive Officer, François-Melchior de POLIGNAC must provide six months' notice.

The compensation policy applicable to François-Melchior de POLIGNAC for 2023 was published in detail on the Company's website on 18 March 2024, and is, in any event, subject to its approval by the Annual General Meeting to be held on 21 June 2024.

4.2.2.2 Compensation of corporate officers (excluding Chief Executive Officer)

Summary of compensation paid for the 2023 financial year

- **Principles of the compensation for directors:**

The Annual General Meeting of 29 June 2023 approved the following compensation policy for the 2023 financial year:

	Amount allocated
Total amount allocated for the 2023 financial year	EUR 800,000
Chairperson of the Board	
Lump sum allocated for the financial year	EUR 150,000
Director	
- Fixed	EUR 15,000
- Variable	EUR 25,000
Audit Committee	
Chairperson	
Member	EUR 20,000
- Fixed	EUR 5,000
- Variable	EUR 2,500/meeting
Nomination and Compensation Committee and CSR Committee	
Chairperson	
Member	EUR 10,000
- Fixed	EUR 5,000
- Variable	EUR 2,500/meeting

If the total amount due exceeds the allocated budget, then all variable compensation for the Committees and the Board may be adjusted downward in due proportion in order to remain within the budget.

The number of meetings of the Audit Committee and the Nomination and Compensation Committee was capped at ten and the number of CSR Committee meetings was capped at five.

- **Setting of compensation for 2023:**

On the recommendations of the Nomination and Compensation Committee, and taking into account directors' attendance at Board Meetings during the 2023 financial year, at its meeting of 11 March 2024, the Board set the following compensation to be paid for each eligible director.

The total amount of compensation paid to directors in respect of their terms of office for the past financial year amounted to EUR 643,323. This compensation will be paid to the directors in July 2024 following the Annual General Meeting called to approve the financial statements for the 2023 financial year.

The summary table of the amounts paid to each director appears in Section 4.2.3. "Standardised presentation"

- Table No. 3 in this chapter.

Compensation policy for the 2024 financial year

At its meeting of 11 March 2024, the Board decided to propose to the Annual General Meeting that the total amount of compensation allocated to directors be held at EUR 800,000 and that the existing compensation policy remain unchanged:

	Amount allocated
Chairperson of the Board	
Lump sum allocated for the financial year	EUR 150,000
Director	
• Fixed	EUR 15,000
• Variable	EUR 25,000
Audit Committee	
• Chairperson	
A. - Fixed	EUR 20,000
B. - Variable	EUR 2,500/meeting
• Member	
- Fixed	EUR 5,000
- Variable	EUR 2,500/meeting
Nomination and Compensation Committee and CSR Committee	
• Chairperson	
A. - Fixed	EUR 10,000
B. - Variable	EUR 2,500/meeting
• Member	
- Fixed	EUR 5,000
- Variable	EUR 2,500/meeting

If the total amount due exceeds the allocated budget, then all variable compensation for the committees and the Board may be adjusted downward in due proportion in order to remain within the budget.

The number of meetings of the Audit Committee and the Nomination and Compensation Committee will be capped at ten and the number of CSR Committee meetings will be capped at five.

In the event that the Board of Directors decides to create an additional or *ad hoc* committee, its members will be compensated on the basis of the compensation applicable to the members and the Chairperson of the Audit Committee. If, as a result of the compensation of the directors linked to this new committee, the overall annual budget were to be exceeded, the total compensation due to the directors for the financial year (with all committees and Board meetings combined) would be reduced on a *pro rata* basis in order to reflect the number of meetings held by each director during the year while respecting the overall allocated budget.

4.2.2.3 Interests of corporate officers

Regulated agreements

Agreements entered into over the course of the past financial year

The Company's Board of Directors has authorised the following agreements:

- Amendment to the governance agreement between the Company and Majorelle Investments, notably providing for the appointment of an additional representative on the Board of Directors (authorisation of the Board of Directors of 30 May 2023 and published on the Group's website in the governance section);
- Amendment to the governance agreement between the Company and Teleios Capital Partners, notably providing for the appointment of an additional representative on the Board of Directors (authorisation of the Board of Directors of 30 May 2023 and published on the Group's website in the governance section).

Agreements entered into previously which continued during the 2023 financial year

- The Company's Board of Directors authorised the sponsorship agreement entered into on 27 March 2021 with the Maisons du Monde Foundation endowment fund, pursuant to Article L. 225-38 of the French Commercial Code (authorisation of the Board of Directors of 27 January 2021 and information published on the Company's website on 3 February 2021 at the address https://corporate.maisonsdumonde.com, in the governance/regulated agreements section);
- Governance agreement between the Company and Majorelle Investments, notably providing for standstill commitments (authorisation of the Board of Directors of 3 May 2021 and information published on the Group's website, governance section, and on the AMF website under the number 222C1010);
- Governance agreement between the Company and Teleios Capital Partners, notably providing for standstill commitments (authorisation of the Board of Directors of 3 May 2021 and published on the Group's website in the governance section, and on the AMF website under number 222C1015).

The essential characteristics and modalities, as well as the interest for the Company of these agreements and commitments are mentioned in the special Report of the statutory auditors appearing in Section 4.3 of this chapter.

Current agreements

In accordance with Article L. 22-10-12 of the French Commercial Code, the Board of Directors has implemented a procedure to regularly assess whether current agreements concerning current operations signed under normal terms meet these conditions.

As part of this assessment, the Audit Committee notably reviews the qualification and, if applicable, reclassifies the agreements under regulated agreements, in view of the applicable qualification criteria.

At its meeting of 4 March 2024, the Audit Committee carried out the following tasks:

- the identification of agreements classified as current;
- their annual assessment by conducting an annual survey, and the *ex-post* assessment of these agreements in order to check whether they meet the conditions for their qualification as current agreements.

Following this review, the Audit Committee did not carry out any reclassification under related-party agreements.

No person likely to be directly or indirectly concerned by one of these agreements took part in their assessments.

Agreements signed between an executive or significant shareholder and a subsidiary

As at the date of this Universal Registration Document, there are no agreements signed, directly or through a third party, between a corporate officer or a significant shareholder of the Company and a company controlled by Maisons du Monde within the meaning of Article L. 233-3 of the French Commercial Code.

4.2.3 STANDARDISED PRESENTATION OF THE COMPENSATION OF CORPORATE OFFICERS

Summary table of the compensation, options and shares granted to each executive corporate officer (Table 1 – Appendix 2 of the AMF Guide)

Julie WALBAUM, **Chief Executive Officer - 1 January to 15 March 2023** *(in euros)*	2023	2022
Compensation awarded for the year *(details of which are given in Table 2)*	212,817	620,033
Valuation of multi-year variable compensation awarded during the year	N/A	N/A
Valuation of options granted during the year *(details of which are given in Table 4)*	N/A	N/A
Valuation of free shares granted *(details of which are given in Table 6)*	N/A	623,948
Valuation of other long-term compensation plans	N/A	N/A
TOTAL	**212,817**	**1,243,981**

François-Melchior de POLIGNAC, **Deputy Chief Executive Officer - 25 January to 14 March 2023** *(in euros)*	2023	2022
Compensation awarded for the year *(details of which are given in Table 2)*	71,237	N/A
Valuation of multi-year variable compensation awarded during the year	N/A	N/A
Valuation of options granted during the year *(details of which are given in Table 4)*	N/A	N/A
Valuation of free shares granted *(details of which are given in Table 6)*	N/A	N/A
Valuation of other long-term compensation plans	N/A	N/A
TOTAL	**71,237**	**N/A**

François-Melchior de POLIGNAC, **Chief Executive Officer - 15 March to 31 December 2023** *(in euros)*	2023	2022
Compensation awarded for the year *(details of which are given in Table 2)*	449,888	N/A
Valuation of multi-year variable compensation awarded during the year	N/A	N/A
Valuation of options granted during the year *(details of which are given in Table 4)*	N/A	N/A
Valuation of free shares granted *(details of which are given in Table 6)*	600,013	N/A
Valuation of other long-term compensation plans	N/A	N/A
TOTAL	**1,049,901**	**N/A**

Summary table of the compensation of each Executive Director (Table 2 – Appendix 2 of the AMF Guide)

Julie WALBAUM, Chief Executive Officer *(in euros)* ***- 1 January to 15 March 2023***	2023		2022	
	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Fixed compensation	104,484	104,484	500,000	500,000
Annual variable compensation	104,000	100,000	100,000	579,000
Exceptional compensation	N/A	N/A	N/A	N/A
Compensation allocated in respect of directorship	N/A	N/A	N/A	N/A
Benefits in kind	4,333	4,333	20,033	20,033
TOTAL	**212,817**	**208,817**	**620,033**	**1,099,033**

François-Melchior de POLIGNAC, Deputy Chief Executive Officer *(in euros)* ***- 25 January to 14 March 2023***	2023		2022	
	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Fixed compensation	71,237	71,237	N/A	N/A
Annual variable compensation	(1)	(1)	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Compensation allocated in respect of directorship	N/A	N/A	N/A	N/A
Benefits in kind	(1)	(1)	N/A	N/A
TOTAL	**71,237**	**71,237**	**N/A**	**N/A**

(1) *The amounts relating to variable compensation and benefits in kind, having been calculated based on the entire two terms of office, have been included in the following Chief Executive Officer table.*

François-Melchior de POLIGNAC, Chief Executive Officer *(in euros)* ***- 15 March to 31 December 2023***	2023		2022	
	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Fixed compensation	409,968	409,968	N/A	N/A
Annual variable compensation	25,000	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Compensation allocated in respect of directorship	N/A	N/A	N/A	N/A
Benefits in kind	14,920	14,920	N/A	N/A
TOTAL	**449,888**	**424,888**	**N/A**	**N/A**

Thierry FALQUE-PIERROTIN Chairperson of the Board of Directors *(in euros)*	2023		2022	
	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Fixed compensation	N/A	N/A	N/A	N/A
Annual variable compensation	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Compensation allocated in respect of directorship	61,233	150,000	150,000	150,000
Benefits in kind	N/A	N/A	N/A	N/A
TOTAL	**61,233**	**150,000**	**150,000**	**N/A**

Françoise GRI Chairperson of the Board of Directors *(in euros)*	2023		2022	
	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Fixed compensation	N/A	N/A	N/A	N/A
Annual variable compensation	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Compensation allocated in respect of directorship	88,767	N/A	N/A	N/A
Benefits in kind	N/A	N/A	N/A	N/A
TOTAL	**88,767**	**N/A**	**N/A**	**N/A**

Table of compensation awarded in respect of directorships and other compensation received by non-executive corporate officers (Table 3 – Appendix 2 of the AMF Guide)

	2023	2022
Michel-Alain PROCH		
Compensation (fixed, variable)	102,500	95,000
Other compensation	N/A	N/A
Cécile CLOAREC		
Compensation (fixed, variable)	90,000	74,820
Other compensation	N/A	N/A
Laure HAUSEUX		
Compensation (fixed, variable)	57,500	57,500
Other compensation	N/A	N/A
Victor HERRERO		
Compensation (fixed, variable)	53,333	50,455
Other compensation	N/A	N/A
Alexandra PALT		
Compensation (fixed, variable)	53,833	33,271
Other compensation	N/A	N/A
Gabriel NAOURI		
Compensation (fixed, variable)	47,548	23,562
Other compensation	N/A	N/A
MAJORELLE INVESTMENTS		
Compensation (fixed, variable)	20,384	N/A
Other compensation	N/A	N/A
Adam EPSTEIN		
Compensation (fixed, variable)	18,260	N/A
Other compensation	N/A	N/A
TELEIOS CAPITAL PARTNERS		
Compensation (fixed, variable)	47,965	23,562
Other compensation	N/A	N/A
Gregory CROZZOLO		
Compensation (fixed, variable)	N/A	N/A
Other compensation	N/A	N/A
Samira MOUADDINE		
Compensation (fixed, variable)	N/A	N/A
Other compensation	N/A	N/A
Sophie GUIEYSSE		
Compensation (fixed, variable)	N/A	16,438
Other compensation	N/A	N/A
Marie-Christine LEVET		
Compensation (fixed, variable)	N/A	23,493
Other compensation	N/A	N/A

Stock options allocated during the financial year to each Executive Director by the issuer or by any Group company (Table 4 – Appendix 2 of the AMF Guide)

No stock options were allocated to the Executive Director during the course of 2022.

Stock options exercised during the financial year by each Executive Director (Table 5 – Appendix 2 of the AMF Guide)

No stock options were exercised during the 2023 financial year.

Free shares allocated to each corporate officer (Table 6 – Appendix 2 of the AMF Guide)

First name Last name	Plan number and date	Number of shares allocated during the financial year	Valuation of shares*	Date of acquisition	Date of availability	Performance conditions
François -Melchior de POLIGNAC	Plan 9 of 22/03/2023	71,944	EUR 600,013	22/03/2026	N/A	• 20% of the shares are subject to a Sales CAGR condition: compound annual growth rate between 2023 and 2025 • 40% of the shares are subject to an EBIT condition: cumulative EBIT over three financial years • 20% of the shares are subject to a TSR condition: rate of return of the share measured by the cumulative increase and return compared to a specific index composed 50% of the CAC Mid 60 GR index and 50% of an index made up of equal portions from 6 European retailers • 20% have a CSR condition: proportion of the GIB offering in 2025 (10%) and employee engagement rate in 2025 *vs.* 2022 (10%)

** Depending on the method used for the consolidated financial statements.*

Free shares that have become available during the financial year for each Executive Director (Table 7 – Appendix 2 of the AMF Guide)

First name Last name	Plan number and date	Number of free shares that have become available	Number of shares that have become available during the financial year	Vesting conditions
Julie WALBAUM	Plan 6 of 10/03/2020	53,900	53,900	• 20% of the shares were subject to a 2021 revenue condition • 50% of the shares were subject to a cumulative 2020 + 2021 EBITDA condition • 30% of the shares were subject to a cumulative 2020 + 2021 normative EPS condition

The vesting was subject to the following economic performance conditions: 20% on 2021 revenue, 50% on cumulative 2020 + 2021 EBITDA and 30% on cumulative 2020 + 2021 normative EPS.

Based on the financial statements for 2020 and 2021, with 2021 revenue of over EUR 1,350 million, EBITDA over EUR 500 million and EPS equivalent to EUR 1.72 exceeded, and the overall achievement rate is 100%.

Thus, the 53,900 shares of the Company allocated by the Board of Directors on 10 March 2020 were vested on 10 March 2023, the date of the end of the vesting period.

History of stock option allocations (Table 8 – Appendix 2 of the AMF Guide)

Not applicable.

Summary of the commitments made to Executive Directors (Table 11 – Appendix 2 of the AMF Guide)

Executive Director	Employment contract	Supplemental pension plan	Severance payments and benefits due or likely to become due in the event of termination of office	Severance payment in relation to a non-compete clause
Julie WALBAUM				
Chief Executive Officer	No	No*	No	Yes
François-Melchior de POLIGNAC				
Chief Executive Officer since 15 March 2023 (Deputy Chief Executive Officer from 25 January 2023 to 15 March 2023)	No	No*	No	Yes

** Excluding defined-contribution collective pension scheme.*

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4.2.4 IMPLEMENTATION OF THE CORPORATE GOVERNANCE CODE

The Company refers to the recommendations of the AFEP-MEDEF Code of Corporate Governance, with the exception of Article 10.3 concerning the assessment of the Board of Directors by an external consultant every three years (see paragraph 4.1.2.3 above).

4.3 Reports and verifications by the statutory auditors

4.3.1 SPECIFIC VERIFICATIONS BY THE STATUTORY AUDITORS REGARDING CORPORATE GOVERNANCE

In accordance with the provisions of Article L. 225-235 amended by Order 2017-1162, reference is made to the specific verifications performed by the Statutory Auditors on the Report of the Board of Directors on corporate governance in their Report on the annual financial statements, which is contained in Section 6.4 of this Universal Registration Document.

4.3.2 SPECIAL REPORT BY THE STATUTORY AUDITORS ON REGULATED AGREEMENTS

Annual General Meeting held to approve the financial statements for the financial year ended 31 December 2023

To the Annual General Meeting of MAISONS DU MONDE,

As Statutory Auditors of your Company, we hereby present our report on regulated agreements.

It is our responsibility to inform you, on the basis of the information provided to us, of the terms and conditions, the purpose and benefits to the Company of the agreements brought to our attention or which we encountered during our engagement. It is not our role to determine whether they are beneficial or appropriate or to ascertain whether any other agreements exist. It is your responsibility, under the terms of Article R. 225-31 of the French Commercial Code, to assess the merit of these agreements with a view to approving them.

In addition, it is our responsibility, where appropriate, to inform you, pursuant to Article R. 225-31 of the French Commercial Code, of the agreements approved at the Annual General Meeting in prior financial years.

We conducted the work we deemed necessary in accordance with the professional standards issued by the French national institute of statutory auditors (CNCC) relating to this engagement. Those standards require that we plan and perform our work to verify that the information provided to us is consistent with the documents from which it was derived.

Agreements submitted for approval at the Annual General Meeting

Agreements authorised and signed during the financial year

In accordance with Article L. 225-40 of the French Commercial Code, we hereby inform you that we were informed of the following agreements signed during the financial year following prior authorisation by your Board of Directors.

Amendment to the governance agreement between the Company and Majorelle Investments ("Majorelle")

Authorisation: Board of Directors' meeting of 30 May 2023.

Person concerned: Majorelle holds more than 10% of the Company's share capital and voting rights.

Nature and purpose: The Company undertakes to appoint an additional representative named by Majorelle on the recommendation of its Board of Directors.

Majorelle undertakes:

- not to request or take any action to obtain a third representative on the Board of Directors of the Company, unless Majorelle, depending on the case, comes to hold more than 28% of the share capital and voting rights of the Company and the representatives of another Company investor have just resigned from their duties on the Board of Directors.
- These standstill commitments automatically expire if, after the appointment of the additional representative at the 2023 Annual General Meeting, one of the Majorelle representatives (depending on the case) is dismissed without being replaced by another representative appointed by the investor.

Benefits to the Company:

- The appointment of an additional shareholder to the Board of Directors above the reference shareholder contributes to the implementation of a renewed governance while ensuring a balanced composition of the Board of Directors.
- The commitments made by the reference shareholder in terms of governance and Majorelle Investments honouring its standstill commitments in the Amendments to the Governance Agreements demonstrate that the reference shareholder supports the Company's new governance.

Financial terms: N/A.

Termination of the agreement: 24 months from the signature of the initial governance agreement, *i.e.* 2 May 2024.

Amendment to the governance agreement between the Company and Teleios Capital Partners LLC ("Teleios")

Authorisation: Board of Directors' meeting of 30 May 2023.

Person concerned: Teleios holds more than 10% of the Company's share capital and voting rights through the funds and clients that it manages.

Nature and purpose: The Company undertakes to appoint an additional representative named by Teleios on the recommendation of its Board of Directors.

Teleios undertakes:

- not to request or take any action to obtain an additional representative on the Board of Directors unless, depending on the case, it comes to hold more than 28% of the Company's share capital and voting rights and the representatives of another Company investor have resigned from their duties on the Board of Directors.
- These standstill commitments automatically expire if, after the appointment of the additional representative at the 2023 Annual General Meeting, one of the Teleios representatives (depending on the case) is dismissed without being replaced by another representative appointed by the investor.

Benefits to the Company: The appointment of an additional shareholder to the Board of Directors above the reference shareholder contributes to the implementation of a renewed governance while ensuring a balanced composition of the Board of Directors.

The commitments made by the reference shareholder in terms of governance and Teleios honouring its standstill commitments in the Amendments to the Governance Agreements demonstrate that the reference shareholder supports the Company's new governance.

Financial terms: N/A.

Termination of the agreement: 24 months from the signature of the initial governance agreement, *i.e.* 2 May 2024.

Agreements previously approved at Annual General Meetings

Agreements approved during previous financial years which continued to be performed during the past financial year

In accordance with Article R. 225-30 of the French Commercial Code, we have been informed of the following agreements which were approved at Annual General Meetings in prior years and continued to apply in the financial year.

Governance agreement between the Company and Majorelle Investments ("Majorelle")

Authorisation: Board of Directors' meeting of 3 May 2022.

Person concerned: Majorelle holds more than 10% of the Company's share capital and voting rights.

Nature and purpose: The Company undertakes to appoint a Majorelle representative to the Board of Directors.

Majorelle undertakes:

- not to file or announce a public offering for the Company's shares without the prior recommendation of the Board of Directors and, therefore, not to exceed the threshold of 29.9% of the Company's share capital or voting rights;
- not to support or participate in a public offering for the Company's shares that has not been recommended by the Board of Directors, said undertaking not preventing Majorelle from submitting its shares to a public offering for the Company's shares, provided that it has been declared compliant by the AMF;
- not to file or announce the filing of a resolution at the Company's Annual General Meeting without the prior recommendation of the Board of Directors;
- not to request or take any measures to obtain an additional representative on the Board of Directors (unless it comes to hold more than 24% of the share capital and voting rights of the Company and the representative of another Company investor has just resigned from its duties on the Board of Directors).

Benefits to the Company: The appointment of a reference shareholder to the Board of Directors ensures a balanced composition of the Board of Directors and corresponds to market practices.

The commitments made by Majorelle Investments demonstrate its support for the Board of Directors.

Financial terms: N/A.

Termination of the agreement: 24 months from its signature, *i.e.* 2 May 2024.

Governance agreement between the Company and Teleios Capital Partners LLC ("Teleios")

Authorisation: Board of Directors' meeting of 3 May 2022.

Person concerned: Teleios holds more than 10% of the Company's share capital and voting rights.

Nature and purpose: The Company undertakes to appoint a Teleios representative on the Board of Directors.

Teleios undertakes:

- not to file or announce a public offering for the Company's shares without the prior recommendation of the Board of Directors and, therefore, not to exceed the threshold of 29.9% of the Company's share capital or voting rights;
- not to support or participate in a public offering for the Company's shares that has not been recommended by the Board of Directors, said undertaking not preventing Teleios from submitting its shares to a public offering for the Company's shares, provided that it has been declared compliant by the AMF;

- not to file or announce the filing of a resolution at the Company's Annual General Meeting without the prior recommendation of the Board of Directors;
- not to request or take any measures to obtain an additional representative on the Board of Directors (unless it comes to hold more than 24% of the share capital and voting rights of the Company and the representative of another Company investor has just resigned from its duties on the Board of Directors).

Benefits to the Company: The appointment of a reference shareholder to the Board of Directors ensures a balanced composition of the Board of Directors and corresponds to market practices. The commitments made by Teleios demonstrate its support for the Board of Directors.

Financial terms: N/A.

Termination of the agreement: 24 months from its signature, *i.e.* 2 May 2024.

Corporate sponsorship agreement between the Company and Maisons du Monde Foundation

Authorisation: Board of Directors' meeting of 27 January 2021.

Persons concerned: Julie WALBAUM, Chief Executive Officer of MAISONS DU MONDE and Chairperson of the Maisons du Monde Foundation endowment until 15 March 2023. François-Melchior de POLIGNAC, Chief Executive Officer of MAISONS DU MONDE and Chairperson of the Maisons du Monde Foundation endowment fund since that date.

Nature and purpose: The Maisons du Monde Foundation sponsors forest and tree conservation efforts in France and other countries. It provides funding and support for non-profits setting up grassroots conservation programmes, and raises awareness of environmental issues.

Benefits to the Company: Maisons du Monde Foundation aims to highlight Maisons du Monde S.A.'s commitment as a sustainable company, and to help fund innovative, active sponsorship.

Financial terms: Maisons du Monde Foundation will receive a contribution equal to 0.08% of Maisons du Monde S.A.'s annual revenue before taxes of the preceding financial year. This is defined as "customer sales", namely revenue from in-store product sales (not including the franchises) and sales on the Maisons du Monde website, both in France and internationally. This agreement came into effect on 27 March 2021 for five years, renewable. In 2023, the Company paid EUR 972,592 to the endowment fund based on the 2022 financial year.

Termination of the agreement: 3 February 2026.

Nantes, 24 April 2024

The Statutory Auditors

KPMG Audit	**Deloitte & Associés**
Vincent BROYÉ	Jérôme QUERO
Partner	Partner

5

Notes to financial year 2023

5.1 2023 key highlights

5.1.1 CHANGES IN THE EXECUTIVE COMMITTEE

The Maisons du Monde Board of Directors, which met on 25 January 2023, appointed François-Melchior de POLIGNAC as Chief Executive Officer, with effect from 15 March 2023.

The Executive Committee was also enriched with retail experts from July 2023 with the appointment of Christophe LAPOTRE as Chief Store Operations Officer and Guillaume LESOUEF as Head of Marketing, Merchandise and Sustainability.

5.1.2 3C PLAN: A BENEFICIAL CULTURE SHOCK FOR THE ENTIRE ORGANISATION

In 2023, Maisons du Monde had to deal with unfavourable macroeconomic trends (geopolitical uncertainties, unprecedented inflation, decline in consumer confidence, etc.) which had an adverse impact on the Home & Decoration sector.

In this context, in October 2023, the Group was forced to adjust its annual objectives downwards and intensified its efforts in the execution of its 3C Plan, launched in May 2023, on its three dimensions: Customers, Costs and Cash, in order to improve the customer experience, strengthen its operating model and quickly restore the conditions for profitable organic growth.

This plan has produced tangible results that have enabled Maisons du Monde to achieve all of the adjusted 2023 objectives and to lay the foundations for its medium-term transformation plan for 2024-2026, Inspire Everyday.

5.1.3 ESG ROADMAP: SIGNIFICANT PROGRESS

Maisons du Monde also continued to roll out the Good is beautiful movement launched in 2021 with significant progress on its ESG commitments:

- As part of its commitment to transform its businesses in order to reduce its environmental footprint, Maisons du Monde has reduced the carbon intensity of its activities by 18% (1) across all scope 1 and 3 items compared to 2018;
- As part of its commitment to a lifestyle and responsible offering, 36% of the Good is beautiful selection was included in the Maisons du Monde offering *vs*. 21% when it was launched in 2021;
- These results were praised by non-financial rating agencies and in particular the CDP (Carbon Disclosure Project), which included Maisons du Monde in the prestigious “List A” 2023 - Climate Change, thus recognising its action in the fight against climate change.

5.1.4 TRANSFER OF THE REGISTERED OFFICE

In December 2023, the Board of Directors of Maisons du Monde approved the transfer of its historic registered office from “Le Portereau, 44120 Vertou” to “8 rue Marie Curie, 44120 Vertou”, with effect from 1 February 2024. This decision will be submitted for ratification by the Company’s shareholders at the Annual General Meeting of 21 June 2024 (see Section 8.2.1.3 “Ratification of the transfer of the registered office” of Chapter 8 “Annual General Meeting” of this Universal Registration Document).

(1) *In tCO_2 by million euros sales*

5.2 Analysis of activity and consolidated results

5.2.1 KEY METRICS

KEY FINANCIAL INDICATORS FOR THE FULL YEAR 2023

(in EUR millions)	2023	2022	% Change
Sales (1)	**1,125.4**	**1,240.4**	**-9.3%**
Like-for-like sales (2)	1,074.4	1,175.2	**-10.1%**
EBIT	45.8	68.5	**-33.1%**
As a % of Sales	*4.1%*	*5.5%*	
Net income	**8.8**	**34.2**	**-74.3%**
Basic earnings per share *(in euros)*	0.21	0.80	
Diluted earnings per share *(in euros)*	0.21	0.79	
Free Cash Flow (3)	**27.4**	**32.3**	**-15.2%**
Net debt (4)	**90.4**	**105.1**	**-14.0%**
Leverage ratio (5)	1.11x	0.96x	

(1) Sales defined as sales of goods, marketplace commissions, service revenues and commissions less franchise and promotional sales (EUR 2.6 million in 2023 and EUR 3.6 million in 2022).

(2) Like-for-like sales (LFL) corresponds to the change in sales from the Group's retail stores, websites and B2B activities between one financial period (n) and the comparable preceding financial period (n-1), excluding changes in sales attributable to stores that opened or were closed during either of the comparable periods. Sales attributable to stores that closed temporarily for refurbishment during any of the periods are included.

(3) Free Cash Flow defined as the generation of operating cash flows after capital expenditure, in accordance with historical financial communication.

(4) Net debt less finance leases see note 5.3.1 to the consolidated financial statements in Chapter 6 of this document.

(5) Leverage ratio defined under the Group senior debt facility as net debt less finance leases divided by EBITDA over the last twelve months (LTM EBITDA) as calculated in accordance with IAS 17 and adjusted for share-based payments (including social security contributions) and post-employment benefits – defined benefit plan. EBITDA is defined as profit (loss) from continuing operations, excluding (i) depreciation, amortisation, and allowance for provisions, (ii) the change in the fair value of derivatives and (iii) expenses incurred before new store opening.

5.2.2 ANALYSIS OF SALES

OVERVIEW OF FULL YEAR 2023 SALES

	Year ended 31 December		
(in EUR millions)	**2023**	**2022**	**% Change**
Group GMV	1,263.9	1,337.1	-5.5%
Group sales	1,125.4	1,240.4	-9.3%
Group Sales Like-for-like	*1,074.4*	*1,175.2*	*-10.1%*
SALES BY PRODUCT CATEGORY (1)			
DECORATION	648.2	719.8	-9.9%
As a % of Sales	*57.6%*	*58.0%*	
FURNITURE	477.2	520.6	-8.4%
As a % of Sales	*42.4%*	*42.0%*	
SALES BY DISTRIBUTION CHANNEL			
STORE NETWORK	815.7	880.9	-7.4%
As a % of Sales	*72.5%*	*71.0%*	
ONLINE SALES	309.6	359.6	-13.9%
As a % of Sales	*27.5%*	*29.0%*	
SALES BY GEOGRAPHY			
FRANCE	622.9	663.8	-6.2%
As a % of Sales	*55.3%*	*53.5%*	
INTERNATIONAL	502.5	576.6	-12.9%
As a % of Sales	*44.7%*	*46.5%*	

(1) Commissions (marketplace and Rhinov decoration services) are included in the line "Sales by product category" (decoration and furniture). For comparability purposes, 2022 figures have been adjusted.

FY 2023 **Group sales** reached EUR 1,125.4 million, reflecting a decline of -9.3% compared to 2022, in a difficult context for the Home & Decoration market, intensified by unfavourable macroeconomic factors (geopolitical uncertainties, unprecedented inflation, deteriorated consumer confidence).

Maisons du Monde continued the dynamic management of its store network. At the end of December 2023, the store portfolio reached 340 own stores following 18 net closures of which 5 transfers to affiliates, as anticipated.

5.2.2.1 Sales by distribution channel

Online sales amounted to EUR 309.6 million, experiencing a decrease of -13.9% *vs.* 2022. The Black Friday momentum helped to improve the online sales trend in the fourth quarter compared to the previous periods. The marketplace in France, Spain, Italy and, since Q3, in Germany showed strong growth (online GMV marketplace: +43.9%).

Store sales were down -7.4% compared to 2022 at EUR 815.7 million, with France achieving a comparatively better performance than other geographies. Increased products availability and appealing commercial initiatives led to improved conversion rates in the fourth quarter.

5.2.2.2 Sales by category

Decoration sales declined by -9.9% compared to 2022 at EUR 648.2 million. **Furniture sales** decreased by -8.4% compared to the previous year with a marked improvement in the fourth quarter, notably thanks to product availability, promotional initiatives, free delivery and instalment payments without fees.

5.2.2.3 Sales by geographic area

Sales in France amounted to EUR 622.9 million and continued to demonstrate relative resilience compared to 2022, notably thanks to the implementation of first local marketing and merchandising initiatives in the fourth quarter 2023.

International sales totalled EUR 502.5 million, down -12.9% *vs*. 2022, recording a sequential improvement over the fourth quarter compared to the previous nine months. Despite some improvement, Germany remained the least performing market whilst the Iberian Peninsula showed the most dynamic trend.

5.2.3 FINANCIAL PERFORMANCE

(in EUR millions)	2023	2022	% Change
Sales	**1,125.4**	**1,240.4**	**-9.3%**
Cost of goods sold	(399.6)	(437.9)	-8.7%
Gross margin	725.8	802.5	-9.6%
As a % of Sales	*64.5%*	*64.7%*	
Store operating and central costs	(382.8)	(415.9)	-8.0%
Logistics costs	(135.5)	(159.6)	-15.1%
Operating Costs	**(518.3)**	**(575.5)**	**-10.0%**
EBITDA	207.6	227.0	-8.6%
As a % of Sales	*18.4%*	*18.3%*	
Depreciation, amortisation, and allowance for provisions	(161.8)	(158.5)	2.1%
EBIT	45.8	68.5	-33.1%
As a % of Sales	*4.1%*	*5.5%*	

5.2.3.1 Gross margin

While EBIT was impacted by the decline in sales, the **gross margin rate** remained relatively stable at 64.5%, thanks to savings made on normalised freight costs and the positive contribution from the marketplace, which were reinvested in promotional activities, improving price accessibility, and clearing old inventories.

5.2.3.2 Operating Costs

Store operating and central costs decreased by 8.0%. The 3C Plan initiatives on costs more than compensated inflation with EUR 25 million gross savings on SG&A. Additional savings were driven by lower volumes and one-time items (*e.g.* expired gift cards write-off).

Logistics costs decreased by 15.1% as a result of EUR 10 million 3C Plan cost optimisation measures. Additional savings were driven notably by efficiently leveraging lower volumes.

5.2.3.3 EBIT

The **EBITDA margin** remained stable at 18.4% despite loss of volumes, notably as a result of cost initiatives undertaken within the 3C Plan.

There was a slight increase in **depreciation, amortisation and allowance for provisions** mainly due to the start of amortisation of our second distribution centre in Northern France.

The **EBIT margin** decreased from 5.5% to 4.1%, impacted by the slight increase in depreciation, amortisation and allowance for provisions in a context of sales decline.

5.2.3.4 Net income

Net income amounted to EUR 8.8 million *vs.* EUR 34.2 million in 2022. EPS was EUR 0.21, compared to EUR 0.80 in 2022.

It included:

- Other operating income and expenses, at EUR -8.9 million, mainly related to store closure costs;
- The net finance income (expense) at EUR -22.3 million *vs.* EUR -18.2 million in 2022, mainly due to higher interests on lease debt (EUR 13.5 million *vs.* EUR 12.4 million in 2022), as well as EUR 0.9 million losses on currency transactions *vs.* a gain of EUR 1.9 million in 2022;
- Income tax, representing EUR 5.2 million *vs*. EUR 18.4 million in 2022.

5.3 Group liquidity and capital resources

5.3.1 ANALYSIS OF CASH FLOWS

Free Cash Flow: Streamlined Capex and tight inventory management nearly offsetting volume impact

	Year ended 31 December	
(in EUR millions)	**2023**	**2022**
EBITDA	**207.6**	**227.0**
Change in working capital	0.2	(2.8)
Change in other operating items	(19.1)	(12.2)
NET CASH GENERATED BY OPERATING ACTIVITIES	**188.7**	**212.0**
Capital expenditures (CAPEX)	(33.0)	(66.6)
Change in net debt on fixed assets	(2.5)	5.3
Proceeds from sale of non-current assets	1.9	0.8
Decrease in lease debt	(114.4)	(107.3)
Decrease in lease debt/Lease interest paid	(13.3)	(11.8)
FREE CASH FLOW	**27.4**	**32.3**

In 2023, **CapEx** reached EUR 33 million representing a 50% decrease from last year. The implementation of a rigorous payback approach, coupled with reduced CapEx on the second distribution centre, enabled Maisons du Monde to align with market standards. The CapEx/sales ratio decreased from 5.4% in 2022 to 2.9% in 2023.

In terms of **Working Capital Requirements**, Maisons du Monde improved its inventory levels, decreasing from EUR 245.7 million in December 2022 to EUR 202.2 million. This reflects tight monitoring and old inventory liquidation, with a DIO [1] lowered by half a month compared to last year, whilst improving product availability. Working capital effects were limited due to reduced purchases.

Thanks to these actions, **Free Cash Flow** demonstrated strong resilience, amounting to EUR 27.4 million compared to EUR 32.3 million in December 2022.

(1) Days Inventory Outstanding (DIO): Average inventory rotation – in months of COGS

5.3.2 NET DEBT AND LEVERAGE RATIO

Efficient management of net financial debt

The change in net debt between 31 December 2022 and 31 December 2023 breaks down as follows:

	Year ended 31 December	
(in EUR millions)	**2023**	**2022**
Convertible bonds (Oceane)	-	195.6
Term loan	100.0	(0.5)
Revolving Credit Facilities (RCFs)	(1.0)	(0.7)
Share buyback	-	28.1
Other debt	(20.1)	1.7
GROSS DEBT	**119.1**	**224.2**
Finance leases	571.0	613.1
Cash & cash equivalents	(29.9)	(121.3)
NET DEBT (IFRS 16)	**660.2**	**716.0**
Less: Lease debt (IFRS 16)	(571.0)	(613.1)
Plus: Lease debt (finance lease)	1.2	2.2
NET DEBT	**90.4**	**105.1**
LTM (Last twelve months) EBITDA (1)	81.3	109.5
LEVERAGE RATIO (2)	**1.11X**	**0.96X**

(1) EBITDA restated in accordance with the senior credit facility agreement dated 22 April 2022.
(2) Calculated in accordance with the senior credit facility agreement.

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Maisons du Monde reduced its **net debt position** by EUR 15 million compared to 2022. With cash and cash equivalent totalling EUR 29.9 million, Maisons du Monde's net debt position as of 31 December 2023 amounted to EUR 90.4 million.

As previously announced, Maisons du Monde repaid the EUR 200 million "Oceane" convertible bonds on 6 December 2023. This repayment was done through a combination of a EUR 100 million term loan, a EUR 14 million loan from BPI and EUR 86 million in cash.

The Group also increased its RCF credit line from EUR 150 million to nearly EUR 200 million, with an extended maturity to April 2028. This credit line is undrawn as of 31 December 2023 and the Group benefits from around EUR 200 million of liquidity.

5.4 Proposed appropriation of net profit and dividend distribution

5.4.1 DIVIDENDS PAID DURING THE LAST THREE FINANCIAL YEARS

The amount of the dividend and the payout ratio for the three previous financial years are presented in the table below:

Financial year concerned / (distribution year)	Number of shares comprising the share capital	Number of shares eligible for dividend	Dividend per share	Distribution rate
2022 (2023)	43,288,097	40,564,867	EUR 0.30	37%
2021 (2022)	45,241,894	44,001,776	EUR 0.55	36%
2020 (2021)	45,241,894	45,012,671	EUR 0.30	34%

The dividend distribution policy is presented in Chapter 7 (Section 7.3.7) of this Universal Registration Document.

5.4.2 APPROPRIATION OF NET PROFIT FOR 2023 AND DIVIDEND

On 11 March 2024, the Board of Directors decided to propose to the Annual General Meeting of 21 June 2024 called to approve the financial statements for the 2023 financial year to:

- note that the Company's net profit for 2023 amounts to EUR 106,237,145.28 and that, increased by the previous retained earnings of EUR 47,560,237.89, brings the distributable profit to EUR 153,797,383.17;
- deduct from this profit and allocate to the legal reserve, in accordance with the provisions of Article L. 232-10 of the French Commercial Code, an amount of EUR 3,414,848.90; and
- decide to allocate this distributable profit as follows:
  - in respect of a dividend: EUR 2,314,690.74,
  - to the "retained earnings" account: EUR 148,067,843.53.

A dividend of EUR 0.06 per share paid in cash, *i.e.* a payout ratio of 30%, will be distributed to each of the Company shares entitled to a dividend for the 2023 financial year.

It is specified that the total amount of the dividend of EUR 2,314,690.74 is based on the number of Maisons du Monde shares excluding treasury shares at 31 December 2023, *i.e.* 38,578,179 shares, and that the final amount paid will take into account the number of treasury shares held by the Company at the time of the ex-dividend date. Thus, the sums corresponding to dividends not paid in respect of treasury shares will be allocated to the "retained earnings" account and the total amount of the dividend will be adjusted accordingly.

The ex-dividend date is 3 July 2024, with payment on 5 July 2024.

It is specified, in accordance with the provisions of paragraph 1 of Article 243 *bis* of the French General Tax Code, that the proposed dividend is fully eligible for the 40% tax allowance under Article 158-3-2° of the French General Tax Code and applicable to individuals who are tax residents of France, subject in particular to the exercise of the option for imposition of the progressive income tax scale.

5.5 Legal and arbitration proceedings

There are no governmental, judicial or arbitration proceedings, including any proceedings of which the Company is aware, which are pending or with which it is threatened, likely to have or that have had during the last 12 months material impacts on the financial position or profitability of the Company and/or the Group.

5.6 Significant change in the issuer's financial or trading position since the end of the last financial year

Maisons du Monde is not aware of any significant change in the Group's financial position since the end of the last financial year for which audited financial statements have been published.

5.7 Significant events after the reporting date

5.7.1 APPOINTMENT OF A NEW CHIEF FINANCIAL OFFICER

On 29 February 2024, Maisons du Monde announced the appointment of Denis LAMOUREUX as Group Chief Financial Officer.

With six years of experience at the head of the Finance Department of Lacoste, where he made a significant contribution to improving performance and supporting strong growth, Denis LAMOUREUX took office on 4 March and joined the Executive Committee.

The Group will be able to count on his in-depth knowledge of retail, acquired over nearly twenty years within major international groups with inspiring brands.

Gilles LEMAIRE, Group Controlling Director, acting Chief Financial Officer since 1 September 2023, was appointed Deputy Chief Financial Officer.

5.7.2 INSPIRE EVERYDAY MEDIUM-TERM TRANSFORMATION PLAN

Maisons du Monde presented its medium-term transformation plan, Inspire Everyday, on 12 March 2024.

The Inspire Everyday transformation plan is designed to restore Maisons du Monde's growth and enhance Free Cash Flow generation, by leveraging the strong foundations laid by the 3C Plan, focusing on Customer centricity, and prioritising operational excellence (Costs) and financial efficiency (Cash).

Inspire Everyday is based on two fundamental pillars that will pave the way for Maisons du Monde's journey from 2024 to 2026:

- Driving the transformation of our commercial model towards success: rethinking the offering, enhancing in-store experience, strengthening growth levers, notably the marketplace, and enriching our model with services;
- While streamlining our operational model: simplifying the value chain, developing "think global/act local" approach to store operations, and reducing capital intensity.

5.8 Outlook

5.8.1 2024-2026 FINANCIAL TRAJECTORY OF THE INSPIRE EVERYDAY TRANSFORMATION PLAN

Over the 2024–2026 period, the Group expects to generate a cumulative Free Cash Flow above EUR 100 million.

The Free Cash Flow generation should increase over the duration of the plan. Maisons du Monde expects positive Free Cash Flow to continue in 2024, despite a significant portion of our Free Cash Flow being reinvested into the transformation of the Group, and seizing opportunities to accelerate this transformation.

To secure Free Cash Flow generation, Maisons du Monde will focus on the following objectives:

- Delivering EUR 85 million in gross cost savings over three years, building upon the EUR 25 million cost savings and EUR 35 million gross savings plans achieved respectively in 2022 and 2023;
- Reducing capital intensity with:
  - a more standardised CapEx on sales ratio of around 3%, already achieved in 2023, representing a notable reduction compared to 2019-2022 period,
  - further optimising inventory, with one month reduction of available inventory,
  - a more balanced and optimised store network, from 349 stores of which 5 affiliates and 4 franchises at the end of 2023 to nearly 400 stores, of which approximately 30% under affiliation/franchise by 2026 and including 40 to 50 closures/transfers.

Over the three-year period, the Group will maintain its 30%-40% dividend pay-out ratio.

6 Financial Statements

6.1 Consolidated financial statements for the year ended 31 December 2023

6.1.1 CONSOLIDATED INCOME STATEMENT

(in EUR thousands)	Notes	31 December 2023	31 December 2022
Retail sales and commissions related to ordinary activities		1,128,043	1,244,055
Other revenue from ordinary activities		28,580	34,007
Revenue	**7**	**1,156,623**	**1,278,062**
Cost of sales		(405,516)	(437,935)
Personnel expenses	8	(238,349)	(248,917)
External expenses	9	(316,384)	(372,332)
Depreciation, amortization and allowance for provisions		(161,767)	(158,488)
Fair value – derivative financial instruments	22	(629)	7,416
Other current operating income	10	16,141	11,961
Other current operating expenses	10	(4,944)	(3,855)
Current operating profit before other operating income and expenses		**45,175**	**75,911**
Other operating income and expenses	11	(8,878)	(5,045)
Operating profit (loss)		**36,297**	**70,866**
Cost of net debt		(6,244)	(6,027)
Cost of lease debt		(13,486)	(12,374)
Finance income		4,261	4,970
Finance expenses		(6,812)	(4,817)
Financial profit (loss)	**12**	**(22,281)**	**(18,248)**
Profit (loss) before income tax		**14,016**	**52,618**
Income tax expense	13	(5,249)	(18,393)
PROFIT (LOSS)		**8,767**	**34,225**
Attributable to:			
• Owners of the Parent		8,570	34,295
• Non-controlling interests		197	(70)
Earnings per share attributable to the owners of the parent:			
Basic earnings per share	14	0.21	0.80
Diluted earnings per share	14	0.21	0.79

The accompanying notes are an integral part of the consolidated financial statements.

6.1.2 CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(in EUR thousands)	Notes	31 December 2023	31 December 2022
PROFIT (LOSS) FOR THE PERIOD		**8,767**	**34,225**
• Remeasurements of post employment benefit obligations	25	(1,857)	3,336
• Income tax related to items that will not be reclassified		383	(727)
Total items that will not be reclassified to profit or loss		**(1,474)**	**2,609**
• Cash-flow hedge	22	(12,820)	(20,511)
• Currency translation differences		(97)	586
• Income tax related to items that will be reclassified		3,311	5,298
Items that will be reclassified subsequently to profit or loss		**(9,606)**	**(14,627)**
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX		**(11,080)**	**(12,017)**
TOTAL COMPREHENSIVE INCOME (LOSS)		**(2,313)**	**22,207**
Attributable to:			
• Owners of the Parent		(2,514)	22,267
• Non-controlling interests		201	(61)

The accompanying notes are an integral part of the consolidated financial statements.

6.1.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

(in EUR thousands)	Notes	31 December 2023	31 December 2022
Goodwill	15	327,027	327,027
Other intangible assets	16	247,123	238,906
Property, plant and equipment	17	158,147	174,786
Rights of use	18	568,673	617,331
Other non-current financial assets	19	13,849	16,445
Deferred income tax assets	20	8,742	9,770
Non-current assets		**1,323,561**	**1,384,265**
Inventories	21	202,152	245,728
Trade receivables and other current receivables	21	73,933	82,395
Current income tax assets		17,678	9,875
Derivative financial instruments	22	-	9,443
Cash and cash equivalents	24	29,886	121,255
Current assets		**323,649**	**468,696**
TOTAL ASSETS		**1,647,210**	**1,852,961**

Equity and Liabilities

(in EUR thousands)	Notes	31 December 2023	31 December 2022
Share capital		126,973	140,253
Share premiums		73,799	102,734
Consolidated Reserves		385,687	325,629
Profit (loss) for the period		8,570	34,295
Equity attributable to owners of the Company		**595,029**	**602,911**
Non-controlling interests		1,381	1,180
TOTAL EQUITY		**596,410**	**604,091**
Loans	24	83,949	267
Medium and long term lease liability	18	449,997	494,167
Deferred income tax liabilities	20	39,174	46,292
Post-employment benefits	25	9,227	9,228
Provisions	26	21,813	12,939
Derivative financial instruments	22	1,005	6,192
Other non-current liabilities		2,860	4,178
Non-current liabilities		**608,025**	**573,263**
Current portion of borrowings and convertible bond	24	35,163	223,908
Short term lease liability	18	121,021	118,973
Trade payables and other current payables	21	269,536	322,680
Provisions	26	3,059	6,441
Corporate income tax liabilities		2,934	3,526
Derivative financial instruments	22	9,272	79
Others current liabilities		1,790	-
Current liabilities		**442,775**	**675,607**
TOTAL LIABILITIES		**1,050,800**	**1,248,870**
TOTAL EQUITY AND LIABILITIES		**1,647,210**	**1,852,961**

The accompanying notes are an integral part of the consolidated financial statements.

6.1.4 CONSOLIDATED STATEMENT OF CASH FLOWS

(in EUR thousands)	Notes	31 December 2023	31 December 2022
Net profit (loss)		**8,767**	**34,225**
Adjustments for:			
• Depreciation, amortization and allowance for provisions		163,706	163,017
• Net (gain) loss on disposals		3,994	2,949
• Change in fair value – derivative financial instruments	22	629	(7,415)
• Change in fair value – unconsolidated investments		1,559	(72)
• Share-based payments		963	581
• Cost of net debt	12	6,244	6,027
• Cost of Lease debt	12	13,486	12,374
• Income tax	12	5,249	18,393
Cash flow before cost of net financial debt and taxes		**204,597**	**230,079**
Change in operating working capital	21	150	(2,826)
Income tax paid		(16,024)	(15,274)
Net cash flow from/(used in) operating activities		**188,723**	**211,979**
Acquisitions of non-current assets:			
• Property, plant and equipment	17	(19,333)	(47,600)
• Intangible assets	16	(14,724)	(19,606)
Change in loans and advances granted		1,052	619
Change in debts on fixed assets		(2,544)	5,294
Sale of non-current assets		1,910	800
Net cash flow from/(used in) investing activities		**(33,639)**	**(60,493)**
Proceeds from borrowings	24	114,199	587
Repayment of borrowings (1)	24	(223,240)	(48,723)
Decrease in lease debt	18	(114,385)	(107,315)
Acquisitions (net) of treasury shares		(1,057)	(652)
Dividends paid		(11,595)	(23,375)
Interest paid	24	(1,628)	(2,427)
Lease interest paid		(13,338)	(11,837)
Net cash flow from/(used in) financing activities		**(251,044)**	**(193,742)**
Exchange gains/(losses) on cash and cash equivalents		(104)	194
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(96,064)**	**(42,061)**
Cash and cash equivalents at beginning of period		121,138	163,199
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**25,074**	**121,138**

(in EUR thousands)	31 December 2023	31 December 2022
Cash and cash equivalents (excluding bank overdrafts)	29,886	121,255
Bank overdrafts	(4,812)	(117)
CASH AND CASH EQUIVALENTS	**25,074**	**121,138**

(1) *Of which EUR (200) million related to the repayment of the bond loan and EUR (22.8) million related to the share buyback program (see notes 2.3, 2.4, and 24.1).*

The accompanying notes are an integral part of the consolidated financial statements.

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6.1.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Attributable to owners of the parent						
(in EUR thousands)	**Notes**	**Share capital**	**Share premium**	**Consolidated Reserves**	**Currency translation reserves**	**Total**	**Non-controlling interest**	**Total equity**
Balance as of 1 January 2022		**146,584**	**134,283**	**369,984**	**274**	**651,125**	**1,241**	**652,366**
Dividends cash-settled		-	-	(23,375)	-	(23,375)	-	(23,375)
Share-based payments		-	-	581	-	581	-	581
Treasury shares		(6,331)	(31,549)	(9,809)	-	(47,689)	-	(47,689)
Profit (loss) for the period		-	-	34,295	-	34,295	(70)	34,225
Other comprehensive income for the period		-	-	(12,612)	586	(12,026)	9	(12,017)
BALANCE AS OF 31 DECEMBER 2022		**140,253**	**102,734**	**359,064**	**860**	**602,911**	**1,180**	**604,091**
Dividends cash-settled		-	-	(11,595)	-	(11,595)	-	(11,595)
Non-controlling interest put option		-	-	(473)	-	(473)	-	(473)
Share-based payments		-	-	963	-	963	-	963
Treasury shares (1)		(13,280)	(28,935)	46,491	-	4,276	-	4,276
Profit (loss) for the period		-	-	8,570	-	8,570	197	8,767
Other comprehensive income for the period		-	-	(10,987)	(97)	(11,084)	4	(11,080)
Other changes		-	-	1,461	-	1,461	-	1,461
BALANCE AS OF 31 DECEMBER 2023		**126,973**	**73,799**	**393,494**	**763**	**595,029**	**1,381**	**596,410**

(1) As part of the share buyback programs, the Group repurchased and cancelled 4,098,809 shares (see note 2.4).

The accompanying notes are an integral part of the consolidated financial statements.

6.1.6 NOTES TO THE CONSOLIDATED FINANCIAL

Contents

Note 1 Generalities

Maisons du Monde S.A. is a limited liability company with a Board of Directors, governed by the laws of France. Its registered office is at Le Portereau – 44120, Vertou. Maisons du Monde's shares are listed on Euronext Paris. The Company's LEI (Legal Entity Identifier) code is 9695009DV2698O4ZBU71.

The following consolidated interim financial statements, prepared in accordance with IFRS as adopted by the European Union, cover Maisons du Monde S.A. and its subsidiaries and equity interests in affiliated companies (hereafter referred collectively as "the Group" and individually as a "subsidiary" or "joint-venture").

The Group is an omnichannel retailer of stylish, affordable furnishings and homeware products through its network of stores and its e-commerce platform. Its product range includes a wide variety of styles and categories of furnishings, both in terms of small decorative items, with products including household textiles, tableware and kitchenware, mirrors and picture frames, and large decorative products and furniture, such as large mirrors and lamps, tables, chairs, armchairs and sofas, cupboards, bookshelves and outdoor furniture.

The consolidated financial statements for the year ended 31 December 2023, were approved by the Board of Directors on 6 March, and will be submitted to the Annual Shareholders' Meeting for approval on 21 June 2023. All amounts are expressed in thousands of euros unless otherwise stated.

Note 2 Significants events

2.1 Discontinuation of e-commerce activity in the United Kingdom

After several years of presence on the British market, Maisons du Monde decided to stop its activities in this geographical area. The Group no longer had a physical sales presence in United Kingdom and therefore no longer enjoyed the same brand recognition as in its other markets. Sales in United Kingdom, which were online only, represented just 1% of the Group's sales for the whole of fiscal year 2022. Commercial activity stopped on 25 May 2023, and the Group continues to deliver outstanding orders. The impacts are non-material over the period and are not considered as discontinued operations.

2.2 Affiliation

As part of its development, Maisons du Monde has decided to test a shop affiliation model.

During the second quarter of 2023, five French shops owned by Maisons du Monde France were transferred to affiliates (2 in the first semester and 3 in the second semester).

Sales are recognised for the amount of the sale to the end customer and a commission is paid to the affiliate. This commission is shown under external expenses in the income statement.

2.3 Repayment of the bond issue

On 6 December 2023, the Group repaid EUR 200 million "OCEANE" bond. This repayment was financed by the EUR 100 million long-term loan, EUR 14 million BPI loan and EUR 86 million cash position.

As of 31 December 2023, the Group has:

- a fully drawn EUR 100 million long-term credit facility;
- a EUR 14.0 million credit line with BPI France fully drawn;
- an undrawn EUR 194 million revolving credit facility (RCF).

The characteristics of these different lines of credit are detailed in note 24.

2.4 Second "ESG Impact" share buyback program and capital reduction

As of 30 June 2023, Maisons du Monde completed its second share buyback program launched on 29 July 2022. The Group repurchased 4,098,809 shares at an average market price of EUR 10.17. These actions are intended to be cancelled within 24 months of their purchase dates. In 2023, the number of shares repurchased amounted to EUR 22.8 million (see note 24.1).

As part of this program, Maisons du Monde has cancelled:

- a first tranche of 2,300,000 shares, the capital reduction of which was carried out on 10 March 2023;
- a second tranche of 1,798,809 shares, the capital reduction of which was carried out on 27 October 2023.

The share capital of Maisons du Monde S.A. now stands at EUR 126,973,293.12, divided into 39,189,288 shares.

2.5 Gouvernance

a) Arrival of François-Melchior DE POLIGNAC

The Board of Directors of Maisons du Monde, meeting on 25 January 2023, decided to appoint François-Melchior DE POLIGNAC Chief Executive Officer with effect from 15 March 2023, to succeed Julie WALBAUM whose term of office as Chief Executive Officer ended on that date. François-Melchior DE POLIGNAC joined Maisons du Monde as Deputy Managing Director on 25 January 2023, to ensure a smooth and efficient transition during this period.

b) New composition of the Board of Directors

At the General Meeting of 29 June 2023, the following were approved:

- The renewal for 3 years of the terms of office of:
  - Laure HAUSEUX, as an Independent Director,
  - Victor HERRERO, as an Independent Director;
- The appointment of new directors:
  - François-Melchior DE POLIGNAC, Chief Executive Officer of Maisons du Monde, as a director,
  - Françoise GRI, as an Independent Director to replace Thierry FALQUE-PIERROTIN, who has resigned from his position as director and Chairman of the Board of Directors,
  - MAJORELLE INVESTMENTS S.A.R.L, as a non-Independent Director, of which Mrs Anouck DURANTEAU-LOEPER is the permanent representative,
  - Mr Adam EPSTEIN, as a non-Independent Director,
  - Sylvie COLIN, appointed by TELEIOS CAPITAL PARTNERS as permanent representative to replace Adam EPSTEIN.

2.6 Review of business prospects

In 2023, Maisons du Monde had to deal with unfavourable macroeconomic trends (geopolitical uncertainties, unprecedented inflation, decline in consumer confidence, etc.) which had an adverse impact on the Home and Decoration sector.

In this context, in October 2023, the Group was forced to adjust its annual objectives downwards and intensified its efforts in the execution of its 3C Plan, launched in May 2023, on its three dimensions: Customers, Costs and Cash, in order to improve the customer experience, strengthen its operating model and quickly restore the conditions for profitable organic growth.

This plan has produced tangible results that have enabled Maisons du Monde to achieve all of the adjusted 2023 objectives and to lay the foundations for its medium-term transformation plan for 2024-2026, Inspire Everyday.

Note 3 Accounting policies and consolidation rules

3.1 Basis of preparation

The 2023 consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The standards adopted by the European Union are available on the European Commission's website: http://www.efrag.org/Endorsement.

On the reporting date, there is no difference between the framework used and the standards adopted by the IASB, which are mandatory for the financial year presented.

The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value or at amortized cost as discussed in the accounting policies below. The main accounting principles applied are unchanged from the prior year, except for the adoption of the standards described in the note 3.2, applicable since 1 January 2023.

Financial data is presented in EUR thousands. Amounts are rounded to the nearest thousands unless otherwise stated. The amounts stated in the consolidated financial statements and notes to the consolidated financial statements are rounded to the nearest unit. As a result, there may be immaterial differences between the sum of the rounded amounts and the total reported.

3.2 New standards, amendments and interpretations

a) New standards, amendments to existing standards and interpretations whose application is mandatory as of 1 January 2023

Adopted by the European Union:

- amendments to IAS 1 – Presentation of Financial Statements – Disclosure of Accounting Policies;
- amendments to IAS 8 – Definition of Accounting Estimates;
- amendments to IAS 12: Deferred tax on assets and liabilities arising from a single transaction;
- amendment to IAS 12 – International Tax Reform – Second Pillar Model Rules;
- amendments to IFRS 17: Initial application of IFRS 17 and IFRS 9 – Comparative information.

The Group falls within the scope of the new GLOBE rules (IAS 12 amendment) and the 15% worldwide minimum tax (Pillar 2) adopted by 140 OECD countries on 20 December 2021 and transposed, *via* a European Union directive (2022/2523) of 14 December 2022, into French law in the French General Tax Code by Article 33 of the Finance law for 2024. These new rules came into force on 1 January 2024. After preparatory work consisting in particular in qualifying the legal scope with regard to the new Pillar 2 rules and identifying the data points required for a country-by-country calculation of an effective tax rate, the Group will be able to benefit from the simplifying and transitional rules that will apply over the period from 1 January 2024, to 31 December 2026. Based on data for the 2022 financial year, the additional tax charge estimated by the Group under the new rules is not material.

b) New standards, amendments to existing standards and interpretations applicable in future years, not early applied by the Group

Not yet adopted by the European Union:

- Amendments to IAS 7 and IFRS 7 – Disclosure of concentration risk with reference to supplier financing arrangements;
- Amendments to IAS 21 – Non-convertibility Absences.

Adopted by the European Union:

- Amendments to IAS 1 – Presentation of Financial Statements – Classification of current and non-current liabilities;
- Amendments to IFRS 16 – Leases – Lease Obligation under Sale and Leaseback.

These 2 amendments will apply to financial years beginning after 1 January 2024.

3.3 Consolidation method

a) Business combination

Business combinations are recognised according to the acquisition method. Identifiable assets acquired and assumed liabilities are measured at fair value on the date control was obtained.

On the acquisition date, goodwill is measured as the difference between:

- the fair value of the consideration transferred, plus the amount of any non-controlling interest, and where relevant, the acquisition-date fair value of the acquirer's previously held equity interest; and
- the fair value of the identifiable assets acquired, and the liabilities assumed.

Non-controlling interests are measured either at fair value, or at the non-controlling interest's proportionate share of net assets of the entity acquired. This option is available on a case-by-case basis for each acquisition.

Negative goodwill is immediately recognised in profit or (loss).

Acquisition expenses are immediately recognised in expenses as they are incurred unless they relate to equity instruments.

A potential price adjustment is estimated at its fair value on the acquisition date, and this initial value may not be adjusted subsequently as an offset to goodwill except in the case of new information obtained about facts and circumstances that were in existence at the acquisition date, and insofar as the measurement was presented as provisional (the measurement period is 12 months). Any subsequent adjustments that do not meet these criteria are recognised in debt or receivables, with an offsetting entry in income.

If the business combination is achieved in stages, the acquisition date carrying value of the Group's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

b) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when its relationship with the entity exposes it to or gives it rights to variable returns and it could affect those returns through its power it exercises over the entity. Power over the investor is assessed based on the actual rights that give it the ability to direct the relevant activities (the activities that significantly affect the investor's returns). Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

All intercompany transactions, balances, and realised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, subsidiaries' accounting methods have been adjusted to conform with the Group's accounting policies.

3.4 Foreign currency translation method

a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in euros, which is the Group's presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges, *via*:

- the operating profit for the transactions related to operational activities;
- the financial profit for the transactions related to financing activities.

c) Group companies

The results and financial position of all the Group's companies (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities, including goodwill and fair value adjustments, for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each income statement and statement of comprehensive income are translated at average annual exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

3.5 Revenue

Revenues from sales of goods and services are assessed based on the counterpart that is planned to be transferred to the client in the contract and does not include amounts collected for third parties.

The Maisons du Monde group derives its revenues from the sale of furniture and decorative items in shops (owned by the Group and by affiliates) or *via* its e-commerce platform, as well as from decorating services provided by its subsidiary Savane Vision (Rhinov). It also provides transport services for the delivery of goods to end customers and logistics services to third parties. It also generates revenue from services and commissions linked to its marketplace.

a) Sales of goods in stores or on Website

The Group recognizes revenue when the control of goods is transferred to the client. This is supposed to arise at the very moment of the delivery when the client accepts and takes physical possession of the asset. Then, he bears the risks and benefits from the advantages related to its property.

The amount recognized as revenue is based on the transaction's price that is fixed in the contract and corresponds to the amount the Group expects to receive in accordance with the contractual agreement. As a Group's specificity, the price does not include any variable amount which would require the use of estimates.

A receivable is recognized as soon as the Group is discharged from its liabilities, at the date of the goods delivery.

Either in store or on the website, customers pay the full amount when they order. The Group has also concluded partnerships with companies specialized in consumer lending to provide payment facilities to clients. Contracts concluded with clients do not include financing component as the selling price does not change either the purchase is done through a consumer credit or not. The Group also enters into contracts with professional customers, and revenue is recognised when the goods are delivered.

A return policy is attached to online sales. When appropriate, the Group recognizes a liability that represents future refunds and an asset that should be equal to the goods it expects to recover.

Guarantees given to buyers over the goods sold do not represent a distinct performance obligation, meaning that customers could not benefit from additional services that could be sold on a standalone basis. Guarantees solely ensure products compliance and are recognized in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets when applicable.

As the Group does not have contracts that exceed one year, it decided to apply simplified measures by not disclosing information on performance obligations that would not be completed yet at closing.

b) Sales of transportation services

The Group recognized revenue when it has fulfilled its obligations towards the client. That is supposed to happen at the delivery time, when the customer accepts and takes physical possession of the asset.

c) Sales of decoration services

The Group recognizes income when it has fulfilled its performance obligation to the client, which is deemed to occur at the precise moment of delivery of the project to the client.

d) Marketplace sales

The Group acts as an agent. The recognized revenues correspond to the services and commissions invoiced to suppliers on the sales made.

e) Sales by affiliated stores

The Group recognizes sales for the sale to the end customer, and a commission is paid to the affiliate. This commission is shown under external expenses in the income statement.

3.6 Share-based payments

The Group's share-based payment policy consists of implementing regular performance shares grant plans and occasionally stock options in favor of members of Senior Management and other senior and middle managers. The plans in progress on 31 December are settled in shares for performance shares and in cash for stock options.

The cost of performance share plans (settled in shares) is recognized as personnel expenses over the vesting period, with a corresponding increase in equity.

The cost of stock options plan (settled in cash) is recognized in personnel expenses over the vesting period, with a corresponding increase of social debt.

a) Performance shares valuation

In accordance with IFRS 2, the performance shares plan cost is determined by reference to the fair value of the shares at the grant date, corresponding to the share price at the same date less the estimated present value of dividends not received during the vesting period.

The estimated probability of market performance conditions being met reduces the performance shares' fair value on the grant date.

Non-market performance conditions (such as condition of continued presence within the Group, or internal performance objectives) are not considered for the purpose of measuring grant-date fair value but adjust the final cost of the plan, depending on the actual number of equity instruments that vest.

The dilution effect of non-vested performance share allocations plans in progress is reflected in the calculation of diluted earnings per share.

Valuation is based on the following main underlying assumptions:

- dividend growth rate, based on the forecast average annual growth rate;
- employee departure rate which is estimated for each position in the Group and based on the historical employee departure rate of the corresponding occupational category. This departure rate is used to estimate the shares that will not be allocated due to the departure of beneficiaries;
- the achievement of performance conditions.

b) Stock options valuation

In accordance with IFRS 2, the stock option plans cost is determined by reference to stock options fair value at the grant date, corresponding to the option price at the same date less the exercise price. As stock-option plan is related to subsidiary's unlisted securities, the valuation was carried out by using the profit multiplier method.

3.7 Other operating income and expenses

Other operating income and expenses mainly includes reorganization costs (store closure without relocation), restructuring costs, acquisition-related and impairment losses. This income statement item includes cash as well as non-cash items.

Other operating income and expenses relates to other unusual, infrequent or non-recurring items. Such items are those that in management's opinion need to be disclosed in the financial statements by virtue of their size, nature or incidence. The accounting classification is consistent with the way that financial performance is measured by management and reported to the Board of Directors and assists in providing a meaningful analysis of the trading results of the Group.

3.8 Financial income and expenses

Interest income and expense are recognised according to the time elapsed, considering the actual return from the asset, which is the interest rate required to discount the future cash flows expected over the life of the asset to make it equal to the asset's initial value.

3.9 Dividends

Dividend income from equity interests is recognised when the shareholder's right to receive payment is established.

Dividends paid to the shareholders of the Company are recognised as a liability in the consolidated financial statements in the period in which the dividends are approved by the shareholders of the Company.

3.10 Earnings per share

a) Basic earnings per share

Basic earnings per share are calculated by dividing:

- the net profit for the period attributable to the Group;
- by the weighted average number of ordinary shares outstanding during the period, less the weighted average number of treasury shares held by the Group.

b) Diluted earnings per share

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding used in the determination of basic earnings per share to consider dilutive instruments.

The dilutive effect may result from the subscription of options granted to the employees, stock purchase warrant or bonds conversion according to the prevailing condition at the closing date.

Diluted earnings per share consider:

- performance shares allocated to employees;
- the impact of all potentially dilutive ordinary shares, particularly those resulting from convertible bonds.

The number of shares retained is the one that would have been allocated if the performance criteria were evaluated at the end of the closing period or may be created if all bonds issued were converted.

3.11 Intangible assets

a) Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint-ventures and represents the difference between the consideration transferred, the amount of any non-controlling interest in the acquired entity, as well as the acquisition-date fair value of any previous equity interest in the acquired entity, and the fair value of the identifiable net assets acquired. When the difference is negative, this amount is recognised in profit or loss during the year of acquisition.

Where settlement is deferred, the amounts payable in the future are discounted to their present value as at the date of settlement. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financial establishment under comparable terms and conditions.

Goodwill is included in intangible assets and is not amortised but tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill allocated to the entity sold.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (CGUs), or group of cash-generating units, that is expected to benefit from the synergies of the business combination. Each CGU or group of CGUs to which the goodwill is allocated represents the smallest level within the entity at which the goodwill is monitored at Group level. Goodwill is monitored at the geographical level: France and International.

The carrying value of goodwill is compared to the recoverable amount of the CGU or group of CGU to which the goodwill is allocated, which is the higher of value in use and the fair value fewer costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Any impairment is recognised immediately as an expense and is not subsequently reversed. Impairment is allocated first to the carrying amount of any goodwill allocated to the CGU, and then to the carrying amounts of the other assets on the CGU on a *pro rata* basis.

b) Brands

A brand has an indefinite useful life as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. The valuation of brands has been determined with the assistance of valuation specialists, considering various factors, including brand awareness. The "royalties" method was used to estimate the fair value of brands. This approach consists in determining the brand's value based on future revenues from royalties received if the brand is exploited under the form of a license by a third party. These brands, which are legally protected, are not amortised but are individually tested for impairment annually or more frequently if signs of impairment exist at Group level. Advertising and promotional campaigns contribute to maintain the positioning of brands.

c) Trademarks and licenses

Acquired trademarks and licences are recorded at acquisition cost.

Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date. Trademarks and licences have a finite useful life and are subsequently carried at acquisition cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their useful lives, estimated at one to four years.

d) Internally generated software development costs

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software development so that it will be available for use;
- management intends to complete the software development and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated that the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

When these criteria are met, internal software development costs are capitalised during the application development stage. The costs capitalised correspond to direct external costs and employee costs related to the time spent on the project during the capitalisation period. Capitalised software is evaluated for impairment annually or when changing circumstances indicate that amounts capitalised may be impaired. Amortisation is calculated from the point at which the asset is put into use, using the straight-line method to allocate the cost of software over their estimated useful lives between three and five years.

3.12 Property, plant and equipment

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and impairment losses. Acquisition cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to the income statement during the period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost over their estimated useful lives and is recognised in profit and loss. The estimated useful lives of PPE for the period are as follows:

- constructions: 20 to 25 years;
- fixtures and fittings to buildings: 7 to 15 years;
- general installations: 7 to 10 years;
- equipment and machinery: 3 to 15 years;
- transportation equipment: 4 to 5 years;
- office and computer equipment: 3 to 5 years;
- furniture: 5 to 10 years.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount.

3.13 Lease contracts

Leases contracts under which a significant part of the risks and rewards of ownership are not transferred to the Group as a tenant are classified as operating leases. Payments made for operating leases (net of all deductibles granted by the lessor) are recognized in profit or loss using the linear method over the duration of the rental. The Group rents real estate mainly Group stores and warehouses, and these contracts are generally considered to be operating leases.

Lease contracts are recorded on the balance sheet at the beginning of the contract for the present value of future payments. This translates into the finding:

- a non-current asset "Rights of Use relating to leases"; and
- a lease debt under the obligation to pay.

a) Right to use

On the date of the possession of a lease, the assessed right of use includes the initial amount of debt to which; the initial direct costs, the estimated costs of refurbishment of the asset, the "*Pas-de-porte*", the rights to the lease are added if applicable, advance payments made to the renter and net if any of the benefits received from the lessor.

The right to use is depreciated over the duration of the contract which generally corresponds to the firm term of the contract, considering the optional periods that are reasonably certain to be exercised. Operating allowances for operating rights are recorded in current operating income.

The right of use recoverability is tested as soon as events or changes in the market environment indicate a risk of loss of value of the asset.

b) "*Droits au bail commercial*" and "*Pas-de-porte*"

In France, the holder of the lease has the right to renew the lease most of the time indefinitely. If the lessor wishes to terminate a commercial lease in France, the tenant has the right to receive an eviction allowance equal to the value of the lease rights on the cancellation date. As a result, lease rights have an indefinite lifespan, as there is no foreseeable end to the period during which lease rights are expected to generate net incoming cash flows. As a result, the principal lease rights (paid to the former tenant) are not depreciated, but they are subject to a depreciation test each year and whenever events or circumstances indicate that their recoverable amounts may be below their book value.

Following the IFRS 16 application, the "*Droit au bail*" is included in the right of use.

In some cases, another legal term is used for lease rights. This is "*Pas-de-porte*", the amount paid by the tenant to the landlord. Previously classified as "Prepaid expenses" under "Customer and other receivables" and "Other non-current assets" and linearly recorded as rents over the estimated term of the lease. They are now, following the entry into force of IFRS 16, reclassified as user fees and depreciated over the estimated duration of the lease.

The provisions for implementing the impairment test are identical to those relating to tangible and intangible assets as described in notes 3.11 and 3.12.

c) Lease debt

On the effective date of the contract, lease debt is recorded for an amount equal to the present value of future payments including rent deductible which includes, fixed rents, variable rents that depend on an index or rate contract, as well as payments for extension, purchase, termination or non-renewal options, if the Group is reasonably certain to exercise them.

When the implied rate of the contract is not easily determinable, the Group retains the marginal debt rate of the Group to assess the right to use and the corresponding rent debt, which takes into account, among other things the Group's financing conditions and the economic environment in which the contract was signed.

Subsequently, the lease debt is assessed at the amortized cost using the effective interest rate method.

The interest expense for the period is recorded in the financial result.

Leasing debt is presented separately from net debt.

d) Exemptions

Leases for low value or short-term assets are recorded directly in expenses.

e) Binding period of leases

The Group applies the decision of the IFRS IC Committee of 16 December 2019, specifying that it is not possible to use only the legal approach to determine the enforceable period of a contract, the duration of which cannot be firmly determined at the origin of the contract. A lease remains enforceable if the lessee, or the lessor, would suffer more than insignificant loss or penalty if the contract were to terminate. In determining the enforceable term of the lease, all the economic aspects of the contract must be considered, not just the contractual termination payments. In Italy, the Group has certain real estate contacts with extension options. An analysis is made with our Real Estate Department on the reasonableness of activating these options based on various criteria such as the profitability of the store and its location.

3.14 Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or some intangible assets – are not amortised and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the difference between the asset's carrying amount and its recoverable amount if the latter is less than the asset's carrying amount. The recoverable amount is the higher of an asset's fair value fewer costs to sell and value in use. For the purposes of assessing impairment, assets are grouped into cash-generating units which are the smallest identifiable groups of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

3.15 Financial assets

Under IFRS 9, financial assets contain three classification categories: financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income (JVOCI) and financial assets measured at fair value through profit and loss statement (JVPL).

The classification is based on the business model in which financial assets are managed and their future cash flow characteristics.

a) Financial assets measured at amortized cost

Those financial assets are held to collect contractual cash flows.

At initial recognition, they are measured at fair value on the acquisition date, usually the transaction price. Afterwards, if they are not hedged, the assets are measured at amortized cost, according to the effective interest rate method.

They mainly correspond to the following balance sheet items: loans, deposits, trades receivables, other receivables, and receivables from suppliers.

b) Financial assets measured at fair value through other comprehensive income (FVOCI)

Financial assets at FVOCI are financial assets held to both collecting contractual cash flows and selling the financial asset. Those instruments are recognized at fair value in the balance sheet through other comprehensive income. Only, interests and dividends received as well as exchange rate changes impacts are recognized in the income statement.

The fair value of investments on listed companies is determined by the market price which is disclosed at closing date. Changes in fair value are recognized in other comprehensive income statement (directly in equity). On disposal of the investment, the cumulative change in fair value is recycled in other comprehensive income.

For non-consolidated investments that are not quoted on a market, those are maintained at the acquisition cost that the Group estimates to be equal to the fair value. An impairment is recognized if a sustained loss of the value in use is recorded. The value in use is determined based on the most appropriate financial criteria to each specific situation and each company. Criteria that are usually used are equity value and profitability prospects.

c) Financial assets measured at fair value through profit or loss (FVPL)

This last category includes all assets that do not fall into any of the categories described above as well as investments in equity instruments of the share type (GIE and non-consolidated shares) for which the option of recognition at fair value through other comprehensive income has not been chosen. Value in use is determined according to the financial criteria most appropriate to the particular situation of each company. The criteria generally used are share of equity and profitability prospects. These assets are measured at fair value with changes in value recorded in the financial result.

3.16 Impairment of financial assets

a) Impairment

The Group recognized an impairment based on expected loss for financial assets measured at amortized cost or at FVOCI.

The provision amount is measured annually in order to reflect the financial asset's credit risk evolution since its initial recognition.

The Group uses the lifetime expected credit losses method for financial assets (other than trade receivables), only when the credit risk increased significantly. If the financial instrument's credit risk has not increased significantly since its initial recognition, the Group measures the 12-month expected credit losses (after the closing date).

In order to test the credit risk evolution, the Group compares the financial instrument's default risk with the default risk at initial recognition, taking into consideration reasonable and justifiable information that is available without engaging undue cost or effort and that indicates important increase in credit risk since initial recognition.

For trade receivables, the Group uses the simplified method and recognizes lifetime credit losses.

b) Derecognition

The Group derecognizes a financial asset when the rights to the cash flows expire or the asset is transferred to another party.

If the Group does not transfer or still retains almost all risks and benefits from the asset and keeps controlling it, it recognizes its residual interest. If the Group retains almost all risks and benefits of a transferred asset, the Group maintain the recognition of this asset.

When a financial asset measured at amortized cost is derecognized, the difference between the book value and the consideration received is recognized in the profit or loss.

3.17 Derivative financial instruments and hedging activities

The Group holds various derivative financial instruments, used to:

- hedge foreign exchange risks arising in the normal course of business, in order to protect the Group against currency risk and minimize risks on commercial transactions;
- hedge interest-rate risks in order to reduce the exposure of its debt to interest-rate variations.

From the inception of the hedging relationship, the Group documents the relationship between the hedging instrument and the hedged item, describing the relationship as well as the entity's risk management objective and strategy for undertaking the hedge: designation of the hedging instrument and hedged item, the nature of the risk being hedged, and how the entity assesses whether the hedging relationship meets hedge effectiveness constraints.

The hedging relationship meets all hedge effectiveness requirements if:

- there is an economic link between the hedged item and the hedging instrument;
- the effect of credit risk does not predominate over changes in value resulting from this economic link;
- the hedge ratio of the hedging relationship is equal to the ratio between the quantity of the hedged item actually hedged by the Group and the quantity of the hedging instrument actually used by the Group to hedge this quantity of the hedged item.

Hedging instruments are initially measured at fair value on the date the derivative contract is entered into and are subsequently remeasured at fair value at each balance sheet date. The fair value of currency derivatives is determined on the basis of the exchange rate at the balance sheet date.

Changes in fair value are recognized in the income statement, with the exception of instruments qualifying as cash flow hedges, for which changes in fair value are recognized in other comprehensive income for the effective portion, and in the income statement for the ineffective portion.

The fair value of a hedging derivative is classified as a non-current asset or liability when the residual maturity of the hedged item exceeds 12 months, and as a current asset or liability when the residual maturity of the hedged item is less than 12 months. Transactions involving derivative instruments for trading purposes are classified as current assets or liabilities.

3.18 Inventories

Inventories are recognised at the lower of historical cost and net realisable value.

Cost is determined using the weighted-average cost method. The valuation of warehouse inventory is equal to the cost of acquisition plus shipping, duty and transportation costs. The valuation of retail store inventory is composed of the warehouse cost price plus the warehouse-to-retail stores' transportation costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

The Group recognises an impairment loss on the value of inventories based on their turnover over the last twelve months, as well as on damaged inventories.

3.19 Trade and other receivables

Trade receivables are recognized at fair value and then reassessed at amortized cost through the effective interest rate method, after deduction of the depreciation provisions.

The Group uses the simplified method and recognizes expected credit losses over future trade receivables' lifetime. Expected credit losses are measured by considering a range of factors specific to customers and other debtors and using current general economic conditions and economic conditions forecasts that are available at closing date without supporting undue cost and effort.

The provision amount is recognized in profit or loss in "Depreciation, amortization and allowance for provisions".

3.20 Cash and cash equivalents

In the consolidated statement of financial position, cash and cash equivalents (excluding bank overdrafts) include cash and other short-term investments (marketable securities) with original maturities of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

In the consolidated statement of cash flows, cash and cash equivalents also include bank overdrafts. In the consolidated statement of financial position, bank overdrafts are presented within borrowings in current liabilities.

3.21 Share capital

a) Ordinary shares

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares are presented as a deduction to equity, net of tax, with no impact on net income.

b) Treasury shares

When the Group buys back its own shares, they are classified as treasury shares at the purchase price and recognised as a deduction from equity for the consideration paid. Gains and losses on disposals of treasury shares are recognised directly in equity, for their amount net of tax, without affecting profit.

No impairment losses are recognised on treasury shares.

3.22 Post-employment benefits

Group companies operate various pension schemes, which are all defined benefit plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of leading corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The current service cost of the defined benefit plan, recognised in the income statement in personal expenses, reflects the increase in the defined benefit obligation resulting from employee service in the current year.

Past-service costs, which are the change in the present value of the defined benefit obligation resulting from a plan amendments or curtailments, are recognised immediately in profit or loss.

The interest cost is calculated by applying the discount rate to the defined benefit obligation. This cost is included in other finance expenses.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

3.23 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

3.24 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been delivered in the ordinary course of business from suppliers. These debts are classified as current liabilities if payment is due within 12 months after the reporting date (or in the normal operating cycle of the business if longer). If not, they are classified as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

3.25 Other non-current liabilities

Other non-current liabilities mainly relate to the put option held by the minority shareholders.

3.26 Borrowings and other financial debts

a) Borrowing from credit institutions

Borrowings, including issued bonds, and other financial debts are initially recognised at fair value, net of transaction costs incurred. Borrowings and other financial debts are subsequently carried at amortised cost. Any difference between the amounts (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. The effective interest rate is the rate used to discount the expected stream of future cash flows (transaction costs included) through the maturity of the financial liability, or a shorter period if appropriate, to the current net carrying amount of the liability on the date of initial recognition.

Fees are deducted from borrowings.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Convertible bond

A convertible bond is a "compound financial instrument", with a debt component and an equity component that are measured and accounted separately.

The debt component refers to the present value of the contractual future cash flows, discounted at the interest rate applied by the market at that date to instruments with identical characteristics, but without any conversion option. It is then measured using the amortized cost method over its estimated useful life.

The equity portion is equal to the difference between the issued nominal value and the debt component. The value recorded in equity corresponding to the valuation of the conversion option is not revalued during the life of the loan.

Issuance costs are booked as a reduction of debt and equity based on their respective value.

3.27 Current and deferred income tax

a) Current tax

The income tax for the period comprises current and deferred tax. Current or deferred income tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In last this case, the tax is also recognised in other comprehensive income or directly in equity.

The current income tax is calculated based on the tax laws enacted or substantively enacted at the reporting date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

b) Deferred tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the carrying amounts of assets and liabilities and their tax bases in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the reporting date and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against on which they can be used.

Deferred tax assets and liabilities are offset when there is a right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

In accordance with IAS 12, the Group recognises the CVAE tax (France), IRAP tax (Italy) and Gewerbesteuermessbetrag tax (Germany) as an income tax.

The Group recognised deferred tax assets on tax loss carry forwards. A budget forecast has been prepared to document the use of this deferred tax asset within a reasonable period.

3.28 Contingent assets and liabilities

Depending on the outcome of uncertain future events, contingent assets and liabilities may be recognised by an entity. Details of these are set out in the notes to the consolidated financial statements.

3.29 Non-current assets and liabilities and disposal groups

IFRS 5 "Non-current assets held for sale and discontinued operations" specifies the accounting treatment applicable to assets held for sale, and the presentation and disclosure of discontinued operations.

Discontinued operations that have been, or are in the process of being, disposed of are those that are highly probable and:

- represent a significant line of business or geographical area of operations for the Group;
- or are part of a single plan to sell a line of business or a geographical area of significance to the Group;
- or are limited to a subsidiary acquired solely with a view to resale;

are presented on a separate line of the consolidated income statement and consolidated statement of cash flows at the year-end.

Materiality is assessed by the Group according to various qualitative criteria (market, product, geographical area) or quantitative criteria (revenue, profitability, cash flow, assets). Assets of discontinued operations, if held for sale, are measured at the lower of carrying amount and fair value less costs to sell. Income statement and cash flow statement items relating to these discontinued operations are presented on a separate line for all periods presented.

Note 4 Changes in estimates

a) Depreciation periods for fixed assets

As part of its review of the useful lives of fixed assets, Maisons du Monde has noted that certain categories of fixed assets, notably software and general fixtures and fittings, have a longer useful life than initially anticipated. Software is becoming increasingly high-performance and durable, and regular updates help to extend its lifespan. At the same time, the Group has also carried out an analysis of the useful life of its general fixtures and fittings, and on average these items have a longer life than the current depreciation period. Consequently, it was decided to extend the amortization period for software by 2 years and for fixtures and fittings by 3 years. The impact over the period is a EUR 12.9 million reduction in the amortization charge (see note 16 and 17).

b) Impairment of inventories

In order to bring inventory provisions into line with the operating indicators monitored by the Group and the inventory management objectives set out in the strategic plan, the Group changed the method for estimating the provision for inventory impairment from one based on the date of last receipt to one based on the turnover of inventories over the last 12 months. This change in estimate contributed to an increase in impairment of EUR 6 million over the year.

Note 5 Critical estimates and judgments

5.1 Main estimates and judgments

The preparation of consolidated financial statements in compliance with IFRS requires the use of certain critical accounting estimates and judgments that may have an impact on the carrying amount of certain assets, liabilities, proceeds, expenses and on the information provided in the notes to the financial statements.

Estimates and assumptions are reviewed on a regular basis, and at least on each reporting date. They may vary if the circumstances on which they are based change or new information becomes available. Actual results may differ materially from these estimates.

The main estimates made by Management during the preparation of the consolidated financial statements relate to the assumptions used for:

- valuation of intangible assets (goodwill and brands) and property, plant and equipment: notes 3.11 et 3.12;
- deferred tax: note 20;
- social security and litigation provisions: notes 10, 21.3 and 26;
- derivative financial instruments and their classification: note 22;
- the duration of leases and the Group’s gearing ratio: note 18;
- inventories: prospects for inventory disposal for calculating depreciation (note 21.1);
- uncertain tax positions in accordance with IFRIC 23.

5.2 Climate risks

Maisons du Monde believes that climate change could have physical impacts by 2030-2050, particularly in extreme scenarios (4°C rise in temperatures). Some shops and warehouses could be threatened by flooding due to rising water levels or strong heat waves, which could lead to an increase in investment costs. The Group is studying the risks and opportunities associated with climate change that could affect its business:

- Upstream of the supply chain, several factors could disrupt the supply and production of products :
  - Occasional shortages of raw materials: Climate change and other factors may cause occasional shortages of raw materials such as wood, leather and cotton.
  - Temporary inability or delays in transport: Extreme weather events, geopolitical disruptions or logistical problems may delay or prevent the delivery of raw materials or finished products.
  - Increase in carbon costs: The introduction of environmental policies and carbon taxes may increase the cost of raw materials and fuel, impacting production costs.
- Downstream in the chain, several factors can influence demand for products :
  - Decrease in general consumption: The increased frequency of extreme weather events can affect consumers' purchasing power and encourage them to reduce their spending, particularly on non-essential products.
  - Increased customer demands: Customers are increasingly sensitive to product responsibility and may turn to brands that adopt sustainable and ethical practices.

- Disinterest in non-essential products: Current trends favour more responsible and thoughtful consumption, which may result in a drop in demand for products considered "gadgets" or non-essential.
- In operational terms, extreme climatic events could contribute to the destruction (partial or complete) of assets used by the Group.

All the impacts, risks and opportunities have been identified during specific workshops with the Group's various business lines (purchasing, procurement, internal control, product offering, etc.) and quantified according to the probability and magnitude of the financial impact for the Group. The Group has put in place a plan to mitigate the impacts of climate change, and no climate risk has been taken into account in drawing up the Group's business plan.

In addition, Maisons du Monde has chosen to introduce an ESG component into its bank financing, which is indexed to three environmental, social and governance ("ESG") criteria, one of which corresponds to the Group's greenhouse gas emission reduction targets (see note 24.1).

The Group has also included environmental criteria in the variable remuneration of its senior executives. Lastly, for the 2022 and 2023 financial years, the Group has introduced share plans that include ESG performance criteria. Achievement of these criteria has been taken into account in assessing the expense relating to these plans (see note 8.2).

On the basis of these factors, the judgements and estimates made by Management with regard to the consequences of climate change and the transition to a low-carbon economy did not have a material impact on the consolidated financial statements for the year ended 31 December 2023.

NOTES ON CONSOLIDATED INCOME STATEMENT

Note 6 Geographical segment information

6.1 Principle

In accordance with IFRS 8 “Operating segments”, segment information is based on internal analytical data used to analyze the performance of activities and the allocation of resources by the Board of Directors, which is the Group’s main operational decision-making body.

Consequently, an operating segment is a separate component of the Group that engages in activities from which the Group is likely to acquire revenue, ordinary activities and incur expenses. Each operating segment is regularly reviewed by the Board of Directors in order to take decisions on the resources to be allocated and to evaluate their performance.

Sales, EBITDA and Goodwill, other intangible assets and property, plant and equipment are presented by geographical segments. The operating segments (geographical) are as follows:

- France;
- International.

In addition, the corporate segment includes the holding company’s activities, including assets that cannot be allocated to any segments and CICE. This segment, which does not include any revenues, mainly comprises overheads related to Finance, Legal, Human Resources and IT Departments as well as expenses related to design, procurement, customer relationship management (CRM) and merchandising.

The Group defines its annual EBITDA as its current operating profit before other operating income and expenses excluding the following:

1. depreciation, amortization and allowance for provisions, and.
2. the change in fair value of its derivative instruments, which are both non-cash items, as well as.

EBITDA by geographical segment includes:

- allocations of certain marketing expenses related to the network of stores as well as operating and marketing expenses for the e-commerce platform. The allocation of these expenses by geographical segment is based on Sales (stores and e-commerce) for each segment;
- allocation of EBITDA of the logistical entities by geographical segment is based on their respective cost of sales.

Sales and EBITDA related to B2B activity (Maisons du Monde) has been fully allocated to the France segment.

This segment information is consistent with groups of CGU that have been identified for the impairment test (see note 15).

6.2 Segment income statement

(in EUR thousands)	31 December 2023	31 December 2022
Retail sales	1,085,359	1,214,709
France	*592,315*	*640,899*
International	*493,044*	*573,810*
Cost of sales	(405,516)	(437,935)
Gross margin	**679,843**	**776,774**
Gross margin (in %)	*62.6%*	*63.9%*
EBITDA	**207,571**	**226,984**
France	*165,052*	*175,593*
International	*117,830*	*132,276*
Corporate	*(75,311)*	*(80,885)*
Depreciation, amortization and allowance for provisions	(161,767)	(158,488)
EBIT	**45,804**	**68,496**
Change in fair value – derivative financial instruments	(629)	7,415
Current operating profit before operating income and expenses	**45,175**	**75,911**
Other operating income and expenses	(8,878)	(5,045)
Operating profit (loss)	**36,297**	**70,866**
Financial profit (loss)	(22,281)	(18,248)
Profit (loss) before income tax	**14,016**	**52,618**
Income tax expense	(5,249)	(18,393)
Profit (loss) after income tax	**8,767**	**34,225**
PROFIT (LOSS)	**8,767**	**34,225**

6.3 Segments assets

The Group discloses here only segment assets whose amounts are regularly reviewed by the Executive Committee, under Board of Director's supervision.

	31 December 2023			
(in EUR thousands)	France	International	Corporate	Total
Segment assets [(1)]	334,394	139,696	258,207	732,297
Rights of use	333,029	230,128	5,516	568,673
Non-segment assets				346,240
TOTAL ASSETS				**1,647,210**

(1) Goodwill, other intangible and tangible assets.

	31 December 2022			
(in EUR thousands)	France	International	Corporate	Total
Segment assets [(1)]	334,550	149,872	256,296	740,718
Rights of use	362,787	247,307	7,237	617,331
Non-segment assets				494,912
TOTAL ASSETS				**1,852,961**

(1) Goodwill, other intangible and tangible assets.

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Note 7 Revenue

7.1 Revenue breakdown

(in EUR thousands)	31 December 2023	31 December 2022
Sales	1,082,734	1,211,085
Sales to franchise and promotional sales	2,625	3,624
Sub-total of sales	**1,085,359**	**1,214,709**
Services and commissions	42,684	29,346
Retail sales and commissions related to ordinary activities	**1,128,043**	**1,244,055**
Transportation to customers	20,725	28,700
Supply chain services	452	467
Other services	7,403	4,840
Other Revenue from ordinary activities	**28,580**	**34,007**
TOTAL REVENUE	**1,156,623**	**1,278,062**

7.2 Revenue of goods and commissions related to ordinary activities by channel

(in EUR thousands)	31 December 2023	31 December 2022
Stores	818,408	884,499
Web	309,635	359,556
TOTAL SALES	**1,128,043**	**1,244,055**

7.3 Revenue of goods and commissions related to ordinary activities by product

(in EUR thousands)	31 December 2023	31 December 2022
Decoration	640,228	711,121
Furniture	445,132	503,588
Benefits and services	42,683	29,346
TOTAL SALES	**1,128,043**	**1,244,055**

Note 8 Personnel expenses

8.1 Wages and salaries

Personnel expenses are broken down as follows:

(in EUR thousands)	31 December 2023	31 December 2022
Wages and salaries	(176,623)	(182,434)
Social security costs	(57,517)	(53,962)
Share-based payment (including social security costs)	(811)	(224)
Employee profit-sharing (including social security costs)	(2,604)	(10,848)
Post-employment benefits – Defined benefit plans	(794)	(1,449)
TOTAL PERSONNEL EXPENSES	**(238,349)**	**(248,917)**

The change in personnel costs is mainly due to (i) the decrease in profit-sharing and profit-sharing in line with the evolution of the Group's results as well as the (ii) decrease in salaries and wages related to the reduction in headcount offset, partly by an increase in salaries as part of the annual negotiations and (iii) by the allocation and takeover of social provisions (including a provision for paid leave on sick leave following the decision of the Court of Cassation [Cass.soc.13.09.23, n°22-17340 to 342, n°22-17638, n°22-10529]).

The average number of full-time equivalent (FTE) employees was 6,695 for the 2023 financial year, compared to 7,143 for the 2022 financial year. The decline in the number of employees is mainly due to French companies.

8.2 Free share plan

a) New performance share plan

The 29st resolution adopted by the Shareholders' Meeting held on 31 May 2022, authorizes the Board of Directors to grant bonus shares to Group employees, up to a limit of 2% of the share capital recorded as of 31 December 2021. Pursuant to this authorization, the Board of Directors adopted "Bonus Share Plan No. 9" on 22 March 2023, which provides for the allocation of 434,950 performance shares to 206 employees in France and abroad.

The grant of performance shares is subject to the following conditions:

- a requirement of continuous employment within the Group during the vesting period: the shares granted to a beneficiary will ultimately vest only if he or she has been employed within one of the Group's companies during the vesting period, calculated from the grant date, which is set at 36 months, *i.e.*, 22 March 2023;
- in the event of death, disability or retirement, the beneficiary retains his or her rights, no longer being subject to the continuous employment requirement;
- a performance requirement based on the evolution of sales and EBIT between 2022 and 2025;
- a performance requirement relating to environmental and social criteria;
- a performance requirement relating to the Total Shareholder Return (TSR) of the Maisons du Monde share compared with a specific index made up of 50% of the CAC Mid 60 GR index and 50% of an index made up equally of 6 European retailers. However, no payment will be due under this performance criterion if the average of the 30 quotations prior to the maturity date of this plan does not reach a floor price of 15 euros.

The shares granted may be shares issued through a capital increase carried out by the Company no later than the date of final vesting or shares purchased by the Company on the market before that date.

b) Information on the fair value of attribution of performance shares

	Plan n°6	Plan n°7	Plan n°8	Plan n°9
	10 March 2020	25 March 2021	9 March 2022	22 March 2023
Duration of plan	3 years	3 years	3 years	3 years
Fair value of performance shares (in euros)	8.64	16.43	15.90	8.33

In the 2023 financial year, as part of the performance share plans, an expense of EUR 1.0 million (excluding social security contributions) was recorded in the income statement as part of personnel expenses (compared to an expense of EUR 0.6 million in 2022), in exchange for an increase in shareholders' equity.

The defined performance conditions were calculated for plans 7, 8 and 9.

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Note 9 External expenses

External expenses are broken down as follows:

(in EUR thousands)	31 December 2023	31 December 2022
Energy and consumables used	(18,548)	(30,713)
Leases and related expenses	(35,468)	(37,956)
Repairs and maintenance	(21,266)	(22,807)
Insurance	(1,830)	(1,533)
Advertising & marketing	(48,671)	(57,372)
Transportation	(110,699)	(133,971)
Bank services	(9,225)	(9,215)
Taxes other than on income	(11,809)	(13,758)
Other external expenses	(58,868)	(65,007)
TOTAL EXTERNAL EXPENSES	**(316,384)**	**(372,332)**

Rents and related charges include lower rental charges and parking fees and also:

- variable rents of EUR 0.1 million in 2023 (EUR 0.3 million in 2022);
- rents for short-term contracts for EUR 1.3 million in 2023 (EUR 1.2 million in 2022);
- rents for low-value contracts of EUR 6.9 million in 2023 (EUR 5.5 million in 2022);
- rent relief of EUR 0.8 million in 2023 (none in 2022) pursuant to the IFRS 16 amendment relating to Covid-19 rent relief.

The change in other external expenses is mainly due to the decrease in transport costs due to the decrease in direct deliveries to customers or in stores (in line with the evolution of WEB sales) and to the decrease in other expenses, in particular related to the implementation of a company-wide “3C” plan. This plan, focused on customers, costs and cash, aims to strengthen the model and quickly restore the conditions for profitable organic growth, in particular by reducing costs.

Note 10 Other income and expenses from operations

Other income and expenses from operations are broken down as follows:

(in EUR thousands)	31 December 2023	31 December 2022
Gains and losses on disposals (1)	(1,127)	(1,285)
Commercial disputes, losses and gains (2)	13,186	10,754
Leases & related expenses (1)	(165)	(299)
Other current operating income	(697)	(1,064)
TOTAL OTHER CURRENT OPERATING INCOME AND EXPENSES	**11,197**	**8,106**

(1) Refers to stores repositioned in the same area.
(2) Includes income from the cancellation of unused gift cards whose expiry date has passed.

Note 11 Other operating income and expenses

Other operating income and expenses are broken down as follows:

(in EUR thousands)	31 December 2023	31 December 2022
Restructuring costs [1]	(1,085)	(1,211)
Impacts related to store closures [2]	(7,311)	(3,876)
Other	(482)	42
TOTAL OTHER OPERATING INCOME/(EXPENSES)	**(8,878)**	**(5,045)**

(1) Includes costs relating to the recruitment or departure of senior executives, as well as recruitment costs for directors.
(2) Refers to stores closed or being closed and not repositioned in the same area. The impact presented includes provisions and reversals recorded following the closure of stores.

Note 12 Financial Income

Finance income and expenses are broken down as follows:

(in EUR thousands)	31 December 2023	31 December 2022
Interests on term loan	(802)	(301)
Interests on convertible bond	(4,638)	(4,871)
Interests on loans, including Revolving Credit Facilities	(802)	(854)
Others	(2)	(1)
Cost of net debt	**(6,244)**	**(6,027)**
Cost of lease debt	(13,486)	(12,374)
Exchange gains and losses	(954)	1,894
Commission costs	(1,401)	(1,585)
Other finance income & costs	(196)	(156)
TOTAL FINANCIAL PROFIT (LOSS)	**(22,281)**	**(18,248)**

Note 13 Income tax

Income tax is broken down as follows:

(in EUR thousands)	31 December 2023	31 December 2022
Current income tax	(7,639)	(21,011)
Deferred tax	2,390	2,618
INCOME TAX EXPENSE	**(5,249)**	**(18,393)**

The tax effects of other comprehensive income are as follows:

(in EUR thousands)	31 December 2023	31 December 2022
Cash-flow hedge [1]	3,311	5,298
Income tax relating to items that may be subsequently reclassified to profit or loss	**3,311**	**5,298**
Tax on actuarial gains (losses) on post-employment benefits	383	(727)
Income tax relating to items that will not be subsequently reclassified to profit or loss	**383**	**(727)**
TOTAL INCOME TAX ON OTHER COMPREHENSIVE INCOME (LOSS)	**3,694**	**4,571**

(1) See note 22.

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The Group's income tax differs from the theoretical tax which would apply according to the actual tax rate applicable to the results of consolidated companies for the following reasons:

(in EUR thousands)	31 December 2023	31 December 2022
Net income from continuing operations	8,767	34,225
Less income tax expense	(5,249)	(18,393)
Profit (loss) of consolidated companies before tax	**14,016**	**52,618**
Theoretical tax rate	25.83%	25.83%
Theoretical income tax expense (+)/product (-)	**3,620**	**13,591**
Difference in income tax rates in other countries	(411)	(191)
Tax (1)	1,478	2,803
Impact of tax credits	(2,950)	(2,584)
Impact of permanent differences (2)	3,511	4,775
ACTUAL INCOME TAX EXPENSE	**5,248**	**18,393**
Effective tax rate	37.45%	34.96%

(1) Mainly includes CVAE (France), IRAP (Italy) and Gewerbesteuermessbetrag (Germany).
(2) In 2023, includes donations made to foundations for EUR 1.7 million.

Note 14 Earnings per share

Earnings per share as of 31 December 2023, can be analysed as follows:

(in EUR thousands, unless otherwise stated)	31 December 2023	31 December 2022
Profit (loss) for the period attributable to shareholders of the parent	**8,570**	**34,295**
Weighted average number of ordinary shares	40,537	43,107
BASIC EARNINGS PER SHARE *(in euros)*	**0.21**	**0.80**

(in EUR thousands, unless otherwise stated)	31 December 2023	31 December 2022
Profit (loss) for the period attributable to shareholders of the parent	**8,570**	**34,295**
Convertible and exchangeable instruments (1)	-	3,340
Profit (loss) for the period attributable to shareholders of the parent	**8,570**	**37,635**
Weighted average number of ordinary shares	40,537	43,107
Adjustment for dilutive impact of performance shares	209	394
Dilutive effect of convertible bonds	-	4,198
Adjusted weighted average number of ordinary shares, excluding treasury shares	**40,746**	**47,699**
DILUTED EARNINGS PER SHARE *(in euros)*	**0.21**	**0.79**

(1) In 2022, for the calculation of diluted net income per share, net income for the period was restated for interest on the convertible bond issue net of tax.

The Group's share capital as of 31 December 2023, is composed solely of the ordinary shares of Maisons du Monde S.A. and decreased during the 2023 financial year (see note 23.1).

The change in the weighted average number of ordinary shares is due to the restatement of treasury shares, the number of which changed during the period (see note 23.2).

Diluted earnings per share take into account the weighted average number of performance shares granted to employees (see note 8.2)

NOTES ON CONSOLIDATED BALANCE SHEET

Note 15 Goodwill

15.1 Goodwill

Management reviews the business performance based on geography. Therefore, management allocates the goodwill at the geographical area-level. For the Group, it has identified France and International geographical areas.

The following is a summary of goodwill allocation:

(in EUR thousands)	France	International	Total
Net carrying amount as of 1 January 2022	246,793	80,234	327,027
Net carrying amount as of 31 December 2022	246,793	80,234	327,027
NET CARRYING AMOUNT AS OF 31 DECEMBER 2023	246,793	80,234	327,027

15.2 Goodwill and Other Asset Impairment tests

a) Cash Generating Unit

Impairment tests are performed at cash-generating unit level. Goodwill is allocated to the relevant geographical area (France and International). Each geographical area represents a CGU, the smallest combination of assets generating cash inflows that are independent of other assets or groups of assets.

The Maisons du Monde brand and supporting assets are allocated to the relevant geographical area (France and International) based on sales.

b) Valuation using the discounted cash flow method

The basic assumptions used to determine the recoverable amount of an asset or CGU are consistent with those used by management to prepare the Group's business plans and budgets approved by the governance bodies. These assumptions are based on historical data and past experience and also take into account information from external sources such as industry growth forecasts and geopolitical and macroeconomic development prospects at the level of the CGUs concerned.

The Group's sales growth and improved profitability are mainly related to the following:

- a retail transformation plan including the closure of underperforming stores and an expansion supported by the development of affiliation in Europe and franchising outside Europe, the deployment of a new store performance monitoring tool, Better management of human resources, greater adaptation of the offer to regional specificities, an evolution of merchandising for more commerciality, a more readable product offer, and the deployment of a frugality plan aimed at reducing costs. All of these actions, led by a new Retail Sales Management team, will enable a resumption of in-store sales growth and an improvement in the profitability of the fleet;
- better customer service, with investments to further improve product quality and the delivery experience, through a proposal of new services, and through a responsible commitment repositioned on the circular economy and the promotion of local know-how;
- a better integrated omnichannel platform, including the launch of a loyalty program for our customers, and a doubling of the percentage of omnichannel customers compared to 2023;
- an enrichment of the offer through the introduction of new, more profitable categories, without giving up a net reduction of around 25% in the number of references compared to 2022 for a more impactful and differentiating offer highlighting our style office;
- growth drivers deployed gradually between 2024 and 2026: development of BtoB, launch of the selector offer (distribution of products from other brands in segments complementary to the Maisons du Monde offer), the continued development of the marketplace in Europe and the export franchise;
- the establishment of a permanent culture of frugality and pay-back should allow a continuous decrease in SG&A ratios.

The projection period is limited to five years. Cash flows are discounted at a rate equal to the weighted average cost of capital (WACC).

15.3 Analysis of the situation as of 31 December 2023

Impairment tests carried out as of 31 December 2023, showed that the recoverable amount was higher than the value of the assets for both the France and International CGUs. As a result, no impairment of goodwill and other assets was recognized as of 31 December 2023.

This simulation consisted of:

- the projection of financial data based on different business scenarios by country and business line;
- discounting of WACC France and International as of 31 December 2023;
- discounting of long-term growth rates as of 31 December 2023.

KEY ASSUMPTIONS USED FOR VALUE IN USE CALCULATIONS AS OF 31 DECEMBER 2023:

	Discount factor (WACC)	Average growth rate over the 5 year period	Terminal value growth rate
France	9.9%	7.1%	2.0%
International	10.3%	6.6%	1.7%

Average growth rate used for the impairment test is on a like-for-like basis.

15.4 Sensitivity tests

The sensitivity of the impairment tests was also checked against the following key assumptions, *via* increases and decreases:

- the discount rate of 100 basis points;
- infinite growth rate of 100 basis points;
- EBITDA of 100 basis points.

No impairment losses would be recognized.

Note 16 Intangible assets

(in EUR thousands)	Brand, Trademarks, licenses, patents	Commercial leasehold rights	Internally generated software development costs	Other	Total
Net carrying amount as of 1 January 2022	**205,707**	**6,061**	**16,830**	**4,079**	**232,677**
Acquisitions	1,111	137	12,786	4,156	18,190
Disposals	(2)	(720)	-	(3)	(725)
Amortization charge	(1,649)	(134)	(10,663)	-	(12,446)
Impairment	-	1,122	-	-	1,122
Other	3,241	(29)	1,175	(4,301)	86
Currency translation differences	2	-	-	-	2
Net carrying amount as of 31 December 2022	**208,410**	**6,437**	**20,128**	**3,931**	**238,906**
Acquisitions	1,153	-	8,669	4,803	14,625
Disposals	(2)	-	-	(282)	(284)
Amortization charge (1)	(1,408)	(279)	(6,686)	-	(8,373)
Other	2,821	51	2,605	(3,228)	2,249
Currency translation differences	-	-	-	-	-
NET CARRYING AMOUNT AS OF 31 DECEMBER 2023	**210,974**	**6,209**	**24,716**	**5,224**	**247,123**

(1) *Following the review of the useful lives of fixed assets, the Group has decided to extend the depreciation period of certain assets by 2 years. The impact over the period was a decrease in depreciation and amortization expense of EUR 5.3 million (see note 4).*

Note 17 Tangible assets

(in EUR thousands)	Constructions	Technical installations, industrial equipment and machinery	Other property, plant and equipment	Fixed assets under construction	Advances and payments on property, plant and equipment	Total
Net carrying amount as of 1 January 2022	**107,918**	**6,430**	**31,748**	**15,831**	**3,001**	**164,929**
Acquisitions	17,698	1,587	9,051	16,903	2,361	47,600
Disposals	(1,222)	(50)	(327)	(826)	(100)	(2,525)
Amortization charge	(22,116)	(2,932)	(10,213)	-	-	(35,261)
Impairment (charge/ release)	(489)	7	62	-	-	(420)
Other	1,591	2,011	(850)	814	(3,640)	(75)
Currency translation differences	385	74	78	-	1	538
Net carrying amount as of 31 December 2022	**103,765**	**7,127**	**29,549**	**32,722**	**1,622**	**174,786**
Acquisitions	6,295	3,264	2,408	7,261	106	19,334
Disposals	(3,673)	(138)	(627)	(49)	-	(4,487)
Amortization charge [(1)]	(13,738)	(3,186)	(6,846)	-	-	(23,770)
Impairment (charge/ release)	(1,531)	5	202	(4,300)	-	(5,624)
Other	4,215	13,218	341	(18,673)	(1,642)	(2,541)
Currency translation differences	451	(80)	78	-	1	450
NET CARRYING AMOUNT AS OF 31 DECEMBER 2023	**95,784**	**20,210**	**25,105**	**16,961**	**87**	**158,147**

(1) Following the review of the useful lives of fixed assets, the Group has decided to extend the depreciation period of certain assets by 3 years. The impact over the period was a decrease in depreciation and amortization expense of EUR 7.6 million (see note 4).

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Note 18 Right of use and lease debt

18.1 Right of use

The rights of use have the following net values:

(in EUR thousands)	Constructions	Technical installations, industrial equipment and machinery	Other property, plant and equipment	Total
Net carrying amount as of 1 January 2022	**588,600**	**3,008**	**9,643**	**601,251**
New contracts included reevaluation	121,511	3,354	(294)	124,571
Amortization charge	(105,270)	(1,599)	(2,357)	(109,226)
Impairment (charge/release)	(950)	-	-	(950)
Other	(10)	-	-	(10)
Currency translation differences	1,694	-	1	1,695
Net carrying amount as of 31 December 2022	**605,575**	**4,763**	**6,993**	**617,331**
New contracts included reevaluation	66,617	463	2,317	69,397
Amortization charge	(111,598)	(1,083)	(2,263)	(114,944)
Impairment (charge/release)	(4,603)	-	-	(4,603)
Other	(14)	-	-	(14)
Currency translation differences	1,503	-	3	1,506
NET CARRYING AMOUNT AS OF 31 DECEMBER 2023	**557,480**	**4,143**	**7,050**	**568,673**

18.2 Lease debt

The changes in lease debt are detailed as follows:

		Cash impact	**Without cash impact**			
(in EUR thousands)	**31 December 2022**	**Decrease**	**New contracts included reevaluation**	**Interest**	**Change effect**	**31 December 2023**
Lease debt	613,140	(114,385)	70,431	148	1,684	571,018
TOTAL NET DEBT	**613,140**	**(114,385)**	**70,431**	**148**	**1,684**	**571,018**

As of 31 December 2023, the maturities of lease debt are analysed as follows:

	Maturity as of 31 December 2023			
(in EUR thousands)	**Less than 1 year**	**From 1 to 5 years**	**More than 5 years**	**Total**
Lease debt	121,021	295,032	154,965	571,018
TOTAL BORROWINGS	**121,021**	**295,032**	**154,965**	**571,018**

As of 31 December 2023, the lease debt bears interest at a fixed rate.

Note 19 Other non-current financial assets

(in EUR thousands)	31 December 2023	31 December 2022
Equity securities (1)	2,757	4,316
Other financial assets (2)	11,092	12,129
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS	**13,849**	**16,445**

(1) Company shares correspond to equity interests in Economic Interest Groups acquired when stores were opened and to the holding Parent Modani. As of 31 December 2023, the fair value of Parent Modani equity interests was revalued by EUR (1.6) million through financial income and expense.
(2) Other financial assets mainly concern deposits and guarantees paid or granted to lessors of stores, warehouses, headquarters, and factories.

Note 20 Deferred income tax assets and liabilities

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

(in EUR thousands)	31 December 2023	31 December 2022
Deferred tax assets	8,742	9,770
Deferred tax liabilities	(39,174)	(46,292)
TOTAL DEFERRED TAX ASSETS/(LIABILITIES)	**(30,432)**	**(36,522)**

Deferred tax assets and liabilities are offset when they relate to the same tax entity (legal entity or tax consolidation group) and the applicable tax regulations allow this offset for current tax.

(in EUR thousands)	Brand	Tax loss carry-forwards	Temporary differences	Hedging instruments	Commercial leasehold rights	Step/Free rents	Rental contracts	Others	Deferred tax on OCEANE	Total
31 December 2021	**(53,326)**	**1,198**	**4,877**	**(4,622)**	**3,390**	**1,762**	**4,866**	**264**	**(2,133)**	**(43,724)**
Change in P&L	18	(127)	2,819	(1,496)	138	(353)	892	(366)	1,093	2,618
Change in equity	-	-	-	5,298	-	-	-	(727)	-	4,571
Currency translation differences	-	-	-	-	-	-	6	8	-	14
31 December 2022	**(53,308)**	**1,071**	**7,696**	**(820)**	**3,528**	**1,409**	**5,764**	**(821)**	**(1,040)**	**(36,522)**
Change in P&L	-	(170)	3,387	162	(487)	(447)	447	(1,542)	1,040	2,390
Change in equity	-	-	-	3,311	-	-	-	383	-	3,694
Currency translation differences	-	-	-	-	-	-	-	6	-	6
31 DECEMBER 2023	**(53,308)**	**901**	**11,083**	**2,653**	**3,041**	**962**	**6,211**	**(1,974)**	**-**	**(30,432)**

Deferred tax assets are recorded as carry-forward losses to the extent that the associated tax benefit is likely to be realized.

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The base of activated deficits amounted to EUR 3.6 million as of 31 December 2023, compared with EUR 4.3 million as of 31 December 2022.

(in EUR thousands)	France (excluding of tax consolidation)	Other countries	Total loss carryforwards
Loss carryforwards until			
2020	-	-	-
2021	-	-	-
2022	-	-	-
> 2023	-	-	-
Loss carryforwards undefinitely	3,396	225	3,621
Total loss carryforwards 2023	**3,396**	**225**	**3,621**
Of which recognized	*3,396*	*225*	*3,621*
Of which not recognized	-	-	-
Total loss carryforwards 2022	**4,284**	**19**	**4,303**
Of which recognized	*4,284*	*19*	*4,303*
Of which not recognized	-	-	-

A projected budget has been established to demonstrate the use of this deferred tax asset within a reasonable period.

Note 21 Analysis of working capital

(in EUR thousands)	31 December 2022	Change in Working Capital	Other changes (1)	Change effect	31 December 2023
Inventories	245,728	(45,433)	1,757	100	202,152
Trade receivables and other current receivables	82,395	(8,526)	-	64	73,933
Assets	**328,123**	**(53,959)**	**1,757**	**164**	**276,085**
Trade payables and other current payables	322,680	(53,809)	311	354	269,536
Liabilities	**322,680**	**(53,809)**	**311**	**354**	**269,536**
WORKING CAPITAL	**5,443**	**(150)**	**1,446**	**(190)**	**6,549**

(1) Mainly includes reclassification of warehouse packaging as inventory.

21.1 Inventories

(in EUR thousands)	31 December 2023	31 December 2022
Packaging and supplies	10,014	8,136
Semi-finished products	1,007	1,667
Merchandise	204,840	240,421
Gross value	**215,861**	**250,224**
Impairment (1)	(13,709)	(4,496)
NET CARRYING AMOUNT	**202,152**	**245,728**

(1) Change in estimate relating to the method of inventory impairment (see note 4). (1)

21.2 Trade receivables and other current receivables

(in EUR thousands)	31 December 2023	31 December 2022
Trade receivables	14,360	15,756
Impairment of receivables	(4,260)	(3,461)
Trade receivables – Net	**10,100**	**12,295**
Advances paid to suppliers	1,406	4,299
Receivables from suppliers	7,533	6,645
Taxes and duties	30,081	32,393
Other receivables	4,486	2,962
Prepaid expenses	20,327	23,801
Other receivables	**63,833**	**70,100**
TOTAL TRADE AND OTHER RECEIVABLES	**73,933**	**82,395**

The decrease in trade and other receivables of EUR 9.7 million is mainly due to:

- a decrease in "Advances paid to suppliers", mainly merchants;
- a decrease in "Taxes and duties" explained in particular by a refund of VAT credits;
- a decrease in "Prepaid expenses" mainly due to the decrease in the recognition of lessors' invoices received at the end of 2023 for the year 2024.

21.3 Trade and other payables

(in EUR thousands)	31 December 2023	31 December 2022
Trade payables	138,967	156,642
Advance payments received on orders in progress	43,423	57,064
Social and tax payables	70,129	88,743
Amounts payable on fixed assets	7,769	10,308
Deferred revenue	9,248	9,924
TOTAL TRADE PAYABLES AND OTHER PAYABLES	**269,536**	**322,680**

The increase in trade and other payables of EUR 54.4 million is mainly due to:

- a decrease in "Trade payables" of EUR 17.7 million, mainly due to the reduction in external expenses (via the implementation of a cost reduction plan for 2023), partially offset by the increase in payment terms for international suppliers, in line with market best practice;
- a decrease in "Advances payments received on orders in progress" due in particular to (i) the use of gift cards by customers, partially offset by the sale of new cards and (ii) the cancellation of expired gift cards;
- a decrease in "Social security and tax payables" explained by a decrease in participation and profit-sharing debts in line with the Group's result, and by a decrease in VAT to be disbursed.

During the 2023 fiscal year, the Group did not use reverse factoring.

21.4 Others non-current and current liabilities

The "other Non-current and current liabilities" essentially correspond to the debt related to put options held by the minority shareholders of Savane Vision (Rhinov) amounting to EUR 4.7 million as of 31 December 2023.

The fair value change of these liabilities is recorded against the equity of the Group.

Call option on Savane Vision (Rhinov) shares

The Group's acquisition of a majority stake in Savane Vision (Rhinov) was accompanied by two call options granted to the Group on the minority interests, *i.e.* 29.6% of the shares, exercisable over two exercise periods (2023 and 2025). During the second half of 2023, an amendment was signed postponing the first call option to 2024 instead of 2023 and covering 50% of the remaining shares instead of between 65% and 75%. As a result, the first call option can be exercised in the first half of 2024 and concerns 50% of the remaining shares. The second option is exercisable in the first half of 2025 and covers the remaining shares. The purchase price of the 29.6% stake has been set on the basis of an EBITDA multiple at the option exercise date. This amendment has no material impact on Put's debt.

Note 22 Derivative financial instruments

The fair value of derivative financial instruments is broken down as follows:

	31 December 2023		31 December 2022	
(in EUR thousands)	Asset	Liabilitiy	Asset	Liabilitiy
Forward foreign exchange contracts	-	9,846	9,443	6,271
Swap/Tunnels	-	431	-	-
TOTAL DERIVATIVE FINANCIAL INSTRUMENTS	**-**	**10,277**	**9,443**	**6,271**

A) Foreign exchange instruments

All contracts in US dollars are intended to hedge the acquisition of goods in US dollars, and all contracts in Swiss francs and pounds sterling are intended to hedge sales in Swiss francs and pounds sterling. As of 31 December 2023, there are no longer any contracts in pounds sterling, following the discontinuation of commercial activity in the United Kingdom at the end of May 2023.

The nominal value of these financial instruments is as follows:

	31 December 2023	31 December 2022
Contracts in US dollars (in million of US dollars)	296.3	(543.0)
Contracts in Swiss Francs (in million of Swiss francs)	(18.0)	(18.0)
Contracts in pounds sterling (in million of pounds sterling)	-	(3.5)

Amount recognised directly in equity as of 31 December 2023, was EUR (12.8) million. It corresponds to the valuation of contracts in force at the balance sheet date, which are intended to cover forecast cash flows. Amount of EUR (0.6) million recognised in the income statement, under profit on ordinary activities, corresponds to the time value of the change in the fair value of the hedging instruments (“premium/discount” component).

B) Interest rate instruments

Gross indebtedness corresponds mainly to long-term resources which were originally granted at variable rates. The risk relates to the impact of changes in interest rates on the Group’s financial expense.

The nominal value of these financial instruments is as follows:

	31 December 2023	31 December 2022
Swap	20,000	-
Tunnel	30,000	-

Note 23 Equity

The Group's policy is to maintain a strong capital base to maintain investor, creditor, and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to shareholders.

23.1 Shares

As part of the "ESG Impact" share buyback program and by decision of the Board of Directors on 8 March 2023, and 26 October 2023, the Group cancelled 4,098,809 shares in two successive tranches (see note 2.4).

Thus, as of 31 December 2023, the share capital consists of 39,189,288 ordinary shares of Maisons du Monde S.A. based on a nominal value of EUR 3.24 per share, the share capital of Maisons du Monde S.A. thus amounts to EUR 126,973,293.12.

23.2 Treasury shares

Treasury shares are Maisons du Monde S.A. shares held by the Group as part of a liquidity contract, in accordance with an Ethics Charter established by the French association of financial markets (AMAFI charter) and approved by the French financial market's authority *(Autorité des marchés financiers)*, or as part of shares buyback plans allocated to performance shares plans.

As of 31 December 2023, the Group held:

- 131,547 treasury shares under the liquidity contract, compared with 57,870 treasury shares as of 31 December 2022.
- 479,562 treasury shares under the share buyback programs allocated to performance share plans.

23.3 Dividends per share

In respect of the 2022 financial year, an ordinary dividend of EUR 0.30 per share was approved at the General Meeting of 29 June 2023, and paid on 7 July 2023, for a total amount of EUR 11,595 thousand. The dividend in respect of treasury shares held by the Group at the time of detachment of the dividend was not paid. The amounts corresponding to dividends not paid on treasury shares are therefore allocated to "retained earnings".

At its meeting on 11 March 2024, the Board of Directors asked shareholders to approve a dividend of EUR 0.06 per share for the year ended 31 December 2023, for a total dividend of EUR 2,315 thousand based on treasury shares net of 31 December 2023.

Note 24 Net debt

24.1 Net debt

The variations in net debt are broken down as follows:

(in EUR thousands)	31 December 2022	Cash impact: Increase	Cash impact: Decrease	Without cash impact: Interest and commission paid/remitted	Without cash impact: Issuance fees	Without cash impact: Interest	Without cash impact: Change effect	Without cash impact: Other	31 December 2023
Cash at bank and in hand	121,163	-	(91,073)	-	-	-	(282)	-	29,808
Short term investments & cash equivalent	91	-	(8)		-	-	(5)	-	78
Total Cash and cash equivalents	**121,255**	**-**	**(91,081)**	**-**	**-**	**-**	**(287)**	**-**	**29,886**
Convertible bond	195,612	-	(200,000)	(250)	250	4,388	-	-	-
Term loan	(471)	100,000	-	(328)	124	678	-	-	100,003
Revolving Credit Facilities	(735)	-	-	(1,026)	188	537	-	-	(1,036)
Loans from financial institutions	466	14,002	(457)	(22)	-	77	-	-	14,066
Share buy back program [(1)]	28,116	-	(22,783)	-	-	-	-	(5,333)	-
Deposits and guarantees	1,070	197	-	-	-	-	-	-	1,267
Banks overdrafts	117	4,695	-	(2)	-	2	-	-	4,812
Total debt	**224,175**	**118,894**	**(223,240)**	**(1,628)**	**562**	**5,682**	**-**	**(5,333)**	**119,112**
TOTAL NET DEBT	**102,920**	**118,894**	**(132,159)**	**(1,628)**	**562**	**5,682**	**287**	**(5,333)**	**89,226**

(1) Corresponds to the amount of remaining shares to be acquired under the share buyback program (see note 2.4).

The short-term investment (such as SICAV and certificate of deposit) consist of investment of short duration (less than 3 months) with minimal risk of value's fluctuation.

The breakdown by currency of the net debt is broken down as follows:

(in EUR thousands)	31 December 2023: EUR	CHF	GBP	USD	Others currency	Total
Term loan	100,003	-	-	-	-	100,003
Revolving Credit Facilities	(1,036)	-	-	-	-	(1,036)
Loans from financial institutions	14,066	-	-	-	-	14,066
Deposits and guarantees	1,267	-	-	-	-	1,267
Banks overdrafts	4,771	41	-	-	-	4,812
Cash and cash equivalents	(13,895)	(1,987)	(586)	(11,941)	(1,477)	(29,886)
TOTAL NET DEBT	**105,176**	**(1,946)**	**(586)**	**(11,941)**	**(1,477)**	**89,226**

	31 December 2022					
(in EUR thousands)	**EUR**	**CHF**	**GBP**	**USD**	**Others currency**	**Total**
Convertible bond	195,612	-	-	-	-	195,612
Term loan	(471)	-	-	-	-	(471)
Revolving Credit Facilities	(735)	-	-	-	-	(735)
Other borrowings	466	-	-	-	-	466
Share buy back programs	28,116	-	-	-	-	28,116
Deposits and guarantees	1,070	-	-	-	-	1,070
Banks overdrafts	117	-	-	-	-	117
Cash and cash equivalents	(108,958)	(4,888)	(196)	(6,233)	(980)	(121,255)
TOTAL NET DEBT	**115,217**	**(4,888)**	**(196)**	**(6,233)**	**(980)**	**102,920**

The net debt lists the following credit facilities:

a) Convertible bond

On 6 December 2017, Maisons du Monde issued bonds convertible into new or existing shares (OCEANE) due December 2023 by way of a private placement to institutional investors, for a nominal amount of EUR 200 million (4,100,041 bonds with a nominal value of EUR 48.78). Existing shareholders of the Company shall have no preferential subscription rights (or priority subscription period) in connection with the bonds or the underlying shares of the Company.

The Bonds have been issued at par and bear interest at an annual rate of 0.125%, payable annually in arrears on 6 December, of each year and for the first time on 6 December 2018. Issuance fees were EUR 2.3 million.

Unless previously converted, exchanged, redeemed, or purchased and cancelled, the Bonds will be redeemed at par on 6 December 2023. The Bonds may be redeemed prior to maturity at the option of the Company, subject to certain conditions, and at the option of the holders in the event of a change of control of the Company.

From the Issue Date (*i.e.* 6 December 2017) and up to 5:00 p.m. (Paris time) on the 7th business day preceding the maturity date or the relevant early redemption date, the Bonds will entitle their holders to receive shares of the Company at a ratio of one share per Bond, subject to any potential subsequent adjustments.

The Bonds are listed on the Euronext Access^{TM} market of Euronext Paris since 12 December 2017.

The market rate used and the initial breakdown between the "Debt" portion and the "Equity" portion are as follows:

- market rate used for the calculation of the debt: 2.35%;
- fair value of financial debt at issue: EUR 173.3 million (net of EUR 2.1 million issuance fees);
- equity portion of the convertible bond: EUR 24.3 million (net of EUR 0.3 million issuance fees).

On 6 December 2023, the Group repaid EUR 200.0 million OCEANE bond by drawing EUR 100.0 million from its long-term credit line, EUR 14 million from its BPI loan, and the remaining balance from its cash position.

The financial expense related to this loan amounts to EUR 4.2 million (effect of the accretion of the debt using the effective interest rate method).

b) Senior Credit Facilities (Term Loan and RCF) and additional Credit Revolving Facility (Additional RCF)

In April 2022, the Group subscribed:

- a new EUR 150 million credit facility (RCF) for 5 years with two 1-year extension options;
- a new EUR 100 million long-term credit facility repayable over 5 years. The margin applicable to this credit is based on leverage.

Issuance costs amounted to EUR 2 million, including EUR 1.4 million for RCF and EUR 0.6 million for long-term loans.

RCF

During the 1st half of 2023, and as foreseen in the original contract, the Group extended the maturity of its RCF credit facility from April 2027 to April 2028 and increased the amount by EUR 44 million, from EUR 150 million to EUR 194 million.

As of 31 December 2023, this credit line is not used as it was as of 31 December 2022.

LONG-TERM CREDIT

As of 31 December 2023, this credit line of EUR 100 million had been drawn down in full. It was undrawn as of 31 December 2022.

LEVERAGE RATIO

Credit facilities are subject to compliance with a leverage ratio, which is the ratio of total net debt on the last day of the reporting period to consolidated EBITDA adjusted for the impact of IFRS 16.

This leverage ratio, which must remain below 3, was respected at 31 December 2023.

Maisons du Monde has chosen to include an ESG component in its bank financing, based on 3 indicators:

- carbon intensity;
- the share of responsible supply;
- Maisons du Monde employer recommendation rate.

Targets are defined for each indicator and for each period. The achievement or non-achievement of these targets has a positive or negative impact on the credit margin. The bonus or malus thus generated systematically benefits the Maisons du Monde Foundation, rather than Maisons du Monde (bonus) or the bank (malus).

During 2023, these ESG components, based on the 2022 accounts, delivered the maximum bonus, *i.e.* EUR 35 thousand, which was donated to the Maisons du Monde Foundation.

c) BPI France loan

During the second half of the year, the Group took out a loan from BPI France for a period of three years and for a maximum amount of EUR 15.0 million. The amount of the authorised ceiling will be reduced by EUR 1.3 million each quarter.

24.2 Maturity of borrowings and other financial debts

As of 31 December 2023, the maturity ranges of borrowings are as follows:

	Maturity as of 31 December 2023			
(in EUR thousands)	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Term loan	25,289	74,714	-	100,003
Revolving Credit Facilities	(169)	(867)	-	(1,036)
Loans from financial institutions	5,232	8,830	5	14,066
Deposits and guarantees	-	-	1,267	1,267
Bank overdraft	4,811	-	-	4,812
TOTAL BORROWINGS	**35,163**	**82,677**	**1,272**	**119,112**

24.3 Fixed and variable rate

(in EUR thousands)	31 December 2023	31 December 2022
Floating rate	94,125	18
Fixed rate	24,987	224,157
TOTAL BORROWINGS	**119,112**	**224,175**

Floating rate borrowings includes the Term Loan, Credit revolving facilities, financial leases and bank overdrafts.

Note 25 Post-employment benefit

The employment benefits provision relates to defined-benefit pension plans.

In addition to State plans, the Group's French subsidiaries are legally required to pay lump sums to employees when they retire from service, the "*indemnités de fin de carrière*" (IFC). The amounts are based on years of service in the Company and on the base salary according to the collective bargaining agreement in force. This scheme covers all employees under permanent contract within the Company.

For the Italian subsidiary, *Trattamento di Fine Rapporto* (TFR) is an employee benefit payable at the end of the working period or as soon as the employee leaves the Company. According to IAS 19, the TFR falls into "post-employment benefits" category.

Concerning the Swiss subsidiary, the occupational benefit is a reserve funded by the employer's and employee's contribution. This capital is converted into a life annuity based on a "conversion rate" defined by the law, currently set at 6.8%.

The defined benefit obligations are broken down by country as follows:

(in EUR thousands)	31 December 2023	31 December 2022
France	1,370	1,919
Switzerland	1,221	337
Italy	6,636	6,972
DEFINED BENEFIT OBLIGATION	**9,227**	**9,228**

The pension reform in France voted in 2023, pushing back the retirement age to 64, does not have a significant impact on defined benefit commitments as of 31 December 2023.

The change in defined benefit obligations in the years presented is as follows:

(in EUR thousands)	Defined benefit obligation
Balance as of 31 December 2021	**12,450**
Current service cost	1,449
Interest expense/(income)	122
TOTAL EXPENSE/(INCOME)	**1,571**
Actuarial (gains) and losses – demographic assumptions	22
Actuarial (gains) and losses – financial assumptions	(1,616)
Experience (gains)/losses	258
Change in fair value of plan assets	-
TOTAL REMEASUREMENTS	**(3,336)**
Employer's contributions	-
Benefits paid	(1,504)
Currency impact	48
TOTAL PAYMENTS	**(1,456)**
Balance as of 31 December 2022	**9,229**
Current service cost	795
Interest expense/(income)	136
TOTAL EXPENSE/(INCOME)	**931**
Actuarial (gain)/losses – demographic assumptions	(176)
Actuarial (gain)/losses – financial assumptions	1,394
Actuariel (gain)/losses – experience	599
Change in fair value of plan assets	40
TOTAL REMEASUREMENTS	**1,857**
Employer's contributions	-
Benefits paid	(2,849)
Currency impact	60
TOTAL PAYMENTS	**(2,789)**
NET CARRYING AMOUNT AS OF 31 DECEMBER 2023	**9,227**

The significant actuarial assumptions were as follows:

	31 December 2023			31 December 2022		
	France	Italy	Switzerland	France	Italy	Switzerland
Discount rate	3.59%	3.53%	1.50%	3.80%	3.75%	2.30%
Turnover rate	0.00% to 18.60%	9%	10%	0.00% à 12.50%	9%	10%
Mortality rate	INSEE 2019	IPS55	BVG 2020 GT	INSEE 2016-2018	IPS55	BVG 2020 GT
Estimated future salary increase	Decreasing curve with an average rate of 2.7% for executives and 3.6% for non-executives	3.4%	1.0%	1.50% à 2.50%	3.4%	1.0%
Probable retirement age	62-64	variable – legal	64-65	62-64	variable – legal	64-65

The exit rates for France for the financial years ended 31 December 2023, and 2022 are based on internal statistics covering the last three years by entity, age group and category of staff.

The sensitivity of the commitment to a 0.5% change in certain assumptions, all other things being equal, is as follows:

		Impact on defined benefit obligation	
(in EUR thousands)	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	(821)	892
Salary growth rate	0.50%	309	(317)

Estimated benefits payable in 2024 amounts to EUR 0.9 million.

As of 31 December 2023, the average duration of the Group's defined benefit obligations was 17 years (18 years as at 31 December 2022).

Note 26 Provisions

(in EUR thousands)	Provisions for commercial disputes	Provisions for labor disputes	Provision relating to stores (closures and lease disputes)	Other	Total
Balance as of 1 January 2022	**435**	**3,843**	**1,390**	**9,503**	**15,170**
Additionnal provisions	93	5,999	1,371	1,921	9,384
Unused amounts reversed	-	(243)	-	(572)	(815)
Amounts used during the year	-	(3,146)	(395)	(826)	(4,367)
Reclassification	-	5	-	3	8
Balance as of 31 December 2022	**528**	**6,457**	**2,366**	**10,029**	**19,380**
Additionnal provisions	7,301	5,258	1,913	968	15,439
Unused amounts reversed	(452)	(1,604)	(339)	(3,734)	(6,129)
Amounts used during the year	(15)	(3,001)	(464)	(348)	(3,828)
Currency translation differences	-	8	-	-	8
Reclassification	-	-	100	(100)	-
Balance as of 31 December 2023	**7,361**	**7,119**	**3,576**	**6,815**	**24,871**
Of which non-current	*7,361*	*7,119*	*2,837*	*4,496*	*21,813*
Of which current	-	-	*739*	*2,320*	*3,059*

As of 31 December 2023, the change in provisions was +5.5 million euros, including (10.0) million euros in reversals following the settlement of several disputes (including (4.2) million euros recognized in other operating income and expenses) and 15.4 million euros in new provisions (including 6.0 million euros recognized in other operating income and expenses).

Note 27 Financial instruments

27.1 Financial instruments by category

(in EUR thousands)	Loans and receivables	Hedging derivatives	Total	Fair value
Assets – 31 December 2023				
Other non-current financial assets	13,849	-	13,849	13,849
Trade receivables	10,100	-	10,100	10,100
Other receivables (excl. Prepaid expenses and Corporate Income Tax)	43,506	-	43,506	43,506
Cash and cash equivalents	29,886	-	29,886	29,886
TOTAL	**97,341**	**-**	**97,341**	**97,341**

(in EUR thousands)	Other financial liabilities at amortized costs	Hedging derivatives	Total	Fair value
Liabilities – 31 December 2023				
Borrowings	83,949	-	83,949	83,949
Derivative financial instruments	-	10,277	10,277	10,277
Borrowings and current convertible bond	35,163		35,163	35,163
Trade payables and other payables (excl. Deferred revenue)	260,288	-	260,288	260,288
TOTAL	**379,400**	**10,277**	**389,677**	**389,677**

(in EUR thousands)	Loans and receivables	Hedging derivatives	Total	Fair value
Assets – 31 December 2022				
Other non-current financial assets	16,445	-	16,445	16,445
Trade receivables	12,295	-	12,295	12,295
Other receivables (excl. Prepaid expenses and Corporate Income Tax)	46,299	-	46,299	46,299
Derivative financial instruments	-	9,443	9,443	9,443
CASH AND CASH EQUIVALENTS	**121,255**	**-**	**121,255**	**121,255**
Total	**196,294**	**9,443**	**205,736**	**205,736**

(in EUR thousands)	Other financial liabilities at amortized costs	Hedging derivatives	Total	Fair value
Liabilities – 31 December 2022				
Borrowings	267	-	267	267
Derivative financial instruments	-	6,271	6,271	6,271
Borrowings and current convertible bond	223,908		223,908	223,908
Trade payables and other payables (excl. Deferred revenue)	312,756	-	312,756	312,756
TOTAL	**536,931**	**6,271**	**543,202**	**543,202**

27.2 Fair value estimation

As of 31 December 2023, the financial assets and liabilities net carrying value are equal to the fair value, except for Revolving credit facilities that are booked at amortized cost.

The derivative financial instruments (see note 21) are carried at fair value using a valuation method that relies on inputs based on observable market data.

The concept of fair value shall be understood to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There is a three-level fair value hierarchy under IFRS 13:

- level 1: fair value is measured by reference to quoted prices in active markets for identical assets or liabilities;
- level 2: fair value is measured by reference to inputs other than quoted market prices included within level 1, which are observable for the asset or liability, either directly (price) or indirectly (inputs derived from price);
- level 3: fair value is measured by reference to information on the asset or liability that are not observable (unobservable inputs) in the market.

Table below analyses financial instruments by level:

(in EUR thousands)	**Level 1**	**Level 2**	**Level 3**
Balance as of 31 December 2023			
Derivative financial instruments	-	(10,277)	-
Balance as of 31 December 2022			
Derivative financial instruments	-	3,172	-

The following table presents the Group's financial assets and liabilities that are measured at fair value as of 31 December 2023:

	Notes	**IAS 39 measurement principles**	**IFRS 7 Fair value hierarchy**
Financial assets:			
Derivatives financial instruments	22	Fair value	2
Trade and other receivables	21	Amortised cost	N/A
Cash and cash equivalents	24	Fair value	1
Other current/non current financial assets	19	Amortised cost	N/A
Financial liabilities:			
Borrowings and other financial debts (excl. Bank overdrafts)	24	Amortised cost	N/A
Derivatives financial instruments	22	Fair value	2
Bank overdrafts	24	Fair value	1
Trade and other payables	21	Amortised cost	N/A

FINANCIAL RISKS MANAGEMENT

Note 28 Financial risk management

During its activities, the Group is mainly exposed to foreign exchange risk, liquidity risk and credit risk. The Group's overall risk management policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the Group's financial performance.

The Group uses derivative financial instruments to hedge its foreign exchange risk exposures. In this case, the Group only enters derivative transactions related to operating and/or financial assets and liabilities or forecasted future transactions. The Group does not enter any speculative transactions without underlying assets or liabilities.

Risk management is carried out by the Group's Treasury Department and the Chief Financial Officer, under policies approved by the Board of Directors.

28.1 Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group's subsidiaries' functional currency which is the euro, for most of them.

Most of the Group's purchases from suppliers and shipping costs are denominated in US dollars. In addition, some of the Group's sales are denominated in Swiss Francs and British Pounds until the end of commercial activity in the United Kingdom.

As a result, the Group is exposed to fluctuations in the conversion of its foreign currency liabilities into euros. The Group hedges virtually all transactions in foreign currencies through hedging contracts negotiated with major banks. Hedging is part of the forecasting and budgeting process.

The fair value of foreign currency financial instruments is EUR (9.8) million as of 31 December 2023, compared to EUR 3.2 million as of 31 December 2022(see note 22).

The Group adopts a centralized approach to foreign exchange risk management. The authorization of the Group's Chief Financial Officer or Chief Treasury Officer is required before any foreign exchange transaction is carried out, in accordance with policies approved by the Board of Directors.

28.2 Interest risk rate

The Group's gross debt exposed to interest-rate fluctuations amounted to 114 million as of 31 December 2023, compared with none as of 31 December 2022.

In order to secure a maximum level of financial expenses, the Group has set up various derivative financial instruments available on the market to hedge the risk of interest rate variations, notably interest rate swaps (exchange of a variable interest rate for a fixed rate).

These derivatives are designated as cash flow hedges. As of 31 December 2023, they are effective for hedge accounting purposes in view of the long-term loan drawdown.

The fair value of interest-rate financial instruments is EUR -0.4 million as of 31 December 2023. As of 31 December 2022, there were no interest-rate financial instruments.

Assuming that outstanding debt remains stable, an increase in interest rates of +50 basis points (+0.5%) on the 3-month Euribor rate as of 31 December 2023, would have an impact of around EUR 0.3 million on the annual financial expense. Conversely, a fall in interest rates of -50 basis points (-0.5%) on the 3-month Euribor rate as of 31 December 2023, would have an impact of around EUR (0.4) million on the annual financial expense.

28.3 Liquidity risk

Financial liabilities comprise borrowings and trade and other payables. These liabilities may expose the Group to liquidity risk in the event of early repayment or short maturity (see note 24.1).

In order to manage its liquidity risk, the Group entered into:

- revolving credit lines or bank facilities with various banking institutions. Credit facilities as of 31 December 2023, amounts to EUR 307.8 million, of which EUR 113,8 million were drawn as of 31 December 2023 (see note 24.1.b);
- various credit facilities amount to EUR 30.7 million (see note 29).

The tables below analyse the Group's financial liabilities based on their contractual maturities:

	Contractual cash flows as of 31 December 2023				
(in EUR thousands)	Carrying amount	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Term Loan	100,000	100,000	25,000	75,000	-
Interests on Term Loan	414	9,352	3,771	5,580	-
Issuance fees related to Term Loan	(411)	(411)	(124)	(287)	-
TOTAL TERM LOAN	**100,003**	**108,941**	**28,647**	**80,293**	**-**
Loans from financial institutions	13,750	13,750	5,000	8,750	-
Interests on loans from financial institutions	316	788	455	334	-
TOTAL LOANS FROM FINANCIAL INSTITUTIONS	**14,066**	**14,538**	**5,455**	**9,084**	**-**
Interests on RCF (1)	94	1,684	509	1,175	-
Issuance fees related to RCF	(1,130)	(1,130)	(263)	(867)	-
TOTAL REVOLVING CREDIT FACILITIES	**(1,036)**	**554**	**246**	**308**	**-**
Deposits	1,267	1,267	-	-	1,267
Bank overdraft	4,812	4,812	4,812	-	-
TOTAL BORROWINGS	**119,112**	**130,112**	**39,160**	**89,685**	**1,267**
Other non current liabilities	2,860	2,860	-	2,860	-
Others current liabilities	1,790	1,790	1,790	-	-
Trade and other payables	269,536	269,536	269,536	-	-
TOTAL OTHER LIABILITIES	**274,186**	**274,186**	**271,326**	**2,860**	**-**

(1) The contractual cash flows for interest on the revolving credit facilities and interest on long term loans are based on a minimum contractual rate for the periods presented based on the forecasted leverage.

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(in EUR thousands)	Carrying amount	Contractual cash flows as of 31 December 2022 Total	Less than 1 year	From 1 to 5 years	More than 5 years
Interests on Term Loan	64	333	333	-	-
Issuance fees related to Term Loan	(535)	(535)	(124)	(411)	-
TOTAL TERM LOAN	**(471)**	**(202)**	**209**	**(411)**	**-**
Convertible bond	175,366	200,000	200,000	-	-
Interests on convertible bond	20,909	250	250	-	-
Issuance fees related to convertible bond	(663)	-	-	-	-
TOTAL CONVERTIBLE BOND	**195,612**	**200,250**	**200,250**	**-**	**-**
Interests on RCF (1)	67	1,584	368	1,216	-
Issuance fees related to RCF	(802)	(802)	(186)	(616)	-
TOTAL REVOLVING CREDIT FACILITIES	**(735)**	**782**	**182**	**600**	**-**
Other borrowings	466	466	242	219	5
Treasury shares	28,116	28,116	28,116	-	-
Deposits	1,070	1,070	-	-	1,070
Bank overdraft	117	117	117	-	-
TOTAL BORROWINGS	**224,175**	**230,599**	**229,116**	**408**	**1,075**
Other non current liabilities	4,178	4,178	-	4,178	-
Trade and other payables	322,680	322,680	322,680	-	-
TOTAL OTHER LIABILITIES	**326,858**	**326,858**	**322,680**	**4,178**	**-**

(1) The contractual cash flows for interests on the Term Loan and the RCF are based on the following assumption: a rate of 1% which are the minimum contractual rate, for the presented periods according to the forecast debt leverage.

28.4 Credits risks

The credit risk pertains to cash and cash equivalents, favorable financial instruments derivatives, deposits placed with banks and financial institutions, as well as customer loans, including outstanding receivables.

Sales made (in-store and on the e-commerce platform) are predominantly settled in cash or by credit card, thereby limiting credit risk. There is no significant concentration of credit risk due to exposure to individual customers.

ADDITIONAL INFORMATION

Note 29 Off balance sheet commitments

Bilateral Lending Facilities

Maisons du Monde France has contracted various credit facilities (for a total of EUR 30.7 million) with Banque Populaire, BNP Paribas, CIC Ouest, Crédit Agricole Corporate and Investment Bank, LCL, Natixis and Société Générale.

Note 30 Transactions with related parties

30.1 Relations with the Group's other shareholders

Directors' fees

The total gross amount of directors' fees due for the 2023 financial year by the Company and its subsidiaries to all members of the Board of Directors was EUR 639 thousands compared to EUR 548 thousands for the fiscal year 2022.

30.2 Compensation and benefits granted to key management personnel

The key management personnel are the members of the Board of Directors of the Company, the General Manager of the Company, and the members of the Executive Committee of the Group.

Terms and conditions of the compensation and benefits granted to the Executive Director are approved by the Board of Directors, following the recommendation of the Appointments and Remunerations Committee.

The following table presents the total gross amount of fixed compensation paid by the Company and its controlled entities to the members who are at the closing (or, have been during the period), members of the key management of the Group.

These amounts were booked as expenses in 2023 and 2022 according to the following detail:

(in EUR thousands)	31 December 2023	31 December 2022
Short-term employment benefits	3,634	3,966
Termination benefits	324	400
Share-base payments	219	190
TOTAL COMPENSATION AND BENEFITS	**4,177**	**4,556**

The members of the Company's Board of Directors did not receive any remuneration from the Group except for directors' fees (see note 30.1).

"Share-based payments" corresponds to the portion of share-based compensation plus the net amount of provisions and reversals recognized under the various plans.

Note 31 Statutory auditor's fees

The following table shows the amount of auditor's fees included in the Group's consolidated income statement for the year, broken down into audit and certification fees for the statutory and consolidated financial statements and fees for other services rendered. The fees shown apply to fully consolidated subsidiaries.

	KPMG				Deloitte			
	Amount		%		Amount		%	
(in EUR thousands)	Year ended 31 December 2023	Year ended 31 December 2022	Year ended 31 December 2023	Year ended 31 December 2022	Year ended 31 December 2023	Year ended 31 December 2022	Year ended 31 December 2023	Year ended 31 December 2022
Audit								
Statutory audit fees, certification, auditing of the accounts	**416**	**389**	**93%**	**98%**	**335**	**307**	**85%**	**90%**
• Parent company	121	117	29%	30%	121	117	36%	38%
• Subsidiaries	295	272	71%	70%	214	190	64%	62%
Other services rendered by auditors' networks to fully-consolidated subsidiaries	**31**	**6**	**7%**	**2%**	**57**	**35**	**15%**	**10%**
• Other	31	6	100%	100%	57	35	100%	100%
TOTAL FEES PAID TO THE STATUTORY AUDITOR	**447**	**395**	**100%**	**100%**	**392**	**342**	**100%**	**100%**

Note 32 Scope of consolidation

The table set out below provides a list of the Group's subsidiaries and shows the ownership interest of Maisons du Monde S.A. in each entity as of 31 December 2023.

As of 31 December 2023, 17 companies have been fully consolidated in the financial statements (17 in 2022).

				31 December 2023		31 December 2022	
Subsidiary	**Activity**	**Country of incorporation**	**Consolidation method**	**Contr.** *(en %)*	**Part.** *(en %)*	**Contr.** *(en %)*	**Part.** *(en %)*
Maisons du Monde S.A.	Holding Company – Parent entity	France	Full	100%	100%	100%	100%
Maisons du Monde France	Retail stores selling home furnishings and decorations/ Main buyer	France	Full	100%	100%	100%	100%
Maisons du Monde Germany	Retail stores selling home furnishings and decorations	Germany	Full	100%	100%	100%	100%
Maisons du Monde Austria	Retail stores selling home furnishings and decorations	Austria	Full	100%	100%	100%	100%
Maisons du Monde Belgium	Retail stores selling home furnishings and decorations	Belgium	Full	100%	100%	100%	100%
Maisons du Monde Spain	Retail stores selling home furnishings and decorations	Spain	Full	100%	100%	100%	100%
Maisons du Monde Italy	Retail stores selling home furnishings and decorations	Italy	Full	100%	100%	100%	100%
Maisons du Monde Luxemburg	Retail stores selling home furnishings and decorations	Luxemburg	Full	100%	100%	100%	100%
Maisons du Monde Portugal	Retail stores selling home furnishings and decorations	Portugal	Full	100%	100%	100%	100%
Maisons du Monde Switzerland	Retail stores selling home furnishings and decorations	Switzerland	Full	100%	100%	100%	100%
MDM Furniture & Decoration	Retail stores selling home furnishings and decorations	United Kingdom	Full	100%	100%	100%	100%
Distrimag	Warehouse logistics and order preparation	France	Full	100%	100%	100%	100%
Distri-Traction	Container transport between harbor and warehouses	France	Full	100%	100%	100%	100%
Mekong Furniture	Furniture manufacturing	Vietnam	Full	100%	100%	100%	100%
Savane Vision (Rhinov)	Design	France	Full	100%	70%	100%	70%
Léolog	Warehouse logistics and order preparation	France	Full	100%	100%	100%	100%
International MGL	Dormant entity	France	Full	100%	100%	100%	100%

Note 33 Events after the reporting period

On 29 February 2024, the Group announced the appointment of Denis LAMOUREUX as Group Chief Financial Officer. He took up his duties on 4 March 2024, and joins the Executive Committee. Gilles LEMAIRE, Director of Management Control, who has been acting Finance Director since 1 September 2023, has been appointed Deputy Chief Financial Officer.

6.2 Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2023

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Maisons du Monde

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying consolidated financial statements of Maisons du Monde for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*code de commerce*) and the French Code of Ethics (*code de déontologie*) for statutory auditors, for the period from January 1, 2023 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Furthermore, the non-audit services that we provided to your Company and its controlled undertakings during the financial year that are not disclosed in the management report or in the notes to the consolidated financial statements are as follows:

- Independent third-party review of the consolidated non-financial performance statement pursuant to Article L. 225-102-1 of the French Commercial Code;
- Issuance of attestations on data extracted from the financial statements (turnover per shop, financial ratios).

Observation

Without qualifying the opinion expressed above, we draw your attention to the point set out in note 4 "Change in estimates" to the consolidated financial statements concerning the impacts of the review of the useful lives of non-current assets and of the changes in inventory depreciation methods.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R. 821-180 of the French Commercial Code(code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, approved in the conditions mentioned above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of intangible assets, including intangible assets with an indefinite life (goodwill and brands) and underlying assets

Risk identified	Our response
As of 31 December 2023, goodwill, intangible assets and underlying assets of the Group had a net carrying amount of €732.3 million (excluding lease right-of-use assets of €568.7 million, net), compared with total assets of €1,647.2 million. As disclosed in Notes 3.11 a) and b), goodwill and brands acquired by the Group with an indefinite life are tested for impairment where there is an indication of loss in value and at least once annually. When the recoverable amount is less than the net carrying amount, the assets are impaired for up to the amount of the difference. Impairment tests are conducted at the lowest level at which goodwill is monitored by the Group, i.e. the "France" and "International" regions. The methods used by Group management to test for impairment are described in Notes 15.1 and 15.2 to the consolidated financial statements; they are based heavily on judgement and assumptions concerning, in particular: • Future cash flow forecasts (particularly sales growth and changes in the gross margin), • The perpetual growth rate applied to projected cash flows, • The discount rate applied to estimated cash flows. A change in these assumptions would likely impact the recoverable amount of goodwill. We consider the measurement of intangible assets, including intangible assets with an indefinite life (goodwill and brands) and underlying assets to be a key audit matter due to: • Their material amount in the Group financial statements; • The judgements and assumptions necessary to determine the recoverable amount, based on discounted cash flow forecasts, the realization of which is inherently uncertain.	We analyzed the compliance of the methodologies applied by the Company with prevailing accounting standards regarding the performance of the impairment tests. We familiarized ourselves with the key assumptions adopted and we: • Reconciled the business forecasts underlying the determination of the cash flows with the most recent Management estimates, including the 2024 budget approved by the Board of Directors and the 2025-2028 previsions; • Analyzed the consistency of the estimates used with the Group's past performance in order to assess the quality of the process of establishing these forecasts; • Assessed the reasonableness of the cash flow forecasts in relation to the economic context surrounding the Group's operations; • Compared the perpetual growth rate retained for the cash flow forecasts with the market analyses and the consensus of the main professionals concerned; • Confirmed the discount rate with the help of our financial valuation experts by comparing its parameters with external benchmarks; • Reviewed the sensitivity analyses performed by Management and compared them with our own calculations to assess whether a single unreasonable change in the assumptions would require the recognition of impairment for the intangible assets and underlying assets of the France and International cash-generating units (CGUs). Lastly, we verified that Notes 3.11 a) & b), 15, 16 and 17 to the consolidated financial statements provided appropriate disclosures.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group presented in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial performance statement required by Article L.225-102-1 of the French Commercial Code (code de commerce) is included in the information pertaining to the Group presented in the management report, it being specified that, in accordance with the provisions of Article L.823-10 of the code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Other Legal and Regulatory Verifications or Information

Format of presentation of the consolidated financial statements included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Appointment of the Statutory Auditors

We were appointed as statutory auditors by your Annual General Meeting held on 29 April 2016 for Deloitte & Associés and by the Articles of Association dated 24 June 2013 for KPMG SA.

As at 31 December 2023, KPMG SA was in the 10th year of total uninterrupted engagement and the 8th year since securities of the Company were admitted to trading on a regulated market and Deloitte & Associés was in the 8th year.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

French original signed in Nantes, 24 April 2024

The Statutory Auditors

KPMG SA	**Deloitte & Associés**
Vincent BROYE	Jérôme QUERO

6.3 Separate financial statements

(Financial year from 1 January 2023 to 31 December 2023)

6.3.1 INCOME STATEMENT

(in EUR thousands)	Notes	31 December 2023	31 December 2022
Revenue	14	3,749	3,923
Reversal of depreciation, amortisation and provisions, and transferred expenses		1,948	459
Other income		22	1
TOTAL OPERATING INCOME		**5,718**	**4,383**
Purchases of goods and related inventory changes			
Purchases of raw materials, other supplies and related inventory changes			
Other purchases and external expenses	16	(1,877)	(3,915)
Taxes and levies		(118)	(239)
Personnel expenses	15	(4,501)	(4,685)
Depreciation and amortisation		(413)	(2,194)
Other expenses		(748)	(500)
TOTAL OPERATING EXPENSES		**(7,657)**	**(11,533)**
OPERATING PROFIT (LOSS)		**(1,939)**	**(7,150)**
FINANCIAL PROFIT (LOSS)	**17**	**108,647**	**20,126**
EXCEPTIONAL PROFIT (LOSS)	**18**	**(2,196)**	**(26)**
PROFIT/(LOSS) BEFORE INCOME TAX		**104,511**	**12,950**
Actual income tax expense	19	1,726	2,206
PROFIT (LOSS) FOR THE PERIOD		**106,237**	**15,156**

6.3.2 BALANCE SHEET

Asset *(in EUR thousands)*	**Notes**	**31 December 2023** Gross values	Depreciation and amortisation	Net values	**31 December 2022** Net values
Intangible assets					-
Tangible fixed assets					-
Equity interests	3	644,739	(1,936)	642,803	644,738
Receivables from equity interests	3	0	-	0	3
Other equity interests	3	0	-	0	0
Other financial assets	3-9	1,429	(44)	1,385	20,807
Financial investments	**3**	646,169	**(1,980)**	**644,189**	**665,547**
NON-CURRENT ASSETS		646,169	(1,980)	644,189	665,547
Trade receivables	4	4,628	-	4,628	970
Other receivables	4	22,453	-	22,453	35,817
Marketable securities	5	9,406	(3,563)	5,843	11,024
Cash and cash equivalents		37	-	37	356
Prepaid expenses		115	-	115	100
CURRENT ASSETS		**36,639**	**(3,563)**	**33,076**	**48,267**
Issuance fees to be amortised	6	1,541		1,541	1,705
Currency translation adjustments (losses)		0		0	0
TOTAL ASSETS		**684,348**	**(5,543)**	**678,805**	**715,519**

Liability *(in EUR thousands)*	**Notes**	**31 December 2023**	**31 December 2022**
Share capital	7-8	126,973	140,253
Share, merger and contribution premiums	8	241,500	270,435
Legal reserve	8	9,282	8,525
Others reserves	8	0	0
Retained earnings	8	47,560	44,757
Result for the year	8	106,237	15,156
Regulated provisions	8-9	3,383	3,254
EQUITY	**8**	**534,936**	**482,380**
Provisions for risks and charges	9	4,674	9,176
PROVISIONS	**9**	**4,674**	**9,176**
Convertible bonds (OCEANE)	10	0	200,021
Borrowings and debt from credit institutions	10	100,507	131
Financial liabilities	**10**	**100,507**	**200,152**
Trade payables	11	593	2,006
Social and tax payables	11	1,427	2,189
Other debt	11	36,667	19,616
Operating liabilities	**11**	**36,688**	**23,810**
LIABILITIES		**139,195**	**223,963**
Currency translation adjustments (gains)			
TOTAL EQUITY AND LIABILITIES		**678,805**	**715,519**

6.3.3 NOTES TO THE SEPARATE FINANCIAL STATEMENTS

Contents

Maisons du Monde S.A. is a *société anonyme* (limited liability company) with a Board of Directors, governed by the laws of France. Its registered office is located at Le Portereau – 44120 Vertou, France.

The financial statements are presented in EUR thousands and were approved by the Board of Directors on 11 March 2024.

Maisons du Monde's shares have been listed on Euronext Paris since May 2016.

Note 1 Significant events

1.1 Financing transaction

a. Convertible bond repayment

Maisons du Monde S.A. redeemed the "OCEANE" bond for EUR 200 million on 6 December. This repayment was financed by a long-term loan of EUR 100 million, by a BPI Group loan of EUR 14 million and by cash in the amount of EUR 86 million.

b. Senior Credit Facilities ("Term Loan" and "RCF") and additional Credit Revolving Facility ("Additional RCF")

As a reminder, in April 2022 the Group subscribed to:

- A new credit facility (RCF) of EUR 150 million for five years with two one-year extension options (see note 10.2);
- A new long-term credit facility of EUR 100 million repayable over five years (see note 10.2).

During the first half of 2023, and as provided for in the original agreement, the Group extended the maturity of its RCF credit facility from April 2027 to April 2028 and increased the amount by EUR 44 million from EUR 150 million to EUR 194 million.

Maisons du Monde has chosen to introduce an ESG component in its bank financing, based on three indicators:

- Carbon intensity;
- Percentage of responsible offering;
- MDM's recommendation rate as an employer.

Targets are defined for each indicator and for each period. The achievement or non-achievement of these targets has a positive or negative impact on the credit margin. The bonus or penalty thus generated systematically benefits the Maisons du Monde Foundation.

1.2 Free share plan

a. Second "ESG Impact" share buyback programme and capital reduction

At 30 June, 2023, Maison du Monde completed its second share buyback programme, which was launched on 29 July 2022. The Group repurchased 4,098,809 shares at an average market price of EUR 10.17. These shares are intended to be cancelled within 24 months of their purchase date. In 2023, the amount of shares repurchased amounted to EUR 22.8 million.

Under this programme, Maisons du Monde cancelled:

- a first tranche of 2,300,000 shares, the share capital of which was reduced on 10 March 2023;
- a second tranche of 1,798,809 shares, the share capital of which was reduced on 27 October 2023.

The share capital of Maisons du Monde S.A. now amounts to EUR 126,973,293.12 divided into 39,189,288 shares.

b. New performance share plan

The 29th resolution adopted by the Annual General Meeting held on 31 May 2022, authorises the Board of Directors to grant bonus shares to Group employees, up to a limit of 2% of the share capital recorded on 31 December 2021. Pursuant to this authorisation, the Board of Directors adopted "Bonus Share Plan No. 9" on 22 March 2023, which provides for the allocation of 434,950 performance shares to 206 employees in France and abroad.

The grant of performance shares is subject to the following conditions:

- A requirement of continuous employment within the Group during the vesting period: the shares granted to a beneficiary will ultimately vest only if he or she has been employed within one of the Group's companies during the vesting period, calculated from the grant date, which is set at 36 months, *i.e.* 22 March 2026;
- In the event of death, disability or retirement, the beneficiary retains his or her rights, no longer being subject to the continuous employment requirement;
- A performance requirement based on the evolution of sales and EBIT between 2022 and 2025;
- A performance requirement relating to environmental and social criteria;
- A performance requirement relating to the total shareholder return (TSR) of the Maisons du Monde share compared to a specific index composed 50% of the CAC Mid 60 GR index and 50% of an index made up of equal portions from six European retailers. However, no payment will be due in respect of this performance criterion if the average of the 30 quotations before the maturity date of this plan does not reach a floor price of EUR 15.

The shares granted may be shares issued through a capital increase carried out by the Company no later than the date of final vesting or shares purchased by the Company on the market before that date.

1.3 Governance

The Board of Directors of Maisons du Monde meeting on 25 January 2023, decided to appoint François-Melchior de POLIGNAC as Chief Executive Officer as of 15 March 2023, in succession to Julie WALBAUM, whose term of office as CEO ceased on that date. François-Melchior joined Maisons du Monde on 25 January 2023 as Executive Vice-President to ensure a smooth and efficient transition during this period.

At the Annual General Meeting of 29 June 2023, the following were approved:

- the renewal for three years of the terms of office of:
  - Laure HAUSEUX as Independent Director;
  - Victor HERRERO as Independent Director.
- the appointment of new directors:
  - Mr François-Melchior de POLIGNAC, Chief Executive Officer of Maisons du Monde, as director;
  - Mrs Françoise GRI, as Independent Director to replace Thierry FALQUE-PIERROTIN, who resigned as director and Chairperson of the Board of Directors;
  - MAJORELLE INVESTMENTS S.A.R.L., as a Non-Independent Director, of which Ms Anouck DURANTEAU-LOEPER is the permanent representative;
  - Mr Adam EPSTEIN, as a Non-Independent Director;
  - Ms Sylvie COLIN appointed by TELEIOS CAPITAL PARTNERS as permanent representative to replace Adam EPSTEIN.

1.4 2023 operational review

In 2023, Maisons du Monde had to deal with unfavourable macroeconomic trends (geopolitical uncertainties, unprecedented inflation, decline in consumer confidence, etc.) which had an adverse impact on the Home and Decoration sector.

In this context, in October 2023, the Group was forced to adjust its annual objectives downwards and intensified its efforts in the execution of its 3C Plan on its three dimensions: Customers, Costs and Cash, in order to improve the customer experience, strengthen its operating model and quickly restore the conditions for profitable organic growth. This plan has produced tangible results that have enabled Maisons du Monde to achieve all of the adjusted 2023 objectives and to lay the foundations for its medium-term transformation plan for 2024-2026, Inspire Everyday.

Note 2 Accounting policies and rules

The financial year lasts 12 months, covering the period from 1 January 2023 to 31 December 2023.

The annual financial statements have been prepared in accordance with the provisions of regulations 2014-03 of the ANC (Autorité des normes comptables), approved by the ministerial decision of 8 September 2014 concerning the French Chart of Accounts.

General accounting conventions were applied in compliance with the principle of prudence, in accordance with the following basic assumptions:

- going concern;
- independence of separate financial years;
- consistency of accounting methods from one year to the next.

And in accordance with the general rules for preparing and presenting financial statements.

The method used to value items recorded in the accounts is the historical cost method.

The main accounting rules and methods applied are as follows:

2.1 Financial investments

Gross value is valued at acquisition cost excluding incidental expenses.

An impairment loss is recognised when, at the end of the year, the valuation of the securities held (based on the higher of the net carrying amount and the value in use) is lower than their net carrying amount.

- Fair value is determined by taking into account the share of net assets and the profitability outlooks reviewed on an annual basis. Profitability outlooks are based on the information available at the time of their preparation.
- The value in use of the securities is determined on the basis of estimated future cash flows discounted, reduced or increased by net debt or net cash.

As of 31 December 2023, the value in use of all the Maisons Du Monde Group's holdings was estimated based on future net cash flows discounted over a period of five years, then projected using a perpetual growth rate adjusted for the net debt of each of the companies concerned. The discount rate used for this impairment test is 11.6% and the long-term growth rate used is 2.0%.

In accordance with current tax rules, acquisition expenses on equity interests are subject to a tax deduction over a period of five years from the date of acquisition, *via* a provision in special depreciation allowances.

As regards goodwill from mergers, they are subject to an impairment test to determine whether or not they should be depreciated.

Furthermore, treasury shares held *via* a liquidity agreement, and which are not destined for share plans are recorded in "Other financial assets". Treasury shares are valued at their acquisition cost. If the probable market value at the close of the financial year (based on the average listed price for the last month of the period) falls below the purchase price, an impairment is recorded in the amount of the difference.

2.2 Receivables and payables

Receivables and payables are valued at their nominal value.

Receivables are depreciated, if necessary, by way of provision to take account of the recovery risks they generate.

Receivables and payables in foreign currencies are translated and recorded based on the official exchange rate at closing. Unrealised exchange gains are recognised as foreign exchange gains, while unrealised exchange losses are recognised as foreign exchange losses and are subject to a provision for risks and charges. Exchange gains and losses corresponding to current accounts are recognised directly in the income statement and are not subject to any unrealised exchange gains or losses.

2.3 Marketable securities

Treasury shares are recorded in "Marketable securities" when these securities are intended to cover performance share plans. Treasury shares are valued at their acquisition cost.

Treasury shares allocated to a specific plan are classified in a specific account for marketable securities and are not depreciated.

Treasury shares not allocated to a specific plan are classified in another specific account of marketable securities. If the probable market value at the close of the financial year (based on the average listed price for the last month of the period) falls below the purchase price, an impairment is recorded in the amount of the difference.

2.4 Cash and cash equivalents

Cash and cash equivalents in bank and at hand was valued at nominal value.

2.5 Provisions for risks and charges

A provision is recognised when there is an obligation that is likely or certain to entail an outflow of resources without an at least equivalent offset transaction.

2.6 Tax consolidation

As of 31 December 2023, Maisons du Monde S.A., the parent company benefits from a tax consolidation regime as defined by Article 223 A of the French General Tax Code with the following subsidiaries:

- Maisons du Monde France;
- Distrimag;
- Distri-Traction;
- International Magnolia Company;
- Léolog.

Maisons du Monde S.A. owes the Treasury for the tax calculated on the sum of taxable income for consolidated companies. The tax savings resulting from the difference between the tax expense for the tax group and tax expense for the beneficiary companies is recognised as income in the financial year.

NOTES TO THE STATEMENT OF FINANCIAL POSITION AND INCOME STATEMENT

These financial statements are expressed in EUR thousands, unless otherwise stated.

Note 3 Financial assets

(in EUR thousands)	31 December 2022	Acquisitions, contribution, increases	Reclassification	Disposals, decreases	31 December 2023
Equity interests	644,739				644,739
Receivables from equity interests	3			(3)	0
Other equity interests	-				-
Other financial investments (1)	21,194	30,892		(50,745)	1,429
• deposits	0				0
• treasury shares as per liquidity agreement	1,051	3,304		(3,630)	725
• treasury shares	18,920	22,783		(41,703)	0
• other long term receivables as per liquidity agreement	1,223	4,894		(5,413)	704
FINANCIAL ASSETS – GROSS VALUE	**665,935**	**30,982**		**(50,748)**	**646,169**

(1) Other financial investments concern the liquidity agreement implemented on 26 October 2016 and amended on 1 November 2017, as well as the shares under the share buyback programme. They break down as follows:

	Number		Amount *(in EUR thousands)*					
Liquidity agreement	**31 December 2022**	**31 December 2023**	**Average purchase price**	**Average price December 2022**	**Average price December 2023**	**Total**	**Provision**	**Depreciation**
Treasury shares	57,870	131,547	5.51	11.49	5.18	725		(44)
Mutual funds – other long-term receivables	53	29	23,494	N/A	N/A	681		-
Cash – other long-term receivables	N/A	N/A	N/A	N/A	N/A	23		-

Shares	31 December 2022	31 December 2023	Average purchase price	Average price December 2022	Average price December 2023	Total	Provision	Depreciation
Treasury shares	1,935,940	-	0	11.49	5.18	0		0

Note 4 Maturity of receivables

(in EUR thousands)	31 December 2022	Maturing 31 December 2023: 31 December 2023	Less than 1 year	1 to 5 years	More than 5 years
Receivables from equity interests	3	0	0	0	
Other financial assets	21,194	1,429	1,429		
Trade receivables	970	4,628	4,628		
Other receivables	35,817	22,453	19,238	3,215	
• *Social*	*128*	*114*	*114*		
• *State – tax and duties* (1)	*7,150*	*14,780*	*14,780*		
• *Group and associates* (2)	*23,811*	*3,826*	*3,826*		
• *Sundry debtors* (3)	*4,726*	*3,733*	*518*	*3,215*	
Prepaid expenses	100	115	115		
TOTAL RECEIVABLES	**58,082**	**28,625**	**25,410**	**3,215**	

(1) In 2022, includes treasury shares cancelled in 2023 for EUR 18.9 million.
(2) Including EUR 14.7 million in tax payments advance.
(3) Including EUR 3.8 million for the Rhinov current account.
(4) Consists of accrued income between the Group's subsidiaries related to performance share plans costs.

Note 5 Marketable securities

At 31 December 2023, marketable securities correspond to treasury shares that were allocated to specific performance share plans and amounted to EUR 4.80 million. Other marketable securities correspond to treasury shares also intended for future allocation plans not yet determined and amounted to EUR 4.6 million.

Note 6 Expenses amortised over several years

The expenses amortised over several years correspond to issuance fees of financing.

As of 31 December 2023, they consist of issuance fees related to:

- the initial as well as the additional revolving credit facility spread over the term of the agreement (EUR 1,129.8 thousand as of 31 December 2023);
- the long-term loan taken out in April 2022, distributed on a straight-line basis until December 2023, the drawdown date of the loan (EUR 410.8 thousand as of 31 December 2023).

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Note 7 Share capital

The share capital of the Company as at 31 December 2023 stood at EUR 126,973,293.87, divided into 39,189,288 ordinary shares each of a nominal value of EUR 3.24.

To the Company's knowledge, at 31 December 2023, those shareholders holding more than 5%, 10%, 15%, 20%, 25%, 33.33%, 50%, 60.66%, 90% or 95% of capital and/or voting rights in the Company were as follows:

	% in shares (approx.)	% of theoretical voting rights (approximately)	% of exercisable voting rights (approximately)
Teleios Capital Partners LLC	28.6%	28.6%	29.0%
Majorelle Investments SARL	26.5%	26.5%	26.9%
Fidelity Investments (Boston)	9.1%	9.1%	9.2%

The exercisable voting rights take include treasury shares as of 31 December 2023: the Company held 611,109 Maisons du Monde S.A. shares:

- 131,547 shares classified as "Other financial assets" under the liquidity contract.
- 479,562 Maisons du Monde S.A. shares classified as "Marketable securities" intended to cover free share allocation commitments:
  - 256,968 of these are allocated to existing plans.
  - 222,594 other shares remain to be allocated to future performance plans.

Note 8 Changes in equity

(in EUR thousands)	Share capital	Premiums	Reserves	Retained earnings	Result for the year	Regulated provisions	Total equity
Situation at 31 December 2021	**146,584**	**301,975**	**7,408**	**46,924**	**22,326**	**3,126**	**528,342**
Appropriation of result 2021 (1)	-	-	1,116	(2,167)	(22,326)	-	(23,377)
Capital decrease	(6,330)	(31,540)					(37,870)
Result for the financial year					15,156		15,156
Regulated provisions	-	-	-	-	-	129	129
Situation at 31 December 2022	**140,254**	**270,435**	**8,524**	**44,757**	**15,156**	**3,254**	**482,380**
Appropriation of result 2022 (2)	-	-	758	2,803	(15,156)		(11,595)
Capital decrease (3)	(13,280)	(28,935)					(42,215)
Result for the year	-	-	-		106,237		106,237
Regulated provisions	-	-	-			129	129
SITUATION AT 31 DECEMBER 2023	**126,974**	**241,500**	**9,282**	**47,560**	**106,237**	**3,383**	**534,936**

(1) *For the 2021 financial year, an ordinary dividend of EUR 0.55 per share was allocated at the Annual General Meeting of 31 May 2022 and paid on 10 June 2022 for a total amount of EUR 24,883 thousand. The dividend in respect of the treasury shares held by the Group at the time of the ex-dividend date was not paid. Thus, the amounts corresponding to dividends not paid on treasury shares, EUR 1,506 thousand, were allocated to retained earnings and the total amount of the dividend was adjusted accordingly.*

(2) *For the 2022 financial year, an ordinary dividend of EUR 0.30 per share was allocated at the Annual General Meeting of 29 June 2023 and paid on 7 July 2023 for a total amount of EUR 11,595 thousand. The dividend in respect of the treasury shares held by the Group at the time of the ex-dividend date was not paid. The amounts corresponding to dividends not paid on treasury shares are therefore allocated to "retained earnings".*

(3) *Changes in capital: In respect of the share buyback programme, Maisons du Monde cancelled:*
- a first tranche of 2,300,000 shares, the share capital of which was reduced on 10 March 2023.
- a second tranche of 1,789,809 shares, the share capital of which was reduced on 27 October 2023.
The share capital was consequently reduced from EUR 140,254 thousand to EUR 126,974 thousand. The difference between the carrying amount of the shares and the nominal value, as well as ancillary costs, were charged to the share premium account.

Note 9 Provisions

(in EUR thousands)	31 December 2022	Depreciation	Reclassification	Reversals used	Reversals unused	31 December 2023
Tax amortisation	3,254	129	-	-	-	3,383
Regulated provisions	**3,254**	**129**		**-**	**-**	**3,383**
Provision for HR risks and expenses	1,300			(917)	(118)	266
Free share plan No. 6	4,907			(4,907)		-
Free share plan No. 7	888				(254)	634
Free share plan No. 8	1,669				(279)	1,390
Free share plan No. 9	-	2,384				2,384
Provision for URSSAF risk	412			(215)	(198)	-
Provisions for risks and charges	**9,176**	**2,384**		**(6,038)**	**(849)**	**4,674**
Equity interests	1	1,936		(1)		1,936
Other financial assets	387	44		(387)		44
Marketable securities - Treasury shares	2,839	725				3,563
Depreciation	**3,227**	**2,705**		**(389)**	**0**	**5,543**
TOTAL PROVISIONS	**15,658**	**5,218**		**(6,426)**	**(849)**	**13,600**
Operating allowances/reversals		44		(1,632)	(315)	(1,904)
Financial		2,705		(389)		2,316
Exceptional		2,469		(4,405)	(533)	(2,470)

The change in provisions relating to performance share plans is explained by:

- taking into account the acquisition price of the treasury shares allocated to the different plans;
- the progress of the plans over time for the beneficiaries of Maisons du Monde S.A.;
- a new allocation plan (plan 9) issued in March 2023 (see note 1.2 b);

But also by:

- Impairment of Modani shares for EUR 1.9 million
- Impairment of treasury shares not allocated to plans at 31/12/2023

Note 10 Financial liabilities

10.1 Non-current convertible bonds

On 6 December 2017, the Company issued bonds convertible into new shares and/or exchangeable for existing shares ("OCEANE") due in 2023 for a nominal amount of EUR 200 million.

On 6 December 2023, the Maisons du Monde group redeemed the "OCEANE" bond for EUR 200 million. This repayment was financed by the long-term loan of EUR 100 million, by the BPI loan of EUR 14 million and by cash in the amount of EUR 86 million.

10.2 Term loan and revolving credit facilities

As a reminder, in 2022, the Group subscribed to:

- a new long-term credit facility of EUR 100 million repayable over five years. The margin applicable to this loan is based on debt leverage;
- a new credit line (RCF) of EUR 150 million for five years with two one-year extension options.

During the first half of 2023, and as provided for in the original agreement, the Group extended the maturity of its RCF credit facility from April 2027 to April 2028 and increased the amount by EUR 44 million from EUR 150 million to EUR 194 million.

Issuance costs amounted to EUR 2,067 thousand, of which EUR 1,446 thousand for the RCFs and EUR 621 thousand for the long-term loan.

Issuance costs related to the Revolving Credit Facilities are amortised on a straight-line basis over their maturity. However, long-term loan issuance costs are amortised on a straight-line basis until the drawdown date of the loan and then included in the calculation of the effective interest rate.

At 31 December 2023, the RCF credit line had not been used, as at 31 December 2022. The EUR 100 million long-term credit facility is fully used. It was not used at 31 December 2022.

These two credit facilities are subject to compliance with a debt leverage ratio, which is the ratio between total net debt on the last day of the period in question and consolidated EBITDA restated for the impact of IFRS 16.

This debt leverage ratio, which must remain below 3, was met as of 31 December 2023.

Maisons du Monde has chosen to introduce an ESG component in its bank financing, based on three indicators:

- carbon intensity;
- percentage of responsible offering;
- MDM's recommendation rate as an employer.

Targets are defined for each indicator and for each period. The achievement or non-achievement of these targets has a positive or negative impact on the credit margin. The bonus or penalty thus generated systematically benefits the Maisons du Monde Foundation instead of benefiting Maisons du Monde (bonus) or the bank (penalty).

During 2023, these ESG components, based on the 2022 financial statements, delivered the maximum bonus, *i.e.* EUR 35 thousand, which was paid to the Maisons du Monde Foundation.

Note 11 Maturity of liabilities

(in EUR thousands)	31 December 2022	Maturing 31 December 2023			
		31 December 2023	Less than 1 year	1 to 5 years	More than 5 years
Convertible bonds (OCEANE) [1]	200,021	0	0		
Borrowings and debt from credit institutions	131	100,507	25,507	75,000	
Trade payables	2,006	593	593		
Social payables	1,880	1,130	1,130		
Tax payables	309	297	297		
Other debt	19,616	36,667	36,667		
• Group and associates	17,873	34,325	34,325		
• miscellaneous	1,743	2,342	2,342		
TOTAL DEBT	**223,963**	**139,195**	**64,195**	**75,000**	

(1) The convertible bond repayment on 6 December 2023 was carried out thanks to the credit facilities detailed in note 10.2 and, in particular, by a long-term credit line of EUR 100 million subscribed to by the Group.

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Note 12 Related companies

Gross values *(in EUR thousands)*	**31 December 2023**	**31 December 2022**
Asset		
Equity interests	644,739	644,739
Receivables from equity interests	0	3
Trade receivables	4,628	970
Other receivables	7,437	28,538
Liability		
Trade payables		
Other debt	34,325	17,873
Operating income		
Revenue	3,749	3,923
Expenses transferred		
Operating Costs		
Leases	25	25
Fees		-
Finance income		
Dividends received	112,000	24,000
Income from equity interests		
Interests	399	76
Finance expenses		
Interests	141	2
Exceptional expenses		
Other exceptional expenses	-	-

The Company has not identified any transactions with related parties that were not concluded pursuant to normal market conditions.

Note 13 Accruals, prepayments and deferred income

(in EUR thousands)	**31 December 2023**	**31 December 2022**
Convertible bonds (OCEANE)	0	21
Borrowings and debt from credit institutions	507	131
Trade payables (1)	1,667	3,040
Social and tax payables	1,044	1,555
Accrued expenses	**3,218**	**4,746**
Prepaid expenses	**115**	**100**
Receivables from equity interests	0	3
Trade receivables	0	901
Other receivables	3,611	4,727
Accrued income	**3,611**	**5,631**
Deferred income	**-**	**-**

(1) Decrease due to the decrease in other purchases and external expenses.

Note 14 Revenue

The Company's revenues correspond to consulting services rendered to its subsidiaries.

Note 15 Compensation of management bodies

The average workforce (full-time equivalent) for the 2023 financial year was 6.33 employees, *vs*. 8.25 employees in 2022. The Company only employed managers for the 2023 and 2022 financial years.

The employees of the Company are all members of the Executive Committee of the Maisons du Monde group.

Compensation paid to members of Management is not disclosed. This information would allow individual elements of compensation to be identified.

The compensation granted to members of the governing bodies is as follows:

- for the financial year ended 31 December 2023, compensation allocated to members of the Board of Directors amounted to EUR 639,156;
- for the financial year ended 31 December 2022, compensation allocated to members of the Board of Directors amounted to EUR 548,091;

These fees are recorded as other operating expenses.

Note 16 Other purchases and external expenses

(in EUR thousands)	31 December 2023	31 December 2022
Leases & related expenses	17	113
Insurance	197	184
Temporary staff	29	149
Fees	261	1,346
Travel and meeting expenses	81	126
Bank services	374	315
Other external expenses	918	1,681
TOTAL EXTERNAL EXPENSES	**1,877**	**3,915**

Significant changes and expenses are detailed below:

- A decrease in fees and temporary staff: the Company calls on various advisors on a regular basis, but depending on events and transactions, the amount of fees and external personnel may vary.
- A decrease in other external expenses: the outperformance of the "ESG Impact" component over the 2022 financial year, in connection with the completion of the share buyback programme, had made it possible to pay EUR 500,000 to the Maisons du Monde Foundation and to the Emmaüs France association.

Note 17 Net finance income (expense)

(in EUR thousands)	31 December 2023	31 December 2022
Dividends received (1)	112,000	24,000
Interest income on current account	399	76
Term loan interest (2)	(679)	(219)
Interest on convertible bonds (3)	(229)	(250)
Interest on loans, including revolving credit facilities (4)	(381)	(391)
Interest expense on current account	(141)	(2)
Allowance for provisions net of reversals (5)	(2,316)	(3,170)
Net foreign exchange differences	0	82
Others	(8)	1
FINANCIAL PROFIT / (LOSS)	**108,647**	**20,126**

(1) During the 2023 financial year, Maisons du Monde France S.A.S. paid dividends to its shareholder Maisons du Monde S.A. in the amount of EUR 112 million.
(2) Related to interest on the long-term credit line (see note 10);
(3) Related to interest on the convertible bond (see note 10);
(4) Related to interest on the revolving credit facility (see note 10);
(5) Mainly related to the impairment of Modani shares.

Note 18 Exceptional profit (loss)

(in EUR thousands)	31 December 2023	31 December 2022
Gain or loss on treasury shares	-	-
Performance shares (1)	(1,413)	103
Reversal/allowance on regulated provisions	(129)	(129)
Other exceptional income and expenses (2)	(655)	-
EXCEPTIONAL PROFIT (LOSS)	**(2,196)**	**(26)**

(1) Corresponds to the estimated costs of performance shares not recharged to subsidiaries.
(2) Corresponds to non-recurring management activities

Note 19 Income tax

The Company recorded a tax consolidation profit of EUR 1,726 thousand for the year ended 31 December 2023 (profit of EUR 2,206 thousand for the previous financial year).

ADDITIONAL INFORMATION

Note 20 Pension commitments

Upon retirement, Company employees will receive compensation in accordance with the law and with the provisions of the applicable Collective Agreements.

Pension commitments are not recognised, but rather recorded as off-balance sheet commitments. They are assessed using the retrospective projected unit credit method as per the revised IAS 19 standards.

Following the decision of the IFRS Interpretation Committee (IFRIC IC) published during the first half of 2021, the ANC amended recommendation 2013-02 of 7 November 2013 on the valuation and recognition rules for pension commitments and similar benefits. The company chose to apply this alignment. Thus, rights are now staggered on a linear basis, no longer over the employee's entire career in the company, but, for each employee, over the last years of his or her career giving rise to the acquisition of new rights.

The estimate of these commitments was undertaken by an independent actuary.

The main actuarial assumptions are as follows:

- discount rate: 3.59%;
- salary growth rate: decreasing curve with an average rate of 2.7% for managers;
- retirement age: 64 for executives;
- mortality table: INSEE 2019.

At 31 December 2023, commitments stood at EUR 48 thousand.

Note 21 Share price

At 31 December 2023, the closing rate of Maisons du Monde S.A. was EUR 5.67.

Note 22 Transactions with related parties

For the financial year 2023:

- the Company received dividends from its subsidiary Maisons du Monde France S.A.S. amounting to EUR 112 million.

For the financial year 2022:

- the Company received dividends from its subsidiary Maisons du Monde France S.A.S. amounting to EUR 24 million.

Net financial income and expenses on these transactions are outlined in note 17.

Note 23 Attribution of performance shares

	Plan No. 6	Plan No. 7	Plan No. 8	Plan No. 9
Grant date	10 March 2020	25 March 2021	9 March 2022	22 March 2023
Status	Closed	In progress	In progress	In progress
Number of shares at the start of the plan	352,940	209,292	286,093	434,950
Number of beneficiaries	413	193	201	206
Vesting period (years)	3	3	3	3
Holding period (years)	0	0	0	0

The attribution of performance shares is subject to the following conditions:

- a requirement for continuous employment within the Group during the vesting period: the shares awarded to a beneficiary will only be ultimately vested if he/she has been employed by one of the Group's companies during a vesting period, calculated from the grant date, set at:
  - 3 years for beneficiaries of "Free share plan No. 7",
  - 3 years for beneficiaries of "Free share plan No. 8",
  - 3 years for beneficiaries of "Free share plan No. 9";

  In the event of death, disability or retirement, the beneficiary retains his rights, being no longer required to satisfy the continued service requirement:
- performance requirements based on Sales, EBITDA and earnings per share level (depending on employees) for all plans,
- an environmental and societal performance requirement based, on the one hand, on the proportion of the Good is beautiful offer in relation to the overall Maisons du Monde offer and, on the other hand, on the employee commitment rate. This CSR criterion is determined only for plans 7, 8 and 9.

For all plans, there is no holding obligation for beneficiaries.

The granted shares shall be either shares issued through a share capital increase performed by the Company by no later than the definitive vesting date or shares bought by the Company on the market prior to such date.

The Group set up recharge agreements with its subsidiaries, except for Belgium.

Plan 6 was closed during the 2023 financial year, resulting in the distribution of 242,923 shares.

Note 24 List of subsidiaries and holdings

The table below provides a list of the Group's subsidiaries and the level of investment of Maisons du Monde S.A.

	Cur -rency	Share capital	Share of capital held (% of detention)	Tax consolidation	Gross carrying amount of investments (in EUR thousands)	Net carrying amount of investments (in EUR thousands)	Loans and advances granted by the Company not yet repaid (in EUR thousands)	Guarantees given by the Company (in EUR thousands)	Dividends received by the Company during the financial year (in EUR thousands)
Subsidiaries of Maisons du Monde S.A.									
International Magnolia Company	KEUR	1	100%	Yes	1	1	13	N/A	-
Maisons du Monde France	KEUR	57,376	100%	Yes	637,871	637,871	-	N/A	112,000
SAS Savane Vision – RHINOV	KEUR	48	70%	N/A	4,343	4,343	3,806	N/A	-
Modani Parent Inc.	KUSD	15,267	15%	N/A	2,524	588	-	N/A	-
Subsidiaries of Maisons du Monde France									
Maisons du Monde Germany	KEUR	25	100%	N/A	25	25	-	N/A	-
Maisons du Monde Belgium	KEUR	1,000	100%	N/A	50	50	-	N/A	-
Maisons du Monde Spain	KEUR	1,000	100%	N/A	50	50	-	N/A	-
Maisons du Monde Italy	KEUR	1,000	100%	N/A	100	100	-	N/A	-
Maisons du Monde Luxembourg	KEUR	20	100%	N/A	20	20	-	N/A	-
Maisons du Monde Switzerland	KCHF	20	100%	N/A	17	17	-	N/A	-
Maisons du Monde Portugal	KEUR	20	100%	N/A	20	20	-	N/A	-
Maisons du Monde Austria	KEUR	35	100%	N/A	35	35	-	N/A	-
MDM Furniture & Decoration	KGBP	20	100%	N/A	27	27	-	N/A	-
Distrimag	KEUR	1,000	100%	Yes	40	40	-	N/A	-
Léolog	KEUR	15,040	100%	Yes	15,040	15,040	4	N/A	-
Mekong Furniture	MVND	86,027	100%	N/A	3,189	3,189	-	N/A	-
Subsidiaries of Distrimag									
Distri-Traction	KEUR	150	100%	Yes	150	150	-	N/A	-

Revenues, profits and capital other than share capital of subsidiaries are not disclosed for confidentiality reasons related to business and industrial strategy.

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Note 25 Results of the last five financial years

(in euros)	31 December 2019	31 December 2020	31 December 2021	31 December 2022	31 December 2023
Financial position at year end					
Duration of the financial year	12 months	12 months	12 months	12 months	12 months
Share capital	146,583,737	146,583,737	146,583,737	140,253,434	126,973,293
Number of ordinary shares	45,241,894	45,241,894	45,241,894	43,288,097	39,189,288
Number of preferred shares	-	-	-	-	
Number of convertible bonds	4,100,041	4,100,041	4,100,041	4,100,041	0
Operations and income (loss) for the financial year					
Revenue	3,679,340	4,228,300	5,150,127	3,923,370	3,748,688
Income before tax, employee profit-sharing, depreciation and amortisation	36,653,449	(2,447,636)	2,607,680	16,405,036	102,821,179
Income tax	(1,634,482)	(2,421,360)	(1,723,971)	(2,205,969)	(1,726,217)
Employee profit-sharing	-	-	-	-	
Depreciation and amortisation	(2,103,201)	25,919,176	(17,994,027)	3,455,324	(1,689,749)
Net income	40,391,132	(25,945,452)	22,325,678	15,155,681	106,237,145
Profit distributed (1)	0	13,572,568	24,883,042	12,986,429	2,743,250
Earnings per share					
Income after tax and employee profit-sharing, but before depreciation and amortisation	0.85	(0.00)	0.10	0.43	2.67
Income after tax, employee profit-sharing, depreciation and amortisation	0.89	(0.57)	0.49	0.35	2.71
Dividend allotted (1)	0.00	0.30	0.55	0.30	0.06
Personnel					
Average number of employees (FTEs), excl. SM	7	8	9	7	5
Wages and salaries	4,542,447	5,351,165	6,102,237	4,685,116	4,501,186
Of which amount paid to welfare bodies (social security, service projects, etc.)	1,874,760	2,316,050	2,059,517	1,374,930	1,617,573

(1) Amount including treasury shares. For 2023, pending the proposal for the Annual General Meeting of 21 June 2024.

Note 26 Events after the reporting period

On 29 February 2024, the Group announced the appointment of Denis LAMOUREUX as Group Chief Financial Officer. He started his new role on 4 March 2024 and is part of the Executive Committee. Gilles LEMAIRE, Controlling Director, who has been acting Chief Financial Officer since 1 September 2023, is appointed Deputy Chief Financial Officer.

The Group did not identify events after the reporting period that may have an impact on the financial statements.

6.4 Statutory auditors' report on the financial statements

For the year ended 31 December 2023

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of MAISONS DU MONDE,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying financial statements of MAISONS DU MONDE for the year ended 31 December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from 1 January 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Furthermore, the non-audit services that we provided to your Company and its controlled undertakings during the financial year that are not disclosed in the management report or in the notes to the financial statements are as follows:

- Independent third-party review of the consolidated non-financial performance statement pursuant to Article L.225-102-1 of the French Commercial Code;
- Issuance of attestations on data extracted from the financial statements (turnover per shop, financial ratios).

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Evaluation of equity interests and related receivables

Risk identified	Our response
As at 31 December 2023, the equity interests, as described in Notes 2.1 and 3, are reported on the balance sheet for a net amount of 642,8 M€, compared to total assets of 678,8 M€. The company ensures that no year-end impairment loss needs to be recorded by comparing the fair value with the net carrying amount recorded in the accounts. As described in the note 2.1. "Financial investments", year-end, a provision for impairment is established when the net carrying amount of the equity interests is greater than their fair value (determined as the higher value between the net equity of the subsidiary and the value in use): ● The net equity of the subsidiary is determined by taking into account the share of net assets and the profitability outlooks reviewed on an annual basis. Profitability outlooks are based on the information available at the time of their preparation; ● The value in use is determined according to the discounted net future cash flows, adjusted for net debt or net cash. We consider the evaluation of MAISONS DU MONDE's equity interests and related receivables to be a key audit matter due to: ● Their material amount in the company's accounts; ● The judgments and assumptions necessary to determine their fair value, based on profitability outlooks in particular, whose conclusion is inherently uncertain.	To assess the reasonableness of the fair value measurement of the MAISONS DU MONDE's equity interests, based on the information we were provided with, our work mainly consisted in: ● Assessing whether the valuation method and figures used by Management to estimate the fair value are appropriately justified; ● Verifying that the model used for calculating fair values is appropriate; ● Assessing the reasonable nature of the cash flow projections, including the 2024 Budget approved by the Board of Directors and the 2025-2028 previsions, with regard to our knowledge of the economic environment in which the group operates; ● Assessing the coherence of the long-term growth rate and the discount rate applied with market analyses, with the support of our appraisal specialists. In addition to assessing the fair value measurement of the MAISONS DU MONDE's equity interests, our work also consisted in assessing the recoverability of the related receivables with respect to the equity interest analyses. Lastly, we verified that Notes 2.1 and 3 to the financial statements provided an appropriate disclosure.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code (*Code de commerce*).

Information relating to corporate governance

We attest that the section of the Board of Directors' report devoted to corporate governance on corporate governance sets out the information required by Articles L.225-37-4, L22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by or awarded to the directors and any other commitments made in their favour, we have verified the consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements included in the Annual Financial Report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

Appointment of the Statutory Auditors

We were appointed as statutory auditors by your Annual General Meeting held on 29 April 2016 for Deloitte & Associés and by the Articles of Association dated 24 June 2013 for KPMG SA.

As at 31 December 2023, KPMG SA was in the 10th year of total uninterrupted engagement and the 8th year since securities of the Company were admitted to trading on a regulated market and Deloitte & Associés was in the 8th year.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

French original signed in Nantes, 24 April 2024

The Statutory Auditors

KPMG SA	**Deloitte & Associés**
Vincent BROYE	Jérôme QUERO

7 Information about the Company, its capital and the shareholding structure

7.1 Information about the Company

7.1.1 LEGAL INFORMATION

COMPANY NAME

The Company's corporate name is Maisons du Monde.

PLACE OF REGISTRATION AND REGISTRATION NUMBER

The Company is registered with the Nantes Trade and Companies Register under number 793 906 728.

LEI CODE

The Company's LEI (Legal Entity Identifier) is 9695009DV2698O4ZBU71.

WEBSITE

The Company's website is accessible at the address corporate.maisonsdumonde.com.

REGISTERED OFFICE

The Company's registered office is located at 8 rue Marie Curie, 44120 Vertou, France.

The telephone number of the registered office is +33 (0)2 51 71 17 17.

LEGAL FORM AND APPLICABLE LEGISLATION

The Company Maisons du Monde is a limited company (*société anonyme*) with a Board of Directors governed by French law, in particular the provisions of the French Commercial Code, and its bylaws.

7.1.2 ARTICLES OF ASSOCIATION AND BYLAWS

All of the Company's bylaws are available on the Company's website https://corporate.maisonsdumonde.com/

DATE OF INCORPORATION AND DURATION

The Company was incorporated on 24 June 2013.

It was registered with the Paris Trade and Companies Register on 27 June 2013 and then transferred to the Nantes Trade and Companies Register on 18 August 2013.

The Company will cease to exist on 27 June 2112, unless it is dissolved early or its duration is extended.

CORPORATE PURPOSE

As stated in Article 2 of the bylaws, the Company's purpose, in France and abroad, is:

- the purchase, subscription, holding, management and transfer, in any form, of shares and securities in any companies or legal entities created or to be created, French or foreign;
- all administrative, financial, accounting, business, IT or management services for the benefit of the subsidiaries of the Company or any other company in which it holds an interest.

And more broadly:

- all securities and property, industrial, commercial or financial transactions relating directly or indirectly to this purpose or any similar or related purpose, or which may be beneficial for this purpose or of a nature to facilitate its achievement.

FINANCIAL YEAR

The Company has a financial year of 12 months, beginning on 1 January and ending on 31 December of each year.

CONSULTATION OF CORPORATE DOCUMENTS

Corporate documents and information relating to the Company may be consulted at the registered office, 8 rue Marie Curie, 44 Vertou, France.

ANNUAL GENERAL MEETINGS

Notice of Annual General Meetings

Annual General Meetings are called in accordance with the conditions, forms and time limits provided for by the applicable regulations. They are held at the registered office or at any other place indicated in the notice of meeting.

The decisions of the shareholders are taken depending on their nature at Ordinary, Extraordinary or Combined General Meetings.

Attendance at Meetings

All shareholders may take part in Annual General Meetings, personally or by proxy, pursuant to the conditions set by the regulations in force, after providing proof of their identity and ownership of the securities.

Upon decision of the Board of Directors to use such means of telecommunications, as published in the notice of meeting or notice to attend, shareholders are deemed to be present for *quorum* and majority purposes if they attend *via* videoconference or any other means of telecommunication or remote transmission, including the Internet, provided that their identity can be verified under the conditions provided for by the regulations in force.

All shareholders may vote by correspondence or give a proxy in accordance with the regulations in force, by means of a form drawn up by the Company and returned to it pursuant to the regulations in force, including by electronic mail or file transfer, upon decision of the Board of Directors. The form must be received by the Company in the prescribed conditions for it to be taken into account.

The legal representatives of legally incapacitated shareholders and physical persons representing shareholders that are corporate entities may attend meetings, whether or not they are shareholders personally.

Shareholder communication rights

All shareholders have the right to obtain disclosure of documents, the nature and conditions of which shall be determined by the applicable regulations.

Voting rights

Each share is entitled to one vote at Annual General Meetings, double voting rights as provided for by Article L. 225-123 of the French Commercial Code being expressly excluded.

Treasury shares owned do not have voting rights.

Form and disposal of shares

In accordance with Articles 9 and 12 of the bylaws, shares may be held in registered or bearer form, at the shareholder's discretion, under the conditions provided for by the regulations in force.

Shares are freely tradable. Transfers of shares shall be effected by transfer from account to account, in accordance with the procedures laid down by law and regulations.

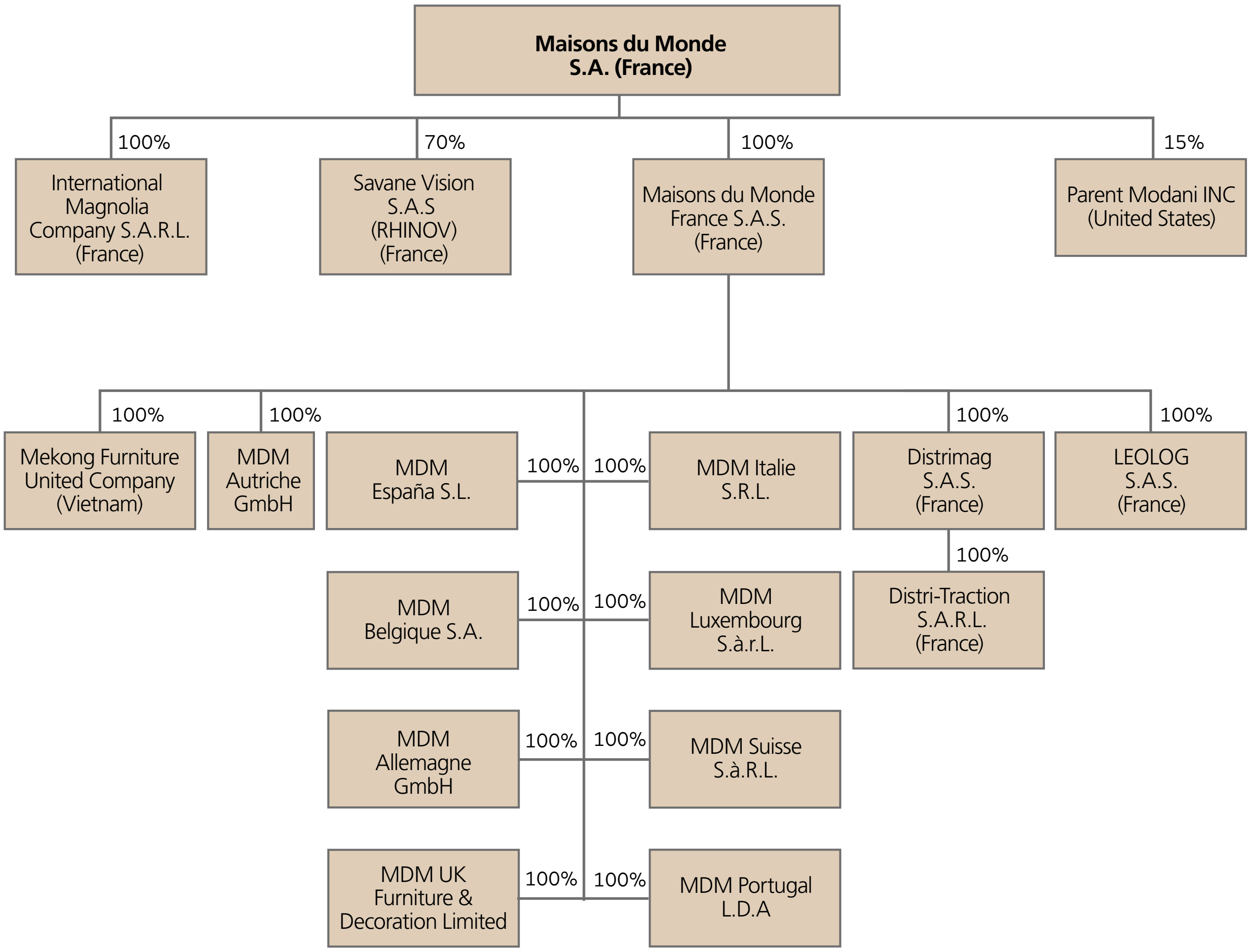
Identification of shareholders

In accordance with legal and statutory provisions, the Company may request at any time from the central depository in charge of its securities issue account, the name or, in the case of a corporate entity, the corporate name, nationality, year of birth or year of incorporation, postal address and, where applicable, electronic address of the holders of securities conferring immediately or in the future the right to vote at its Annual General Meetings, as well as the number of securities held by each of them and, where applicable, the restrictions attached to such securities.

7.1.3 LEGAL ORGANISATION CHART

The organisational chart below shows the Group's simplified legal organisation as of 31 December 2022. The percentages correspond to percentages of share capital owned.

The complete list of companies included in the Group's scope of consolidation is presented in Note 32 of Section 6.1.6 "Notes to the consolidated financial statements" of Chapter 6 "Financial Statements" of this Universal Registration Document.



7.2 Information on the share capital

7.2.1 SHARE CAPITAL OF THE COMPANY

At 31 December 2023, the Company's share capital amounted to EUR 126,973,293.12 divided into 39,189,288 shares with a par value of EUR 3.24 each, fully paid up and of the same class.

7.2.2 HISTORY OF CHANGES IN THE SHARE CAPITAL OVER THE LAST THREE FINANCIAL YEARS

Since 31 December 2020, the share capital of Maisons du Monde has changed as follows:

Date	Nature of the transaction	Share capital after transaction	Number of shares after transaction
Fiscal year 2021	None		
Fiscal year 2022 July 2022	Capital reduction: cancellation of 1,953,797 shares	EUR 140,253,434.28	43,288,097
Fiscal year 2023 March 2023 October 2023	Capital reduction: cancellation of 2,300,000 shares 1,798,809 shares	 EUR 132,801,434.28 EUR 126,973,293.12	 40,988,097 39,189,288

7.2.3 AUTHORISED CAPITAL (ISSUED AND NOT ISSUED)

7.2.3.1 Current delegations and financial authorisations

In application of the provisions of Articles L. 225-129-1 and L. 225-129-2 of the French Commercial Code, we hereby inform you, below, of the currently valid delegations of authority and powers granted by the Annual General Meeting to the Board of Directors with respect to capital increases, as well as their use during the past financial year.

Nature of the delegation and/or authorisation given to the Board of Directors	Maximum amount authorised	Duration of the authorisation	Expiry	Use in 2023
Capital increase by issuing securities				
Capital increase by issuing shares and/or securities convertible into shares of the Company and/or securities entitling holders to the allocation of debt securities through a public offering, with the cancellation of preferential subscription rights (AGM 31/05/2022 – 19th Resolution)	14,650 million	26 months	31/07/2025	N/A
Capital increase by issuing shares and/or securities convertible into shares of the Company and/or securities entitling holders to the allocation of debt securities through a public offering with preferential subscription rights (AGM 31/05/2022 – 20th Resolution)	73 million	26 months	31/07/2025	N/A
Capital increase by issuing shares and/or securities convertible into shares of the Company and/or securities entitling holders to the allocation of debt securities as part of an offering referred to in Article L. 411-2 of the French Financial and Monetary Code, with the cancellation of preferential subscription rights (AGM 31/05/2022 – 21st Resolution)	14,650 million	26 months	31/07/2025	N/A
Share capital increase by issuing shares and/or securities convertible into shares of the Company with the cancellation of preferential subscription rights in consideration for contributions in kind made to the Company and consisting of shares or convertible into shares of the Company, outside public exchange offers (AGM 31/05/2022 – 24th Resolution)	10% of share capital	26 months	31/07/2025	N/A
Share capital increase by incorporation of reserves, profits, premiums or other (AGM 31/05/2022 – 25th Resolution)	10% of share capital	26 months	31/07/2025	N/A
Capital increase by issuing shares and/or any other securities convertible into shares of the Company, reserved for members of a company savings plan without preferential subscription rights (AGM 31/05/2022 – 26th Resolution)	2% of share capital	26 months	31/07/2025	N/A
Share buyback programme				
Share buyback programme (AGM 31/05/2022 – 26th Resolution)	10% of share capital and maximum purchase price set at EUR 25 per share, *i.e.* a maximum of EUR 108.2 million	18 months	30/11/2023	5.5% of the share capital, *i.e.* 2,162,869 shares (share buyback from 1 January to 23 June 2023)
(AGM 29/06/2023 – 23rd Resolution)			29/12/2024	1.56% of the share capital, *i.e.* 611,109 treasury shares, including 131,547 shares under the liquidity agreement reactivated on 30 June 2023 (0.34% of the share capital) and 479,562 shares intended to cover performance share plans and other employee benefits
Share capital reduction by cancelling treasury shares (AGM 31/05/2022 – 26th Resolution)	Capped at 10% of share capital per 24-month period	18 months	30/11/2023	5.9% of share capital 2,300,000 shares at 10 March 2023 and
(AGM 29/06/2023 – 24th Resolution)			29/12/2024	4.6% of share capital 1,798,809 shares at 25 October 2023
Transactions reserved for employees and Executive Directors				
Free shares subject to performance conditions (free share allocation), existing or new, granted to employees and eligible executive officers of the Company and companies related to it (AGM 31/05/2022 – 27th Resolution) (AGM 29/06/2023 – 24th Resolution)	2% of share capital	38 months 38 months	31/05/2025 28/02/2027	N/A

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During the 2023 financial year, the Board of Directors:

- in accordance with the delegation of authority granted to it by the Annual General Meeting of 31 May 2022, reduced the amount of share capital by EUR 7,452,000 from EUR 140,253,434.28 to EUR 132,801,434.28, through the cancellation of 2,300,000 shares acquired under the 2022/2023 share buyback programme implemented by the Company (Board of Directors' meeting of 8 March 2023); and
- in accordance with the delegation of authority granted to it by the Annual General Meeting of 29 June 2023, reduced the amount of share capital by EUR 5,828,141.16 from EUR 132,801,434.28 to EUR 126,973,293.12, through the cancellation of 1,798,809 shares acquired under the 2022/2023 share buyback programme implemented by the Company (Board of Directors' meeting of 25 October 2023).

7.2.3.2 Delegations and financial authorisations to the Combined General Meeting of 21 June 2024

At the Annual General Meeting of 21 June 2024, shareholders are asked to renew the following financial authorisations and delegations:

Nature of the delegation and/or authorisation given to the Board of Directors	Maximum amount authorised	Duration of the authorisation	Expiry
Capital increase by issuing securities			
Capital increase by issuing shares and/or securities convertible into shares of the Company and/or securities entitling holders to the allocation of debt securities through a public offering, with the cancellation of preferential subscription rights	12.6 million	26 months	21/08/2026
Capital increase by issuing shares and/or securities convertible into shares of the Company and/or securities entitling holders to the allocation of debt securities through a public offering with preferential subscription rights	63 million	26 months	21/08/2026
Capital increase by issuing shares and/or securities convertible into shares of the Company and/or securities entitling holders to the allocation of debt securities as part of an offering referred to in Article L. 411-2 of the French Financial and Monetary Code, with the cancellation of preferential subscription rights	12.6 million	26 months	21/08/2026
Share capital increase by issuing shares and/or securities convertible into shares of the Company with the cancellation of preferential subscription rights in consideration for contributions in kind made to the Company and consisting of shares or convertible into shares of the Company, outside public exchange offers	10% of share capital	26 months	21/08/2026
Share capital increase by incorporation of reserves, profits, premiums or other	10% of share capital	26 months	21/08/2026
Capital increase by issuing shares and/or any other securities convertible into shares of the Company, reserved for members of a company savings plan without preferential subscription rights	2% of share capital	26 months	21/08/2026
Share buyback programme			
Share buyback programme	10% of share capital and maximum purchase price set at EUR 20 per share, *i.e.* a maximum of EUR 78 million	18 months	21/12/2025
Share capital reduction by cancelling treasury shares	Capped at 10% of share capital per 24-month period	18 months	21/12/2025

7.2.3.3 Securities not representing share capital

There are no shares not representing the share capital.

7.2.4 INFORMATION ON TREASURY SHARE BUYBACKS

At 31 December 2023, Maisons du Monde directly held a total of 611,109 treasury shares, *i.e.* 1.56% of its share capital, with a par value of EUR 3.24.

Allocation by objective [(1)]	Number of shares	Percentage of share capital	Average purchase price *(in euros)*
Liquidity agreement	131,547	0.34%	5,180
Coverage of performance share plans and other employee benefits	479,562	1.22%	20,409
Treasury shares to be cancelled	-	-	-
TOTAL	**611,109**	**1.56%**	**-**

(1) *Article L. 225-209 of the French Commercial Code.*

7.2.4.1 2023 results of the share buyback programme

Share buyback programme

Pursuant to Articles L. 225-209 *et seq.* of the French Commercial Code, the Annual General Meetings of 31 May 2022 and 29 June 2023 authorised the Board of Directors to trade in the Company's shares, except during a public offering.

The purchases were made with a maximum price per share of EUR 30, with the number of shares to be purchased not exceeding 10% of the share capital.

During the 2023 financial year, the Company used these authorisations in the following manner:

- 4,098,809 shares were cancelled;
- no shares were sold;
- 2,162,869 shares were bought back;
- 249,858 shares were transferred to Group employees.

No shares allocated to a planned objective of the share buyback programme were reallocated to another objective of this programme during the 2023 financial year.

Liquidity agreement

Under the liquidity agreement entrusted to BNP Paribas for Maisons du Monde shares, the following assets were included in the liquidity account at the trading date on 31 December 2023:

- 131,547 Maisons du Monde shares;
- EUR 712,523.

During the second half of 2023, the following totals were traded:

- purchase, 470,406 shares, for an amount of EUR 3,289,780 (1,571 transactions);
- sale, 396,225 shares, for an amount of EUR 2,741,257 (1,126 transactions).

It should be noted that on 30 June 2023, Maisons du Monde announced the reactivation of the liquidity agreement. This had been suspended from 27 October 2021, when Maisons du Monde launched its first share buyback programme, until 23 June 2023, the date on which the Company completed its second share buyback programme announced in July 2022.

At the trading date on 30 June 2023, the following assets were included in the liquidity account:

- 57,366 Maisons du Monde shares;
- EUR 1,243,549.

During the first half of 2023, the following totals were traded:

- purchase, 1,581 shares, for an amount of EUR 14,517 (15 transactions);
- sale, 2,085 shares, for an amount of EUR 19,174 (9 transactions).

As a reminder, the liquidity agreement was set up on 18 December 2018 with EXANE BNP Paribas, in accordance with the AMF decision 2018-1 of 2 July 2018, the following resources were included in the liquidity account at 31 December 2018:

- 73,022 Maisons du Monde shares;
- EUR 825,100.

The Company makes monthly reports to the AMF on purchases and sales of securities under the liquidity agreement, distributes half-yearly reports on the liquidity agreement and publishes them on its website.

7.2.4.2 Description of the share buyback programme put to vote at the 2024 Annual General Meeting

Pursuant to the provisions of Article 241-2 of the AMF General Regulation, this item constitutes the description of the share buyback programme to be submitted to the authorisation of the Annual General Meeting of 21 June 2024.

Objective of the buyback programme

Purchases of shares within the framework of the share buyback programme will be made with the following purpose:

- cancelling them; or
- holding them for delivery by way of future exchange or payment in connection with acquisitions, in accordance with market practices recognised by applicable regulations and up to a limit of 5% of the number of shares comprising the share capital of the Company; or
- redeeming them following the exercise of rights attached to securities entitling holders by redemption, conversion, exchange, presentation of a warrant or in any other way to the allocation of shares of the Company; or
- implementing stock option plans, or free share allocation plans, or employee shareholding transactions reserved for members of a company savings plan, carried out in accordance with Articles L. 3331-1 *et seq.* of the French Labour Code by the transfer of shares previously acquired by the Company, or providing for the free allocation of such shares by way of a contribution in securities of the Company and/or in substitution for the discount, or shares allocations for the benefit of employees and/or executive corporate officers of the Company and related companies, in accordance with the applicable legal and regulatory provisions; or
- managing the secondary market or the liquidity of the Company's shares by an investment services provider under liquidity contracts concluded in accordance with a Code of Ethics recognised by the AMF; or
- more generally, performing any transaction admitted or prospectively admitted by prevailing law or regulations or by the AMF.

The shares may, in whole or in part, be acquired, assigned, exchanged or transferred, on one or more occasions, by any means, in accordance with regulations that are applicable or that would become applicable, in any market, including trading systems (MTF) or *via* a systematic internaliser, or over-the-counter, including through the acquisition or disposal of blocks of shares (without limiting the share of the buyback programme that can be realised through this means); such means include the use of any financial contract or forward financial instrument (such as, notably, any forward contract or option), excluding the sale of put options, in accordance with the regulations in force.

Maximum share of capital, maximum number and characteristics of the securities that the Company proposes to acquire and maximum purchase price

Pursuant to the law, the maximum number of shares that Maisons du Monde would be able to hold under this programme, authorised by the Annual General Meeting of 21 June 2024, will be 3,918,928 shares of the Company corresponding to 10% of the share capital at 31 December 2023.

The maximum authorised purchase price would be EUR 20 per share. Purchases could not exceed the cumulative net sum of EUR 78,378,560.

Duration of the buyback programme

The duration of the programme would be set at 18 months from the approval of the Annual General Meeting of 21 June 2024, *i.e.* until 21 December 2025 and would replace the approval granted by the 23rd Resolution of the Annual General Meeting of 29 June 2023.

7.3 Information on the shareholding structure

7.3.1 CHANGES TO THE BREAKDOWN OF CAPITAL AND VOTING RIGHTS OVER THE LAST THREE FINANCIAL YEARS

Breakdown of the capital and voting rights at 31 December 2023

As of 31 December 2023, the Company's share capital amounted to EUR 126,973,293.12 divided into 39,189,288 shares.

At that date, the structure of the share capital was as follows:

	31 December 2023			31 December 2022			31 December 2021		
Shareholders	**Number of shares**	**% of share capital**	**% of voting rights** (1)	**Number of shares**	**% of share capital**	**% of voting rights** (1)	**Number of shares**	**% of share capital**	**% of voting rights** (1)
Teleios Capital Partners LLC (2)	11,190,400	28.55%	28.55%	11,246,400	25.98%	25.98%	9,736,778	21.52%	21.52%
Majorelle Investments S.A.R.L. (3)	10,383,129	26.49%	26.49%	10,383,129	23.99%	23.99%	5,099,133	11.27%	11.27%
FMR LLC	3,560,393	9.09%	9.09%	2,289,400	5.29%	5.29%	3,623,378	8.01%	8.01%
Treasury shares (4)	611,109	1.56%	1.56%	2,723,230	6.29%	6.29%	1,240,118	2.74%	2.74%
Free float	13,444,257	34.31%	34.31%	16,645,938	38.45%	38.45%	25,542,487	56.46%	56.46%
TOTAL	**39,189,288**	**100%**	**100%**	**43,288,097**	**100%**	**100%**	**45,241,894**	**100%**	**100%**

(1) % of voting rights = gross voting rights, including those attached to treasury shares. Treasury shares do not carry voting rights exercisable at Annual General Meetings. Number of exercisable voting rights at 31 December 2023: 38,578,179.
(2) See Chapter 4, Section 4.2.2.3 on the governance agreement between the Company and Teleios Capital Partners.
(3) See Chapter 4, Section 4.2.2.3 on the governance agreement between the Company and Majorelle Investments.
(4) Treasury shares held as of 31 December 2023, including 131,547 shares under the liquidity agreement and 479,562 shares intended to cover performance share plans and other allocations to employees.

To the knowledge of Maisons du Monde, Teleios Capital Partners LLC, Majorelle Investments S.A.R.L. and FMR LLC are the only shareholders holding, directly or indirectly, individually or in concert, more than 5% of the Group's share capital and voting rights.

7.3.2 TREASURY SHARES

7.3.2.1 Treasury shares

No treasury shares are held by any of the Company's subsidiaries.

7.3.2.2 Ownership of treasury shares

At 31 December 2023, Maisons du Monde held 611,109 treasury shares, representing 1.56% of the share capital, broken down as follows:

- 131,547 shares under the liquidity agreement, *i.e.* 0.34% of the share capital;
- 479,562 shares intended to cover performance share plans and other employee benefits.

7.3.3 EMPLOYEE SHAREHOLDING

In accordance with the provisions of Article L. 225-102 of the French Commercial Code, it is specified that the proportion of share capital represented by the shares held by employees at 31 December 2023 is less than 3%. For information, the last Extraordinary General Meeting called to approve a capital increase reserved for employees was held on 12 June 2020.

The Board of Directors, using the authorisations granted by the Annual General Meeting of 31 May 2022, allocated free shares to certain Maisons du Monde employees, with a view to directly involving them in the future of the Group and its performance through trends in share prices.

Information on free share allocations is provided in Section 8.4 "Special report of the Board of Directors on free share allocation transactions" in Chapter 8 "Annual General Meeting" of this Universal Registration Document.

7.3.4 CONTROL OF THE COMPANY

The Company is controlled in accordance with the description in the table in Section 7.4.1 of this Universal Registration Document.

As such, the prevention of possible misuse of control by a shareholder is guaranteed by the regular meetings of the Board of Directors and the presence of six Independent Directors, who also hold a majority in the specialised committees (Audit Committee, Nomination and Compensation Committee and CSR Committee).

7.3.5 SHAREHOLDER AGREEMENTS ON THE COMPANY'S SHARES

To the best of the Company's knowledge, there are no shareholders' agreements or pacts relating to the shares comprising the Company's share capital.

7.3.6 INDIVIDUAL OR LEGAL ENTITES ACTING IN CONCERT

To the best of the Company's knowledge, there are no individual or legal entities acting in concert.

7.3.7 DIVIDEND DISTRIBUTION POLICY

The distribution of a dividend depends on the Group's financial results, in particular its net profit, its investment policy and the strength of its statement of financial position.

Maisons du Monde has long committed to its annual objectives of paying a dividend to its shareholders with a payout ratio between 30% and 40%.

The Board of Directors of Maisons du Monde, at its meeting on 11 March 2024, proposed the payment of a dividend of EUR 0.06 per share with a payout ratio of 30%, which will be submitted to the shareholders for approval during the Annual General Meeting of 21 June 2024.

Moreover, as part of the presentation of the medium-term transformation plan, Inspire Everyday, on 12 March 2024, the Group stipulated that the dividend payout ratio would be maintained between 30% and 40% for the three-year period from 2024 to 2026.

The table in Chapter 5 (Section 5.4.1) of this Universal Registration Document summarises the dividend payout over the last three financial years as well as the associated payout rates.

7.3.8 CROSSING OF THRESHOLDS

7.3.8.1 Crossing of statutory thresholds

In accordance with Article 14 of the bylaws, and in addition to the legal obligation to inform the Company of the holding of certain fractions of the capital or voting rights, any physical person or legal entity or any shareholder who holds, directly or indirectly, alone or in concert, a number of shares of the Company equal to or greater than 1% of the total number of shares or voting rights must, before the close of the fourth trading day following the crossing of that threshold, inform the Company by registered letter with acknowledgement of receipt. The same declaration must be made under the same conditions whenever a new threshold of a multiple of 1% of the total number of shares or voting rights is crossed. Any shareholder whose interest or voting rights fall below one of the aforementioned statutory thresholds is also obliged to inform the Company within the same period of four (4) days and under the same terms.

During the 2023 financial year, Maisons du Monde received the following statutory threshold crossing declarations:

Shareholder	Date of crossing	Type of crossing	Threshold crossed	Capital shares	% of share capital and voting rights
Teleios Capital Partners	16/03/2023	Increase	26% and 27%	11,246,397	27.44%

Since 1 January 2024, Maisons du Monde has received the following declarations relating to the crossing of statutory thresholds:

Shareholder	Date of crossing	Type of crossing	Threshold crossed	Capital shares	% of share capital and voting rights
Dimensional Fund Advisors	19/03/2024	Decrease	2%	783,448	1.999%
Investmentaktiengesellschaft für langfristige Investoren TGV (Rubicon Stockpicker Fund sub-fund)	21/03/2024	Increase	1%	770,748	1.97%
Investmentaktiengesellschaft für langfristige Investoren TGV (Rubicon Stockpicker Fund sub-fund)	22/03/2024	Increase	2%	794,796	2.03%

7.3.8.2 Crossing of legal thresholds

Any individual or legal entity acting alone or in concert who holds the number of shares or voting rights exceeding the thresholds provided for by the regulations in force (Article L. 233-7 of the French Commercial Code) must comply with the obligations of information provided for therein. The same information is due when the share capital or voting rights fall below the thresholds provided for by the regulations in force.

The declarations of threshold crossings made by the Company's shareholders and the declarations made by executives when they carry out transactions in the Company's shares are available on the AMF website (www.amf-france.org).

Shareholder	AMF Declaration	Date of crossing	Type of crossing	Threshold crossed	Capital shares	% of share capital and voting rights
Majorelle Investments	17/03/2024 223C0449	10/03/2023	Increase	25%	10,383,129	25.33%
FMR LLC	14/03/2023 223C0429	10/03/2023	Increase	10%	4,105,607	10.02%
FMR LLC	06/04/2023 223C0553	06/04/2023	Decrease	10%	4,095,907	9.99%
FIAM LLC	21/09/2023 223C1473	15/09/2023	Increase	5%	2,078,352	5.07%
FMR LLC	02/11/2024 223C1764	27/10/2023	Increase	10%	4,094,442	10.45%
FIAM LLC	28/11/2023 223C1941	27/11/2023	Decrease	5%	1,950,041	4.98%
FMR LLC	28/11/2023 223C1941	27/11/2023	Decrease	10%	3,434,999	8.77%
FIAM LLC	04/12/2023 223C1974	30/11/2023	Increase	5%	2,002,235	5.11%

Since 1 January 2024, Maisons du Monde has not received any declarations relating to the crossing of legal thresholds.

7.3.9 TRANSACTIONS PERFORMED ON THE COMPANY'S SHARES BY OFFICERS AND PERSONS TREATED AS SUCH

Pursuant to the provisions of Articles 223-22-A *et seq.* of the AMF General Regulation, the table below shows the transactions carried out by executives and persons treated as such, as declared to the AMF during 2023:

Date of the transaction	Declarant	Nature of the transaction	Number of shares	Unit price *(in euros)*	Amount of the transaction *(in euros)*
09/03/2023	Michel-Alain PROCH	Acquisition	10,000	10.5588	105,588.00
10/03/2023	Julie WALBAUM	Acquisition of free shares	53,900	9.6450	519,865.50
10/03/2023	Régis MASSUYEAU	Acquisition	2,500	9.7558	24,389.50
10/03/2023	Thierry FALQUE-PIERROTIN	Acquisition	10,000	9.8800	98,800.00
10/03/2023	Michel-Alain PROCH	Acquisition	5,000	10.5588	52,794.00
13/06/2023	Françoise GRI	Acquisition	9,000	10.1000	90,900.00
23/08/2023	Teleios Capital Partners	Acquisition	44,000	8.8868	391,019.20
30/10/2023	François-Melchior de POLIGNAC	Acquisition	4,152	4.8000	19,929.60

Since 1 January 2024, the transactions carried out by executives and equivalent have been the subject of the following AMF declarations:

Date of the transaction	Declarant	Nature of the transaction	Number of shares	Unit price *(in euros)*	Amount of the transaction *(in euros)*
13/03/2024	François-Melchior de POLIGNAC	Acquisition	4,595	4.5563	20,936.20
13/03/2024	Denis LAMOUREUX	Acquisition	16,000	4.5149	72,238.40
13/03/2024	Denis LAMOUREUX	Acquisition	4,000	4.4456	17,782.40
08/04/2024	Françoise GRI	Acquisition	10,000	4.5000	45,000.00

7.3.10 ELEMENTS LIABLE TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFERING

Pursuant to the provisions of Articles L. 233-13 and L. 22-10-11 of the French Commercial Code, the Company informs the public of the following elements liable to have an influence in the event of a takeover bid:

Shareholders' agreement

At the time of writing, Maisons du Monde was not aware of any shareholders' agreement providing for preferential terms for the sale or acquisition of Maisons du Monde shares or an agreement whose implementation could result in a change of control.

Significant nominal holdings

To the Company's knowledge, as at the date of this Universal Registration Document, there are no significant registered holdings within the share capital other than those detailed in Section 7.4.1 of this chapter.

Control mechanisms

The Company has not established double voting rights. Nor does it have any securities with particular prerogatives.

7.4 Maisons du Monde share market

7.4.1 LISTINGS AND INDICES

Maisons du Monde shares are listed on Euronext - compartment A of the Euronext Paris stock exchange and are eligible for the deferred settlement service (SRD).

ISIN code	FR0013153541
Listing market	Euronext Paris - Compartment
Presence in the main indices	CAC SMALL, CAC MID & SMALL
Eligibility of the share	Deferred Settlement Service (SRD), Eligible for PEA
Nominal value	EUR 3.24
Number of shares outstanding at 31 December 2023	39,189,288
Closing price at 31 December 2023	EUR 5.670
Market capitalisation at 31 December 2023	EUR 222,203,262.96

7.4.2 MAISONS DU MONDE SHARE PRICE AND TRADING VOLUMES

	Share price *(in euros)*			Number of shares traded	Capital *(in EUR millions)*
Month	**Closing**	**Highest**	**Lowest**	**Monthly volumes**	**Monthly total**
January 2023	11.270	13.360	11.110	1,612,858	19,862,029.81
February 2023	11.290	11.660	10.740	1,181,000	13,363,559.04
March 2023	9.905	11.650	9.275	1,552,263	15,580,594.02
April 2023	9.550	10.200	9.245	958,916	9,364,548.30
May 2023	9.340	10.330	9.165	1,043,333	10,069,066.43
June 2023	9.220	10.590	8.690	828,230	8,089,733.00
July 2023	9.540	9.610	8.025	737,673	6,392,001.70
August 2023	8.620	9.900	8.380	686,718	6,299,044.54
September 2023	7.285	8.885	6.940	1,630,991	12,684,778.38
October 2023	4.746	7.425	4.616	1,663,185	9,283,157.86
November 2023	4.678	5.705	4.442	2,328,749	11,376,842.23
December 2023	5.670	5.765	4.386	1,269,765	6,529,395.75
Extremes and averages for the period	8.697	13.360	4.386	1,291,150	10.74
TOTAL	-	-	-	**15,493,681**	**128.89**

Source Euronext Paris: Extremes and averages for the period

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7.4.3 SHAREHOLDER INFORMATION POLICY

7.4.3.1 Investor Relations

The Investor Relations Department is responsible for the Maisons du Monde's financial communication. It also manages relations with financial analysts, institutional investors and shareholders of the Company, including individual shareholders. Throughout the year, the Investor Relations Department maintains regular contact with the financial community and ensures that the market has the most up-to-date and comprehensive information possible in order to correctly grasp the Company's business model, strategy and financial outlook. These exchanges and the disclosure of financial information are carried out in strict compliance with market regulations and the principle of equality of treatment and information for investors.

Maisons du Monde organises conference calls for financial analysts and institutional investors as part of the release of its quarterly sales and annual and interim results. Meetings between officers of the Company and institutional investors are also held several times a year at roadshows and conferences organised by financial intermediaries in France and internationally.

INVESTOR RELATIONS CONTACT

Carole ALEXANDRE, Head of Investor Relations

MAISONS DU MONDE

8 rue Marie Curie, 44120 Vertou, France

Tel.: +33 (0)2 51 71 17 17
E-Mail: investor.relations@maisonsdumonde.com
Website: https://corporate.maisonsdumonde.com

7.4.3.2 Indicative financial communication calendar

Date	Event
15/05/2024	First quarter 2024 sales
21/06/2024	Combined General Meeting
29/07/2024	Second quarter sales and first half 2024 results
23/10/2024	Third quarter and first nine months of 2024 sales

7.4.3.3 Financial intermediary for registered shareholders

Maisons du Monde has entrusted the management of registered shareholder accounts to Société Générale Securities Services.

SOCIÉTÉ GÉNÉRALE SECURITIES SERVICES
32, rue du Champ-de-Tir
BP 81236
44312 Nantes Cedex 3
France Tel.: + 33 (0) 2 51 85 50 00
Website: www.securities-services.societegenerale.com

7.4.4 DOCUMENTS ON DISPLAY

The documents relating to the Company to be made available to the public, and in particular the bylaws, minutes of Annual General Meetings, statutory auditors' reports and other corporate documents, as well as historical financial information, may be consulted in accordance with the applicable law at the registered office of Maisons du Monde (8 rue Marie Curie, 44120 Vertou, France). Regulated information within the meaning of the provisions of the General Regulation of the *Autorité des marchés financiers*, is also available on the website of the Company (https://corporate.maisonsdumonde.com/en/finance).

Annual General Meeting

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At its Meeting held on 11 March 2024, the Board of Directors convened a Combined General Meeting (Annual Ordinary and Extraordinary) to be held on **21 June 2024 at 10 am at 55 Rue d'Amsterdam, 75008 Paris**, France, to deliberate on the agenda below:

8.1 Agenda

8.1.1 AGENDA FOR THE ORDINARY GENERAL MEETING

- Approval of the annual financial statements for the financial year ended 31 December 2023
- Approval of the consolidated financial statements for the financial year ended 31 December 2023
- Appropriation of the net profit for the financial year ended 31 December 2023
- Ratification of the change in registered office
- Approval of an amendment to an agreement as provided for in Article L. 225-38 of the French Commercial Code entered into with MAJORELLE INVESTMENTS
- Approval of an amendment to an agreement as provided for in Article L. 225-38 of the French Commercial Code entered into with TELEIOS CAPITAL PARTNERS
- Appointment of Michel SIRAT as a new director
- Appointment of KPMG Audit as Statutory Auditor in charge of certifying sustainability information
- Approval of the information relating to the compensation of the executive officers mentioned in Article L. 22-10-9 I of the French Commercial Code
- Approval of the components of the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or granted in respect of said financial year to Julie WALBAUM, in her capacity as Chief Executive Officer for the period from 1 January 2023 to 15 March 2023
- Approval of the components of the total compensation and benefits of any kind paid during the financial year ended on 31 December 2023 or allocated in respect of this same financial year to François-Melchior de POLIGNAC, in his capacity as Deputy Chief Executive Officer for the period from 25 January 2023 to 15 March 2023
- Approval of the components of the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or granted in respect of said financial year to François-Melchior de POLIGNAC, in his capacity as Chief Executive Officer from 15 March 2023
- Approval of the components of the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or awarded in respect of said financial year to Thierry FALQUE-PIERROTIN, in his capacity as Chairperson of the Board of Directors for the period from 1 January 2023 to 30 May 2023
- Approval of the components of the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or awarded in respect of said financial year to Françoise GRI, in her capacity as Chairperson of the Board of Directors from 30 May 2023
- Approval of the compensation policy for François-Melchior de POLIGNAC, Chief Executive Officer
- Approval of the compensation policy for Françoise GRI, Chairperson of the Board of Directors
- Approval of the total annual amount to be allocated to the members of the Board of Directors for the 2024 financial year
- Approval of the compensation policy for members of the Board of Directors
- Authorisation to be granted to the Board of Directors to purchase Company shares

8.1.2 AGENDA FOR THE EXTRAORDINARY GENERAL MEETING

- Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing shares and/or securities convertible into shares of the Company and/or securities entitling holders to the allocation of debt securities through a public offering, with the exception of that referred to in Article L. 411-2 1° of the French Monetary and Financial Code, with cancellation of preferential subscription rights
- Delegation of authority to the Board of Directors to increase the share capital by issuing shares and/or securities convertible into shares of the Company and/or securities entitling holders to the allocation of debt securities through a public offering with preferential subscription rights
- Delegation of authority to be granted to the Board of Directors to decide to increase the share capital by issuing shares and/or securities convertible into shares of the Company, and/or securities giving entitlement to the allocation of debt securities in the context of an offering referred to in II of Article L. 411-2 of the French Monetary and Financial Code, with the cancellation of preferential subscription rights
- Authorisation to be given to the Board of Directors to set the issue price of ordinary shares and/or securities convertible into shares of the Company under certain conditions, up to a limit of 10% of the share capital per year, within the framework of share capital increases through the issue of shares without preferential subscription rights
- Delegation of authority to be granted to the Board of Directors to increase the number of shares to be issued in the event of a capital increase with or without preferential subscription rights, within the framework of the provisions of Article L. 225-135-1 of the French Commercial Code
- Delegation of authority to the Board of Directors to increase the share capital by issuing shares and/or securities convertible into shares of the Company with the cancellation of preferential subscription rights in consideration for contributions in kind made to the Company and consisting of shares or convertible into shares of the Company, outside public exchange offers
- Authorisation to be granted to the Board of Directors to increase the share capital by incorporation of reserves, profits, premiums or other
- Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing shares and/or securities convertible into shares of the Company, reserved for members of a company savings plan without preferential subscription rights
- Overall limit for authorisations to issue shares with and without preferential subscription rights
- Authorisation to be granted to the Board of Directors to reduce the share capital by cancelling shares held by the Company following the buyback of its own shares
- Powers for formalities

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8.2 Presentation of the resolutions put forward by the Board of Directors

8.2.1 ORDINARY GENERAL MEETING

8.2.1.1 Approval of the annual and consolidated financial statements

1st and 2nd ordinary resolutions

The purpose of the 1st and 2nd resolutions is to approve the annual and consolidated financial statements for the financial year ended 31 December 2023.

The annual financial statements for the past financial year show a net profit of EUR 106,237,145.28, compared to a net profit of EUR 15,155,680.73 the previous financial year.

The Group's consolidated financial statements show a net profit for the period of EUR 8,8 million, compared to a net profit of EUR 34.2 million in 2022.

The non-deductible expenses for the financial year amounted to EUR 42,964. These expenses correspond to the rent and depreciation of the Company's fleet of company cars, and generated tax of EUR 11,095.

The annual and consolidated financial statements for the financial year ended 31 December 2023, as well as the Statutory Auditors' reports, are presented in Chapters 5 and 6 of this Universal Registration Document.

8.2.1.2 Proposed appropriation of the net profit

3rd ordinary resolution

The purpose of the 3rd resolution is to appropriate the net profit for the financial year ended 31 December 2023.

The net profit for the financial year ended amounted to EUR 106,237,145.28.

At its meeting of 11 March 2024, the Board of Directors decided to propose the payment of a dividend of EUR 0.06 per share. This proposal is in line with the Company's dividend distribution policy (between 30% and 40% of consolidated income).

The dividend would be paid on 5 July 2024 (coupon detached 3 July 2024).

Previous distributions were as follows:

- a dividend of EUR 12,169,460.10, or 40,564,867 shares receiving a dividend of EUR 0.30 per share for the 2022 financial year;
- a dividend of EUR 24,883,041.70, or 45,241,894 shares receiving a dividend of EUR 0.55 per share for the 2021 financial year;
- a dividend of EUR 13,509,001.80, or 45,030,006 shares receiving a dividend of EUR 0.30 per share for the 2020 financial year.

8.2.1.3 Ratification of the change in registered office

4th ordinary resolution

At its meeting of 6 December 2023, the Board of Directors decided to transfer the Company's registered office from "Le Portereau, 44120 Vertou" to "8 rue Marie Curie, 44120 Vertou" with effect from 1 February 2024.

In accordance with the provisions of Article 4 of the bylaws, the purpose of the 4th resolution is to ratify this transfer of the registered office.

8.2.1.4 Regulated agreements

5th and 6th ordinary resolutions

The purpose of resolutions 5 and 6, after reading the Statutory Auditors' special report on regulated agreements pursuant to Article L. 225-38 of the French Commercial Code, is to approve the regulated agreements approved by the Board of Directors during the 2023 financial year.

The Report by the Statutory Auditor on regulated agreements can be found in Section 4.3.2 of Chapter 4 of this Universal Registration Document.

- **5th resolution:** shareholders are asked to approve the amendment to the governance agreement of 3 May 2022 between the Company and Majorelle Investments.

  Under the terms of the amendment, the Company undertakes to appoint an additional Majorelle representative to the Board of Directors and Majorelle reiterates its commitments made in the governance agreement of 3 May 2022.

  Majorelle holds more than 10% of the Company's share capital and voting rights. This amendment thus constitutes a regulated agreement within the meaning of Article L. 225-38 of the French Commercial Code. As such, it was authorised by the Board at its Meeting of 30 May 2023, and is included in the Statutory Auditors' special report.
- **6th resolution:** shareholders are asked to approve the amendment to the governance agreement of 3 May 2022 between the Company and Teleios Capital Partners.

  Under the terms of the agreement, the Company undertakes to appoint an additional Teleios representative to the Board of Directors and Teleios reiterates its commitments made in the governance agreement of 3 May 2022.

  Teleios holds more than 10% of the Company's share capital and voting rights. This amendment thus constitutes a regulated agreement within the meaning of Article L. 225-38 of the French Commercial Code. As such, it was authorised by the Board at its Meeting of 30 May 2023, and is included in the Statutory Auditors' special report.

8.2.1.5 Changes in the composition of the Board of Directors

7th ordinary resolution

The directorship of Michel-Alain PROCH expires on the date of the Annual General Meeting. The latter informed the Board that he was not requesting the renewal of his mandate due to the assumption of his new position in the United Kingdom.

On the proposal of the Nomination and Compensation Committee, the Board of Directors proposes to the Annual General Meeting the appointment of Michel SIRAT as director for a period of four years.

He would bring significant expertise, particularly in financial and accounting matters as well as in the field of strategy and logistics. The detailed biography of Michel SIRAT appears in Section 4.1.1.12 of Chapter 4 of this Universal Registration Document.

Subject to his election by the Annual General Meeting, he will be appointed Chairperson of the Audit Committee and member of the Nomination and Compensation Committee.

The Board of Directors, on the recommendations of the Nomination and Compensation Committee, qualified Michel SIRAT as independent within the meaning of the AFEP-MEDEF Code. In particular, the Board reviewed the business relations between Maisons du Monde and the CMA-CGM Group, where Michel SIRAT holds a term of office as director. Although the overall revenue generated in 2023 with the CMA-CGM Group represented approximately 1% of Maisons du Monde's consolidated revenue, the Board noted that there is no economic dependency between the two groups, nor any exclusive link in the sectors concerned by the purpose of the business relationship between the two groups. In addition, the Committee noted that the business relationship occurs in the normal course of business of the two companies and that Michel SIRAT, subject to the approval of the Annual General Meeting, would not exercise any operational function in these two groups, either in his capacity as director or Chairperson of the Audit Committee for Maisons du Monde, or as a director for CMA-CGM, and as such will not interfere in their business relationship. In particular, he will not hold any decision-making power over the contracts constituting the business relationship of the two parties.

However, the Committee specifies that if the Board of Directors is required to discuss the business relationship between Maisons du Monde and the CMA-CGM Group, Michel SIRAT must abstain from taking part in these discussions and the vote on the deliberations. For practical purposes, it is recalled that this abstention rule applies to all directors on matters where there is a potential conflict of interest.

8.2.1.6 Appointment of Statutory Auditor in charge of certifying sustainability information

8th ordinary resolution

The order of 6 December 2023 transposes the European Corporate Sustainability Reporting Directive (CSRD) on non-financial reporting into French law. This regulation, in force from 1st January 2024, aims to promote the sustainable development of companies while standardising information relating to social, environmental and governance aspects.

From 2025, the Board of Directors will have to present detailed social, environmental and governance information for 2024 in a Sustainability Report published in the Management Report.

This Sustainability Report will replace the Non-Financial Performance Statement, which constitutes Chapter 3 of this Universal Registration Document.

In accordance with the aforementioned new legislative provisions, this report will be subject to certification by a Statutory Auditor. Also, in accordance with Articles L. 822-17 and L. 822-18 of the French Commercial Code, the Board proposes the appointment of KPMG S.A. as Statutory Auditor responsible for certifying sustainability information for the duration of its remaining term of office, in respect of its mission to certify the financial statements, *i.e.* until the end of the Annual General Meeting called in 2026 to approve the financial statements for the year ended 31 December 2025.

8.2.1.7 Compensation of executive officers

9th to 18th ordinary resolutions

In accordance with the provisions of Articles L. 22-10-34 I and II of the French Commercial Code, the purpose of resolutions 9 to 18 is to submit for the approval of the shareholders the information relating to the compensation of executive officers referred to in Article L. 22-10-9 I of the French Commercial Code, and presented in the report on corporate governance.

The Company's compensation policy is set out in Section 4.2.1 of Chapter 4 of this Universal Registration Document.

The standardised presentation of the compensation of executive officers is provided in Section 4.2.3.

Details of the compensation of executive officers are set out in Chapter 4 of this Universal Registration Document (Sections 4.2.2.1 to 4.2.2.3).

- **9th resolution:** pursuant to Article L. 22-10-9 II of the French Commercial Code, you are asked to approve the information relating to the fixed, variable and exceptional compensation and benefits of any kind paid or awarded to all corporate officers, including the Chief Executive Officer, as well as corporate officers whose terms of office have expired and those newly appointed during the past financial year.

  If the Annual General Meeting does not approve this resolution, the payment of compensation to executive officers for the current fiscal year will be suspended until a revised compensation policy is approved at the next Annual General Meeting taking into account the shareholders' vote.
- **10th to 14th resolutions:** pursuant to Article L. 22-10-9 II of the French Commercial Code, you are asked to approve the components of the total compensation (fixed, variable and exceptional components) and the benefits of any kind paid during the 2023 financial year to the executive corporate officers, namely:
  - Julie WALBAUM, Chief Executive Officer for the period from 1 January 2023 to 15 March 2023 (resolution 10);
  - François-Melchior de POLIGNAC, Deputy Chief Executive Officer from 25 January 2023 to 15 March 2023 (resolution 11);
  - François-Melchior de POLIGNAC, Chief Executive Officer for the period since 15 March 2023 (resolution 12);
  - Thierry FALQUE-PIERROTIN, Chairperson of the Board of Directors for the period from 1 January 2023 to 30 May 2023 (resolution 13);
  - Françoise GRI, Chairperson of the Board of Directors since 30 May 2023 (resolution 14).

  These components are in line with the compensation policy approved by the Annual General Meeting of 29 June 2023, and are described in Sections 4.2.2.1 and 4.2.2.2 of Chapter 4.

  It is specified that the payment of the variable compensation of the Chief Executive Officers in respect of the 2023 financial year is subject to the approval of the Annual General Meeting of 21 June 2024.
- **15th resolution:** pursuant to Article L. 22-10-34 II of the French Commercial Code, you are asked to approve the compensation policy for the Chief Executive Officer (fixed, variable and exceptional components) for the 2024 financial year.

  The components of the compensation policy for the Chief Executive Officer were approved by the Board of Directors on the recommendation of the Nomination and Compensation Committee. All of these components are described in detail in Section 4.2.2.1 of Chapter 4 of this Universal Registration Document.
- **16th resolution:** in accordance with Article L. 22-10-9 II of the French Commercial Code, you are asked to approve the compensation policy applicable to the Chairperson of the Board of Directors.

  The components of the compensation policy for the Chairperson of the Board of Directors were approved by the Board of Directors on the recommendation of the Nomination and Compensation Committee. All of these components are described in detail in Section 4.2.2.2 of Chapter 4 of this Universal Registration Document.
- **17th and 18th resolutions:** resolutions 17 and 18 concern the compensation policy applicable to the executive officers (excluding the Chief Executive Officer) for the current financial year. You are therefore asked to approve under the terms of the 17th resolution a global budget attributable to all corporate officers. The Board proposes that the total amount of compensation allocated to directors remain at EUR 800,000. The 18th resolution sets out the terms and conditions for the distribution of the directors' compensation, including the compensation of the Chairperson of the Board of Directors.

  These components are set out in Section 4.2.2.1 to 4.2.2.3 of Chapter 4 of this Universal Registration Document.

8.2.1.8 Repurchase by the Company of its own shares

19th ordinary resolution

As part of the 19th resolution, the Board of Directors submits to the Annual General Meeting for approval the authorisation to trade in the Company's shares as part of a treasury share buyback programme, under the following main conditions:

- transactions may be carried out at any time except in the event of a public offering of the Company's shares;
- the proposed maximum unit purchase price is EUR 20;
- the maximum amount of the acquisitions net of costs may not exceed the sum of EUR 79 million;
- the maximum share that the Company may hold under this programme will be 3,918,928 shares, or 10% of the share capital (as of 31 December 2023);
- objectives of the programme: any allocation authorised within the legal framework and in particular the coverage of free performance share plans or buybacks for cancellation;
- duration of the programme: 18 months.

The description of the treasury share buyback programme can be found in Section 7.3.4 of Chapter 7 of this Universal Registration Document.

8.2.2 EXTRAORDINARY GENERAL MEETING

8.2.2.1 Delegations of authority to be granted to the Board of Directors

The purpose of Resolutions 20 to 28 is to grant the Board authorisations and delegations of authority to trade in the share capital; the authorisations granted would have the effect of cancelling those granted at the Annual General Meeting of 31 May 2022.

20th extraordinary resolution

The purpose of the 20th resolution is to allow the Board of Directors to issue Company shares or securities convertible into shares in the Company or other companies, by way of a public offering, with the exception of those intended exclusively for qualified investors and/or a limited circle of investors referred to in Article L 411-2, 1° of the French Monetary and Financial Code. Shareholders' preferential subscription rights would be waived.

This delegation would be suspended during a public offering, except with the prior authorisation of the Annual General Meeting.

The issue price of the securities would be set in such a way that the Company would receive, for each share issued, an amount at least equal to the minimum provided for by the regulations in force on the date of issue, *i.e.* currently an amount equal to the weighted average of the prices of the last three trading sessions on the regulated market of Euronext Paris preceding the start of the offering, less a 10% discount.

The ceilings for the delegation would be:

- Maximum nominal amount of capital increases: EUR 12.6 million in nominal value, *i.e.* less than 10% of the share capital at 31 December 2023;
- Maximum nominal amount of debt securities: EUR 190 million.

The transactions will be deducted from the ceilings provided for in the 28th resolution.

The duration of the delegation would be twenty-six months. It would invalidate the delegation granted to the Board of Directors under the 19th resolution adopted by the Annual General Meeting of 31 May 2022.

21st extraordinary resolution

Under the 21st resolution, the Board of Directors proposes that you authorise it to issue, with preferential subscription rights for shareholders, Company shares or securities convertible into shares of the Company or of other companies.

This delegation would be suspended during a public offering, except with the prior authorisation of the Annual General Meeting.

The ceilings for the delegation would be:

- Share capital increase: EUR 63 million in nominal value, *i.e.* less than 50% of the share capital at 31 December 2023;
- Debt securities: EUR 500 million.

The transactions will be deducted from the ceilings provided for in the 28th resolution.

The duration of the delegation would be twenty-six months. It would invalidate the delegation granted to the Board of Directors under the 20th resolution adopted by the Annual General Meeting of 31 May 2022.

22nd extraordinary resolution

The 22nd resolution would allow the Board of Directors to issue Company shares or securities convertible into shares of the Company or of other companies, through offers referred to in Article L. 411-2 10 of the French Financial and Monetary Code (private placements made with qualified investors or a limited circle of investors provided that these investors are acting on their own behalf).

This delegation would be suspended during a public offering, except with the prior authorisation of the Annual General Meeting.

The issue price of the securities would be set in such a way that the Company would receive, for each share issued, an amount at least equal to the minimum provided for by the regulations in force on the date of issue, *i.e.* currently an amount equal to the weighted average of the prices of the last three trading sessions on the regulated market of Euronext Paris preceding the start of the offering, less a 10% discount.

The ceilings for the delegation would be:

- Share capital increase: EUR 12.6 million in nominal value, *i.e.* less than 10% of the share capital at 31 December 2023;
- Debt securities: EUR 190 million.

The transactions will be deducted from the ceilings provided for in the 28th resolution.

The duration of the delegation would be twenty-six months. It would invalidate the delegation granted to the Board of Directors under the 21st resolution adopted by the Annual General Meeting of 31 May 2022.

23rd extraordinary resolution

The 23rd resolution would allow the Board of Directors to waive, in the event of the issue of ordinary shares and/or securities convertible into shares of the Company pursuant to the 20th and 22nd resolutions, within the limit of 10% of the share capital per year, under the conditions for setting the issue price of the shares defined in said resolutions, applying a discount of up to 5% to the weighted average share price of the last three trading sessions on the regulated market of Euronext Paris prior to the date on which the subscription price for the capital increase is set.

The duration of the delegation would be twenty-six months. It would invalidate the delegation granted to the Board of Directors under the 22nd resolution adopted by the Annual General Meeting of 31 May 2022.

24th extraordinary resolution

The purpose of the 24th resolution is to authorise the Board of Directors, in the context of capital increases carried out with or without preferential subscription rights (20th to 22nd resolutions), to increase the initial amount of the issues, in the event of excess requests.

The price would be the same as that used for the initial issue.

This authorisation would be suspended during a public offering, without the prior authorisation of the Annual General Meeting.

The ceiling of the delegation is 15% of the initial issue.

The transactions will be deducted from the ceilings provided for in the 28th resolution.

The duration of the delegation is twenty-six months. It would invalidate the delegation granted to the Board of Directors under the 23rd resolution adopted by the Annual General Meeting of 31 May 2022.

25th extraordinary resolution

The 25th resolution would allow the Board of Directors to issue shares or securities convertible into shares of the Company in consideration for contributions in kind granted to the Company and consisting of equity securities or securities convertible into shares of the Company. This option may prove necessary in order for the Company to pursue its development strategy.

This authorisation would be suspended during a public offering, without the prior authorisation of the Annual General Meeting.

The ceilings for the delegation would be:

- Share capital increase: EUR 12.6 million, *i.e.* less than 10% of the share capital at 31 December 2023;
- Debt securities: EUR 190 million.

The transactions will be deducted from the ceilings provided for in the 28th resolution.

The duration of the delegation would be twenty-six months. It would invalidate the delegation granted to the Board of Directors under the 24th resolution adopted by the Annual General Meeting of 31 May 2022.

26th extraordinary resolution

The 26th resolution would allow the Board of Directors to increase the share capital by incorporation of reserves, profits, premiums or other amounts that may be capitalised.

This authorisation would be suspended during a public offering, without the prior authorisation of the Annual General Meeting.

The ceiling of the capital increase delegation would be 10% of the share capital at 31 December 2023.

The duration of the delegation would be twenty-six months. It would invalidate the delegation granted to the Board of Directors under the 25th resolution adopted by the Annual General Meeting of 31 May 2022.

27th extraordinary resolution

Under the 27th resolution, the Board of Directors proposes that you authorise it to increase the share capital or to sell treasury shares for the benefit of the members of a company savings plan provided by the Company and related companies. You are asked to cancel shareholders' preferential subscription rights to the shares and securities convertible into shares of the Company that may be issued under this authorisation.

The subscription price of the shares will be at least equal to 70% of the weighted average price of the Company's share on the regulated market of Euronext in Paris during the 20 trading days preceding the date of the decision setting the opening date for the subscription period, or to 60% when the period of unavailability of the plan is greater than or equal to 10 years. However, if it deems it appropriate, the Board may decide to reduce or eliminate the discount thus granted in order to take into account any applicable legal, regulatory or tax provisions under foreign law. The Board of Directors may also decide to allocate free shares or other securities convertible into shares of the Company, it being understood that the total benefit resulting from this allocation and, where applicable, from the matching contribution and the discount on the subscription price may not exceed legal or regulatory limits.

The ceiling would be 2% of the share capital on the day of the Meeting, excluding adjustments.

The transactions will be deducted from the ceilings provided for in the 28th resolution.

The duration of the delegation would be twenty-six months. It would invalidate the delegation granted to the Board of Directors under the 26th resolution adopted by the Annual General Meeting of 31 May 2022.

28th extraordinary resolution

The purpose of the 28th resolution is to limit the total amount of equity securities or debt securities that may be issued on the basis of the 20th to 27th resolutions, with the exception of the 26th resolution on the capital increase by incorporation of reserves, profits, premiums or other.

Authorisation ceilings are:

- Overall ceiling on capital increases: EUR 63 million, *i.e.* less than 50% of the share capital at 31 December 2023;
- Overall ceiling for capital increases without preferential subscription rights: EUR 12.6 million, *i.e.* less than 10% of the share capital at 31 December 2023;
- Overall ceiling on debt securities issues: EUR 63 million.

8.2.2.2 Capital reduction by cancelling shares

29th extraordinary resolution

Authorisation to be granted to the Board of Directors to reduce the share capital by cancelling shares held by the Company following the buyback of its own shares

We propose, under the 29th resolution, that you authorise and grant full powers to the Board of Directors, for a period of 26 months, to:

- cancel, within the limit of 10% of the share capital per 24-month period, all or part of the treasury shares held as part of the treasury share buyback programme authorised by the 19th resolution;
- allocate the difference between the repurchase price of the cancelled shares and their par value to the premiums and available reserves;
- carry out and record capital reduction operations, carry out all acts and formalities for this purpose, and amend the bylaws accordingly.

8.2.2.3 Powers

30th extraordinary resolution

The 30th and last resolution submitted to your vote, is customary and enables all formalities required by law to be carried out at the end of the Annual General Meeting.

8.3 Text of the draft resolutions

8.3.1 RESOLUTIONS WITHIN THE REMIT OF THE ORDINARY GENERAL MEETING

1st resolution Approval of the annual financial statements for the financial year ended 31 December 2023

The Annual General Meeting, acting in accordance with the *quorum* and majority requirements for Ordinary General Meetings, after having read the Board of Directors' Management Report and the Report by the Statutory Auditor, approves in their entirety the Company's annual financial statements for the financial year ended 31 December 2023, as presented to it, and which show a net profit for the period of EUR 106,237,145.28, as well as the transactions reflected in these financial statements and summarised in these reports.

Pursuant to Article 223 *quater* of the French General Tax Code, the Annual General Meeting approves the amount of the non-tax-deductible expenses and charges referred to in Article 39-4 of the said Code, which amounted to EUR 42,964 for the financial year ended 31 December 2023, as well as the amount of corporate tax incurred as a result of these expenses and charges, which stood at EUR 11,095.

2nd resolution Approval of the consolidated financial statements for the financial year ended 31 December 2023

The Annual General Meeting, acting in accordance with the *quorum* and majority requirements for Ordinary General Meetings, after having read the Board of Directors' Management Report and the Report of the Statutory Auditor report, approves in their entirety the Company's consolidated financial statements for the financial year ended 31 December 2023, as presented to it, as well as the transactions reflected in these financial statements and summarised in these reports.

3rd resolution Appropriation of the net profit for the financial year ended 31 December 2023

The Annual General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, on the proposal of the Board of Directors, resolves to allocate the net profit for the financial year ended 31 December 2023 as follows:

Net profit for the financial year	**EUR 106,237,145.28**
Allocation to the legal reserve	EUR 3,414,848.90
Previous retained earnings	EUR 47,560,237.89
TOTAL DISTRIBUTABLE AMOUNT	EUR 150,382,534.27
Payment of a dividend of EUR 0.06 per share to shareholders	EUR 2,314,690.74
Retained earnings	EUR 148,067,843.53
TOTAL AMOUNT ALLOCATED	**EUR 150,382,534.27**

The Annual General Meeting resolves that the ex-dividend date will be 3 July 2024 and that the dividend will be paid on 5 July 2024.

It is specified that the Company will not receive a dividend in respect of the treasury shares it holds on the ex-dividend date, that the amounts corresponding to the unpaid dividends related to such treasury shares will be allocated to "retained earnings" and that the overall dividend amount will be adjusted accordingly.

The Annual General Meeting notes that the shareholders have been informed of the following procedures:

- pursuant to the provisions of Article 200 A of the French General Tax Code, dividends received by individuals who are tax residents of France are subject to a single flat tax (PFU or flat tax) on the gross dividend amount at a fixed rate of 12.8% in respect of income tax, to which is added 17.2% in social security contributions, *i.e.* an overall taxation rate of 30%;
- by way of derogation, the taxation of the dividend according to the progressive income tax scale remains possible, at the express, total and irrevocable option of the beneficiary resident for tax purposes in France, which must be indicated on his or her tax return and prior to the expiry of the tax return deadline, to which is added 17.2% in social security contributions;
- in accordance with the provisions of Article 117 *quater* of the French General Tax Code, and irrespective of the income tax method, these dividends are subject to a compulsory non-discharging flat-rate deduction at source, the rate of which is aligned with that of the PFU, *i.e.* 12.8%, and which constitutes an advance payment chargeable

against the income tax due by taxpayer in respect of the year during which it was made (any excess being refundable);

- individuals belonging to a tax household whose reference tax income for the penultimate year, as defined in 1° of IV of Article 1417 of the French General Tax Code, is less than EUR 50,000 (for single, divorced or widowed taxpayers) or EUR 75,000 (for taxpayers subject to joint taxation), may request an exemption from the non-discharging flat-rate deduction at source; where applicable, the request for exemption must, in accordance with Article 242 *quater* of the French General Tax Code, be made by the taxpayer, on his/her responsibility, no later than 30 November of the year preceding the year in which the dividend is paid, by providing the paying institution with a sworn statement indicating that their reference tax income on the tax notice prepared for the penultimate year preceding the payment of the dividend is below the aforementioned thresholds (depending on the marital status of the taxpayer);
- French resident taxpayers whose reference tax income exceeds certain thresholds are subject to the exceptional contribution on high incomes at a rate, depending on the case, of 3% or 4%, in accordance with the provisions of Article 223 *sexies* of the French General Tax Code;
- it is specified, in accordance with the provisions of paragraph 1 of Article 243 *bis* of the French General Tax Code, that the proposed dividend is fully eligible for the 40% tax allowance under Article 158-3-2° of the French General Tax Code and applicable to individuals who are tax residents of France, subject in particular to the exercise of the option for imposition of the progressive income tax scale.

Shareholders, regardless of their situation, are invited to contact their usual tax advisor.

The Annual General Meeting duly notes, in accordance with the provisions of Article 243 *bis* paragraph 1 of the French General Tax Code, that the Company:

- distributed, in respect of the 2022 financial year, a dividend of EUR 12,169,460.10, or 40,564,867 shares receiving a dividend of EUR 0.30 per share, fully eligible for the 40% rebate mentioned in Article 158-3-2° of the French General Tax Code applicable, under certain conditions, and solely in the event of an option for imposition of the progressive income tax scale;
- distributed, in respect of the 2021 financial year, a dividend of EUR 24,883,041.70, or 45,241,894 shares receiving a dividend of EUR 0.55 per share, fully eligible for the 40% rebate mentioned in Article 158-3-2° of the French General Tax Code applicable, under certain conditions, and solely in the event of an option for imposition of the progressive income tax scale;
- distributed, in respect of the 2020 financial year, a dividend of EUR 13,509,001.80, or 45,030,006 shares receiving a dividend of EUR 0.30 per share, fully eligible for the aforementioned 40% rebate applicable, under certain conditions, and solely in the event of an option for imposition of the progressive income tax scale.

4th resolution – Ratification of the change in registered office

The Annual General Meeting, voting in accordance with the *quorum* and majority requirements for Ordinary General Meetings, having reviewed the Board of Directors' report, resolves to ratify the transfer of the registered office from "Le Portereau, 44120 Vertou" to "8 rue Marie Curie, 44120 Vertou".

5th resolution – Approval of an amendment to the agreement as provided for in Article L. 225-38 of the French Commercial Code entered into with MAJORELLE INVESTMENTS

The Annual General Meeting, ruling in accordance with the *quorum* and majority requirements for Ordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report on the agreements referred to in Article L. 225-38 of the French Commercial Code, and voting on the basis of this report, approves the amendment to the agreement authorised by the Board of Directors and entered into with MAJORELLE INVESTMENTS during the 2023 financial year, as referred to in this special report.

This resolution is submitted to a vote in which the shareholder concerned does not participate, its shares being excluded from the calculation of the majority.

6th resolution – Approval of an amendment to the agreement as provided for in Article L. 225-38 of the French Commercial Code entered into with TELEIOS CAPITAL PARTNERS

The Annual General Meeting, ruling in accordance with the quorum and majority requirements for Ordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report on the agreements referred to in Article L. 225-38 of the French Commercial Code, and voting on the basis of this report, approves the amendment to the agreement authorised by the Board of Directors and entered into with TELEIOS CAPITAL PARTNERS during the 2023 financial year, as referred to in this special report.

This resolution is submitted to a vote in which the shareholder concerned does not participate, its shares being excluded from the calculation of the majority.

7th resolution — Appointment of Michel SIRAT as a new director

The Annual General Meeting, voting in accordance with the *quorum* and majority requirements for Ordinary General Meetings, having reviewed the Board of Directors' report, resolves to appoint Michel SIRAT as a new director for a term of four (4) years. The term of office of Michel SIRAT will expire at the end of the Annual General Meeting called to approve the financial statements for the financial year ending on 31 December 2027.

8th resolution — Appointment of KPMG S.A. as Statutory Auditor in charge of certifying sustainability information

The Annual General Meeting, voting in accordance with the *quorum* and majority requirements for Ordinary General Meetings, appoints KPMG S.A. as Statutory Auditor in charge of certifying sustainability information for the duration of its remaining term of office, in respect of its mission to certify the financial statements, *i.e.* until the end of the Annual General Meeting called in 2026 to approve the financial statements for the financial year ended 31 December 2025.

KPMG S.A. has indicated in advance that it would accept the appointment that would be entrusted to it and has declared that it meets all the conditions required by law and regulations for the exercise of said appointment.

9th resolution — Approval of the information relating to the compensation of the executive officers mentioned in Article L. 22-10-9 I of the French Commercial Code

The Annual General Meeting, acting in accordance with the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance, approves, pursuant to Article L. 22-10-34 I of the French Commercial Code, the information mentioned in I of Article L. 22-10-9 of the same Code appearing in the Board of Directors' report on corporate governance (as presented in Section 4.2.1 of the Company's 2023 Universal Registration Document).

10th resolution — Approval of the components of the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or awarded in respect of said financial year to Julie WALBAUM, in her capacity as Chief Executive Officer for the period from 1 January 2023 to 15 March 2023

The Annual General Meeting, acting in accordance with the quorum and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components making up the total compensation and benefits of any kind paid during the financial year or granted in respect of the 2023 financial year to Julie WALBAUM, Chief Executive Officer for the period from 1 January 2023 to 15 March 2023, appearing in the Board of Directors' report on corporate governance (as presented in Section 4.2.2.1 of the Company's 2023 Universal Registration Document).

11th resolution — Approval of the components of the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or awarded in respect of said financial year to François-Melchior de POLIGNAC, in his capacity as Deputy Chief Executive Officer for the period from 25 January 2023 to 15 March 2023

The Annual General Meeting, acting in accordance with the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components making up the total compensation and benefits of any kind paid during the financial year or granted in respect of the 2023 financial year to François-Melchior de POLIGNAC, Deputy Chief Executive Officer for the period from 25 January 2023 to 15 March 2023, appearing in the Board of Directors' report on corporate governance (as presented in Section 4.2.2.1 of the Company's 2023 Universal Registration Document).

12th resolution Approval of the components of the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or awarded in respect of said financial year to François-Melchior de POLIGNAC, in his capacity as Chief Executive Officer from 15 March 2023

The Annual General Meeting, acting in accordance with the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components making up the total compensation and benefits of any kind paid during the financial year or granted in respect of the 2023 financial year to François-Melchior de POLIGNAC, Chief Executive Officer from 15 March 2023, appearing in the Board of Directors' report on corporate governance (as presented in Section 4.2.2.1 of the Company's 2023 Universal Registration Document).

13th resolution Approval of the components of the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or awarded in respect of said financial year to Thierry FALQUE-PIERROTIN, in his capacity as Chairperson of the Board of Directors for the period from 1 January 2023 to 30 May 2023

The Annual General Meeting, acting in accordance with the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components making up the total compensation and benefits of any kind paid during the financial year or granted in respect of the 2023 financial year to Thierry FALQUE-PIERROTIN, Chairperson of the Board of Directors for the period from 1 January 2023 to 30 May 2023, appearing in the Board of Directors' report on corporate governance (as presented in Section 4.2.2.2 of the Company's 2023 Universal Registration Document).

14th resolution Approval of the components of the total compensation and benefits of any kind paid during the financial year ended 31 December 2023 or awarded in respect of said financial year to Françoise GRI, in her capacity as Chairperson of the Board of Directors from 30 May 2023

The Annual General Meeting, acting in accordance with the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed, variable and exceptional components making up the total compensation and benefits of any kind paid during the financial year or granted in respect of the 2023 financial year to Françoise GRI, Chairperson of the Board of Directors from 30 May 2023, appearing in the Board of Directors' report on corporate governance (as presented in Section 4.2.2.2 of the Company's 2023 Universal Registration Document).

15th resolution Approval of the compensation policy for François-Melchior de POLIGNAC, Chief Executive Officer

The Annual General Meeting, acting in accordance with the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the components of the compensation policy applicable to François-Melchior de POLIGNAC, Chief Executive Officer, appearing in the Board of Directors' report on corporate governance (as presented in Section 4.2.2.1 of the Company's 2023 Universal Registration Document).

16th resolution Approval of the compensation policy for Françoise GRI, Chairperson of the Board of Directors

The Annual General Meeting, acting in accordance with the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the components of the compensation policy applicable to the Chairperson of the Board of Directors, appearing in the Board of Directors' report on corporate governance (as presented in Section 4.2.2.2 of the Company's 2023 Universal Registration Document).

17th resolution Approval of the total annual amount to be allocated to the members of the Board of Directors for the 2024 financial year

The Annual General Meeting, acting in accordance with the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report, sets, in accordance with Article L. 225-45 of the French Commercial Code, for the current financial year the maximum amount to be distributed among the members of the Board of Directors at EUR 800,000.

18th resolution Approval of the compensation policy for members of the Board of Directors

The Annual General Meeting, acting in accordance with the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' report on corporate governance, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the components of the compensation policy applicable to the members of the Board of Directors, appearing in the Board of Directors' report on corporate governance (as presented in Section 4.2.2.2 of the Company's 2023 Universal Registration Document).

19th resolution Approval to be granted to the Board of Directors to purchase Company shares

The Annual General Meeting, acting in accordance with the *quorum* and majority conditions required for Ordinary General Meetings, having reviewed the Board of Directors' Management Report and the description of the share buyback programme prepared in accordance with the provisions of Article 241-2 of the General Regulations of the *Autorité des marchés financiers* (the "AMF") (as presented in Section 7.3.4 of the Company's 2023 Universal Registration Document):

1. authorises the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, in accordance with the provisions of Articles L. 22-10-62 *et seq.* of the French Commercial Code, and of Regulation (EU) No. 596/2014 of 16 April 2014 of the European Parliament and Council, to allow the Company to purchase, on one or more occasions and at the times that it may determine, a number of Company shares that may not exceed 10% of the total number of shares comprising the Company's share capital at any time whatsoever (this percentage will be applied to the share capital adjusted on the basis of the capital transactions carried out after this Annual General Meeting, or, for indicative purposes, 3,918,928 shares as of 31 December 2023), with a view to:

- their cancellation, subject to the terms and limits set out in the applicable regulations, or
- holding them for delivery by way of future exchange or payment in connection with acquisitions, in accordance with market practices recognised by applicable regulations, up to a limit of 5% of the number of shares comprising the share capital of the Company, or
- redeeming them following the exercise of rights attached to securities entitling holders by redemption, conversion, exchange, presentation of a warrant or in any other way to the allocation of shares of the Company, or
- implementing stock option plans, or free share allocation plans, or employee shareholding transactions reserved for members of a company savings plan, carried out in accordance with Articles L. 3331-1 *et seq.* of the French Labour Code by the transfer of shares previously acquired by the Company, or providing for the free allocation of such shares by way of a contribution in securities of the Company and/or in substitution for the discount, or shares allocations for the benefit of employees and/or executive corporate officers of the Company and related companies, in accordance with the applicable legal and regulatory provisions, or
- managing the market of the Company's shares under the terms of a liquidity contract entered into with an investment service provider in accordance with market practices approved by the AMF (*Autorité des marchés financiers*), or
- more generally, the completion of any transaction permitted or which would come to be permitted by the law or the regulations in force or by the AMF, it being specified that the acquisitions carried out by the Company may not in any case lead it to hold more than 10% of its share capital;

2. resolves to set the maximum purchase price per share at EUR 20 excluding costs (or the equivalent value of this amount on the same date in any other currency). In view of the number of shares comprising the share capital at 31 December 2023, the total amount of purchases net of costs would not exceed EUR 79 million;

3. resolves that in the event of the filing by a third party of a public offering for the Company's securities, the Board of Directors may not use this delegation of authority during the offer period without the prior authorisation of the Annual General Meeting;

4. resolves that the shares may, in whole or in part, be acquired, assigned, exchanged or transferred, on one or more occasions, by any means, in accordance with the regulations that are applicable or that would become applicable, in any market, including trading systems (MTF) or *via* a systematic internaliser, or over-the-counter, including through the acquisition or disposal of blocks of shares (without limiting the share of the buyback programme that can be realised through this means); these means include the use of any financial contract or forward financial instrument (such as, notably, any forward contract or option), excluding the sale of put options, in accordance with the regulations in force;

5. gives full powers to the Board of Directors, with the possibility to sub-delegate, under the conditions provided for by law, to, in compliance with the relevant legal and regulatory provisions, carry out the authorised reallocations of the shares bought back for the purpose of one of the programme's objectives, or for the purpose of another or several of said programme's objectives, or to sell the shares, on the market or off-market, it being specified that these reallocations and sales may relate to shares purchased under previously authorised programmes. Accordingly the Board of Directors is granted full powers, with the possibility to sub-delegate, under the conditions provided for by law, to decide on and implement this authorisation and to decide on the terms and conditions thereof, under the legal conditions and this resolution, and in particular, to place all stock market orders, enter into all agreements, in particular for the maintenance of stock option registers, adjust the maximum purchase price to take into account the impact of capital transactions on the value of the share (such as a change in the nominal value of the shares, a capital increase through the capitalisation of reserves, allocation of free shares, a division or consolidation of shares, a distribution of reserves or any other assets, redemption of capital, or any other transaction affecting equity), make all declarations to the AMF or any other authority, draw up any information document, fill out any information documents, carry out all formalities, and in general, do whatever is necessary;

6. The Board of Directors must inform, under the conditions established by law, the Ordinary General Meeting of the transactions carried out pursuant to this authorisation;

7. Sets at 18 months, as from the date of this Annual General Meeting, the period of validity of this authorisation, which supersedes, for the unused portion, and replaces that granted under the 23rd resolution of the Annual General Meeting of 29 June 2023.

8.3.2 RESOLUTIONS WITHIN THE REMIT OF THE EXTRAORDINARY GENERAL MEETING

20th resolution — Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing shares and/or securities convertible into shares of the Company, and/or securities entitling holders to the allocation of debt securities by public offering, with the exception of that referred to in Article L. 411-2 1° of the French Financial and Monetary Code, with the cancellation of preferential subscription rights

The Annual General Meeting, ruling under the *quorum* and majority conditions required for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 225-129 *et seq.* of the French Commercial Code, in particular Articles L. 225-129-2, L. 225-135, L. 22-10-49, L. 22-10-51, L. 22-10-52, L. 22-10-54 and L. 225-136, and the provisions of Articles L. 228-91 *et seq.* of the French Commercial Code, after noting that the Company's share capital is fully paid up:

1. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, in accordance with the provisions of Articles L. 225-129 *et seq.*, L. 22-10-49 and L. 228-91 *et seq.* of the French Commercial Code, its authority to decide to increase the Company's share capital, on one or more occasions, in the proportions and at the times that it sees fit, in France or abroad, through a public offering with the exception of that referred to in Article L. 411-2 1° of the French Financial and Monetary Code, by issuing (i) shares (excluding preferred shares) or (ii) securities convertible into shares of the Company (whether new or existing shares, excluding preferred shares), issued against payment or free of charge, either in euros or in any other currency or monetary unit established by reference to several currencies, it being specified that the subscription of shares and other securities may be carried out either in cash, or by offsetting receivables, or partly by incorporation of reserves, profits or premiums or, under the same conditions, to decide on the issue of securities giving access to the Company's existing share capital or entitling holders to the allocation of debt securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code; the public offers decided upon pursuant to this resolution may be combined, as part of the same issue or multiple issues carried out simultaneously, with the offers referred to in Article L. 411-2 1° of the French Financial and Monetary Code;

2. resolves that in the event of the filing by a third party of a public offering for the Company's securities, the Board of Directors may not use this delegation of authority during the offer period without the prior authorisation of the Annual General Meeting;

3. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide on the issue of securities convertible into shares of companies in which it directly or indirectly owns more than half of the capital;

4. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide on the issue of shares or securities convertible into shares of the Company to be issued following the issue, by companies in which the Company directly or indirectly holds more than half of the share capital, of securities convertible into shares of the Company; this decision automatically entails, in favour of the holders of securities that may be issued by Group companies of the Company, the waiver by the shareholders of the Company of their preferential subscription rights to the shares or securities convertible into shares in the Company to which these securities give entitlement;

5. resolves to set the following limits for the amounts of capital increases authorised in the event of use by the Board of Directors of this delegation of authority:

- the maximum nominal amount of capital increases that may be carried out immediately or in the future under this delegation of authority is set at EUR 12,600,000 or the equivalent in any other currency or monetary unit established by reference to several currencies, *i.e.* for informational purposes, approximately 10% of the authorised share capital recorded on 31 December 2023, it being specified that this amount will be deducted from the amounts of the overall ceilings provided for in the 28th resolution hereof or, where applicable, from the amounts of the overall ceilings, which may be provided for by a resolution providing for new overall ceilings (within the meaning of Article L. 225-129-2 of the French Commercial Code) that may succeed said resolution during the period of validity of this delegation of authority,
- to these ceilings will be added, where applicable, the nominal amount of the shares to be issued, in the event of new financial transactions, to preserve, in accordance with the applicable legal and regulatory provisions and, where applicable, the contractual provisions providing for other cases of adjustments, the rights of holders of securities convertible into shares of the Company, share subscription or purchase options or free share allocation rights;

6. resolves in the event of an issue of securities entitling holders to the allocation of debt securities governed by Articles L. 228-91 *et seq.* of the French Commercial Code:

- to set the maximum nominal amount of debt securities that may be issued immediately or in the future under this delegation of authority at EUR 190,000,000 or the equivalent in any other currency or monetary unit established by reference to several currencies on the issue date,
- that this amount will be increased, where applicable, by any redemption premium above par;

7. resolves to cancel the preferential subscription rights of shareholders to the securities covered by this resolution, while leaving to the Board of Directors, pursuant to Article L. 22-10-51 of the French Commercial Code, the option to grant shareholders, for a period and in accordance with the terms and conditions that it shall set in accordance with the applicable legal and regulatory provisions and for all or part of an issue carried out, a priority subscription period not giving rise to the creation of negotiable rights and which must be exercised in proportion to the number of shares held by each shareholder and may be supplemented by a subscription for excess shares, it being specified that the securities not subscribed in this way will be the subject of a public offering in France or abroad;

8. notes that if subscriptions have not absorbed the entire issue of ordinary shares or securities convertible into shares of the Company, the Board of Directors may, at its option, use in the order it determines, the options offered by Article L. 225-134 of the French Commercial Code or only some of them;

9. acknowledges that this delegation of authority automatically entails, in favour of the holders of the securities issued convertible into shares of the Company, the express waiver by the shareholders of their preferential subscription rights to the shares to which the securities will give them the right;

10. notes that, in accordance with the provisions of Article L. 22-10-52 of the French Commercial Code:

- the issue price of the shares issued directly will be at least equal to the minimum provided for by the regulatory provisions applicable on the date of issue (on this day, the weighted average of the share prices during the last three trading sessions on the regulated market of Euronext Paris S.A. prior to the start of the public offering within the meaning of Regulation (EU) No. 2017/1129 of 14 June 2017, less a maximum discount of 10%), after, where applicable, correction of this average in the event of a disparity between the dividend dates,
- the issue price of the securities convertible to shares of the Company and the number of shares to which the conversion, redemption or, more generally, the transformation, of each security convertible into shares of the Company may grant the right, will be such that the amount received immediately by the Company, plus, where applicable, any share that may be received at a later date, *i.e.* for each share issued as a result of the issue of these securities, at least equal to the minimum subscription price defined in the previous paragraph;

11. sets at twenty-six (26) months, from this date, the period of validity of the delegation of authority covered by this resolution, which cancels and replaces, up to the unused portion, the delegation granted in the 19th resolution of the Annual General Meeting of 31 May 2022;

12. resolves that the Board of Directors will have full powers to implement this delegation of authority, in particular to:

- decide on the capital increase and/or determine the securities to be issued,
- decide the amount of the issue, the issue price as well as the amount of the premium that may, where applicable, be requested at the time of issue,
- determine the dates and terms of the issue, and the nature, number and characteristics of the securities to be created,
- decide, in addition, in the case of bonds or other debt securities (including securities entitling holders to the allocation of debt securities referred to in Article L. 228-91 of the French Commercial Code), whether or not they are subordinated (and, where applicable, their ranking of subordination, in accordance with the provisions of Article L. 228-97 of the French Commercial Code), set their interest rate (in particular fixed- or variable-rate interest, or zero-coupon or indexed) and provide, where applicable, for mandatory or optional cases of suspension or non-payment of interest, provide for their term (fixed or indefinite), the possibility of reducing or increasing the nominal value of the securities and the other terms of issue (including the granting of guarantees or security interests) and amortisation (including redemption by supplying Company assets); where applicable, these securities may be accompanied by warrants entitling holders to the allocation, acquisition or subscription of bonds or other debt securities, or provide for the option for the Company to issue debt securities (which may or may not be assimilated) in payment of interest whose payment would have been suspended by the Company, or take the form of complex bonds as defined by the stock market authorities (for example, because of their terms for repayment, compensation or other rights such as indexation, option rights); modify, during the lifetime of the securities concerned, the terms and conditions referred to above, in compliance with the applicable formalities,
- determine the payment method for the shares or securities to be issued immediately or in the future,
- set, where applicable, the terms and conditions for exercising the rights (where applicable, conversion, exchange or redemption rights, including through the delivery of Company assets such as treasury shares or securities already issued by the Company) attached to the shares or securities to be issued and, in particular, to set the date, even retroactive, from which the new shares will bear rights, as well as any other conditions and procedures for carrying out the capital increase where applicable,

- set the terms and conditions under which the Company will have the option to purchase or exchange on the stock market, at any time or during specified periods, the securities issued or to be issued immediately or in the future with a view to cancelling them or not, taking into account the legal provisions,
- provide for the option to suspend the exercise of the rights attached to the securities issued in accordance with the legal and regulatory provisions,
- in the event of an issue of securities in order to remunerate securities contributed as part of a public exchange offer, draw up the list of securities tendered to the exchange, set the conditions of the issue, the exchange parity as well as, where applicable, the amount of the financial compensation to be paid in cash without the terms for determining the price provided for in this resolution being applied and determine the terms of the issue as part of a public exchange offer, an alternative purchase or exchange offer, or a single offer proposing the purchase or exchange of the securities in question for a settlement in securities and cash, either a takeover bid or a principal exchange offer, together with a public exchange offer or a subsidiary takeover bid, or any other form of public offering in accordance with the law, and the regulations applicable to said public offering,
- at its sole initiative, charge the costs of the capital increases to the amount of the related premiums and deduct from this amount the sums necessary to fund the legal reserve,
- make any adjustments to take into account the impact of transactions on the Company's share capital or equity, in particular in the event of a change in the nominal value of the share, a capital increase through the incorporation of reserves, the allocation of free shares, the division or consolidation of securities, the distribution of dividends, reserves or premiums or any other assets, the amortisation of capital, or any other transaction affecting equity or capital (including in the event of a public offering and/or in the event of a change of control), and set any other terms and conditions to ensure, where applicable, the preservation of the rights of holders of securities giving access to the share capital (including by way of cash adjustments),
- ensure, where applicable, the admission of the ordinary shares to be issued for trading on a regulated market or on a multilateral trading facility within the meaning of Regulation No. 596/2014 of 16 April 2014 of the European Parliament and of the Council on market abuse of securities to be issued,
- record, where applicable, the completion of each capital increase and amend the bylaws accordingly,
- in general, enter into any agreement, including signing any guarantee contract, in particular to achieve the successful completion of the envisaged issues, take all measures and carry out all formalities necessary for the issue, listing and financial service of the securities issued under this delegation of authority as well as for the exercise of the rights attached thereto.

21st resolution — Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing shares and/or securities convertible into shares of the Company, and/or securities entitling holders to the allocation of debt securities by public offering with preferential subscription rights

The Annual General Meeting, ruling under the *quorum* and majority conditions for Extraordinary General Meetings, having reviewed the Board of Directors' report and the report of the Statutory Auditor, in accordance with the provisions of Articles L. 225-129-2, L. 225-132, L. 225-134, L. 22-10-49 and the provisions of Articles L. 228-91 *et seq.* of the French Commercial Code,

1. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide to proceed, with preferential subscription rights for holders of shares, with one or more capital increases, through the issue, both in France and abroad, in the proportions and at the times that it sees fit, of Company shares and/or securities giving access by any means, immediately and/or in the future, to shares of the Company, issued against payment or free of charge, either in euros, or in any other currency or monetary unit established by reference to several currencies, the subscription of which may be made either in cash, by offsetting receivables, or partly through the incorporation of reserves, profits or premiums or, under the same conditions, to decide on the issue of securities giving access to the Company's existing share capital;

2. resolves that in the event of the filing by a third party of a public offering for the Company's securities, the Board of Directors may not use this delegation of authority during the offer period without the prior authorisation of the Annual General Meeting;

3. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide on the issue of securities convertible into shares of companies in which it directly or indirectly owns more than half of the capital;

4. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide on the issue of shares or securities convertible into shares of the Company to be issued following the issue, by companies in which the Company directly or indirectly holds more than half of the share capital, of securities convertible into shares of the Company; this decision automatically entails, in favour of the holders of securities that may be issued by Group companies of the Company, the waiver by the shareholders of the Company of their preferential subscription rights to the shares or securities convertible into shares in the Company to which these securities give entitlement;

5. resolves that the total nominal amount of the share capital increases that may be carried out immediately and/or in the future under this delegation may not exceed EUR 63,000,000, or the equivalent in any other currency or established monetary unit by reference to several currencies, *i.e.* for information purposes, approximately 50% of the Company's share capital recorded at 31 December 2023, excluding the nominal value of the shares to be issued to preserve, in accordance with the applicable legal and regulatory provisions and, where applicable, with the contractual stipulations providing for other cases of adjustments, the rights of holders of securities convertible into shares of the Company, stock options or free share allocation rights; it being specified that this amount will be deducted from the amount of the overall ceiling set in the 28th resolution of this Annual General Meeting;

6. resolves that the securities convertible into shares of the Company issued pursuant to this resolution may in particular consist of debt securities or be associated with the issue of such securities, or allow the issue thereof as intermediate securities; they may, in particular, take the form of subordinated or unsubordinated notes, with a fixed or indefinite duration, and be issued either in euros, or in foreign currencies, or in any monetary units established by reference to several currencies, it being specified that the nominal amount of the debt securities thus issued may not exceed EUR 500,000,000 or the equivalent of this amount in a foreign currency. This amount will be increased, where applicable, by any redemption premium above par;

7. resolves that the holders of shares may exercise, under the conditions provided for by law, their preferential subscription rights on an irreducible basis to the shares and securities that may be issued under this resolution and that the Board of Directors may also confer upon holders of shares a preferential subscription right on a reducible basis, which they may exercise in proportion to their subscription rights and, in any event, within the limit of their requests. If subscriptions on an irreducible basis and, where applicable, on a reducible basis, have not absorbed the entire issue of shares or securities, the Board of Directors may, at its option, use, in the order it determines, the options offered by Article L. 225-134 of the French Commercial Code, or only some of them, and in particular the option to offer all or part of the unsubscribed securities to the public;

8. acknowledges that this resolution entails the waiver by the holders of shares of their preferential subscription rights to the shares to which the securities that may be issued on the basis of this delegation may give entitlement;

9. resolves, in the event that the Board of Directors uses this delegation, that it will be responsible for reporting such to the next Ordinary General Meeting, in accordance with applicable laws and regulations;

10. sets at twenty-six (26) months from the date of this Annual General Meeting, the period of validity of the delegation of issuance covered by this delegation, which cancels and replaces, up to the unused portion, the delegation granted in the 20th resolution of the Annual General Meeting of 31 May 2022;

11. grants, in particular and without this list being exhaustive, all powers to the Board of Directors to:

- decide on the capital increase and/or determine the securities to be issued,
- decide the amount of the issue, the issue price as well as the amount of the premium that may, where applicable, be requested at the time of issue,
- determine the dates and terms of the issue, and the nature, number and characteristics of the securities to be created; decide, in addition, in the case of bonds or other debt securities (including securities entitling holders to the allocation of debt securities referred to in Article L. 228-91 of the French Commercial Code), whether or not they are subordinated (and, where applicable, their ranking of subordination, in accordance with the provisions of Article L. 228-97 of the French Commercial Code), set their interest rate (in particular fixed- or variable-rate interest, or zero-coupon or indexed) and provide, where applicable, for mandatory or optional cases of suspension or non-payment of interest, provide for their term (fixed or indefinite), the possibility of reducing or increasing the nominal value of the securities and the other terms of issue (including the granting of guarantees or security interests) and amortisation (including redemption by supplying Company assets); where applicable, these securities may be accompanied by warrants entitling holders to the allocation, acquisition or subscription of bonds or other debt securities, or provide for the option for the Company to issue debt securities (which may or may not be assimilated) in payment of interest whose payment would have been suspended by the Company, or take the form of complex bonds as defined by the stock market authorities (for example, because of their terms for repayment, compensation or other rights such as indexation, option rights); modify, during the lifetime of the securities concerned, the terms and conditions referred to above, in compliance with the applicable formalities,
- determine the payment method for the shares or securities to be issued immediately or in the future,
- set, where applicable, the terms and conditions for exercising the rights (where applicable, conversion, exchange or redemption rights, including by delivery of Company assets such as treasury shares or securities already issued by the Company) attached to the shares or securities to be issued and, in particular, to set the date, even retroactive, from which the new shares will carry dividend rights, as well as any other conditions and procedures for carrying out the capital increase where applicable,
- set the terms and conditions under which the Company will have the option to purchase or exchange on the stock market, at any time or during specified periods, the securities issued or to be issued immediately or in the future with a view to cancelling them or not, taking into account the legal provisions,

- provide for the option to suspend the exercise of the rights attached to the securities issued in accordance with the legal and regulatory provisions,
- at its sole initiative, charge the costs of the capital increases to the amount of the related premiums and deduct from this amount the sums necessary to fund the legal reserve,
- make any adjustments to take into account the impact of transactions on the Company's share capital or equity, in particular in the event of a change in the nominal value of the share, a capital increase through the incorporation of reserves, the allocation of free shares, the division or consolidation of securities, the distribution of dividends, reserves or premiums or any other assets, the amortisation of capital, or any other transaction affecting equity or capital (including in the event of a public offering and/or in the event of a change of control), and set any other terms and conditions to ensure, where applicable, the preservation of the rights of holders of securities giving access to the share capital (including by way of cash adjustments),
- ensure, where applicable, the admission of the ordinary shares to be issued for trading on a regulated market or on a multilateral trading facility within the meaning of Regulation No. 596/2014 of 16 April 2014 of the European Parliament and of the Council on market abuse of securities to be issued, and

in general, enter into any agreement, including signing any guarantee contract, in particular to achieve the successful completion of the envisaged issues, take all measures and carry out all formalities necessary for the issue, listing and financial service of the securities issued under this delegation of authority as well as for the exercise of the rights attached thereto.

22nd resolution — Delegation of authority to be granted to the Board of Directors to decide to increase the share capital by issuing shares and/or securities convertible into shares of the Company, and/or securities giving entitlement to the allocation of debt securities in the context of an offering referred to in Article L. 411-2 1° of the French Monetary and Financial Code, with the cancellation of preferential subscription rights

The Annual General Meeting, ruling under the *quorum* and majority conditions for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' report, in accordance with the provisions of Articles L. 225-129-2, L. 225-134, L. 225-135, L. 225-136, L. 22-10-49, L. 22-10-51, L. 22-10-52 and the provisions of Articles L. 228-91 *et seq.* of the French Commercial Code:

1. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide to proceed with one or more capital increases, with cancellation of the preferential subscription rights for holders of shares, in the proportions and at the times that it sees fit, through the issue, both in France and abroad, in the context of offers referred to in Article L. 411-2 1° of the French Monetary and Financial Code, shares and/or securities giving access by any means, immediately and/or in the future, to shares of the Company with the same characteristics as those described in the 20th resolution, the subscription of which may be made either in cash, by offsetting receivables, or partly through the incorporation of reserves, profits or premiums or, under the same conditions, to decide on the issue of securities giving access to the Company's existing share capital; the offers decided upon pursuant to this resolution in accordance with the provisions of Article L. 411-2 1° of the French Monetary and Financial Code may be combined, in the context of the same issue or several issues carried out simultaneously, with public offerings (with the exception of those referred to in Article L. 411-2 1° of the French Monetary and Financial Code) with cancellation of preferential subscription rights;

2. resolves that in the event of the filing by a third party of a public offering for the Company's securities, the Board of Directors may not use this delegation of authority during the offer period without the prior authorisation of the Annual General Meeting;

3. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide on the issue of securities convertible into shares of companies in which it directly or indirectly owns more than half of the capital;

4. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide on the issue of shares or securities convertible into shares of the Company to be issued following the issue, by companies in which the Company directly or indirectly holds more than half of the share capital, of securities convertible into shares of the Company; this decision automatically entails, in favour of the holders of securities that may be issued by Group companies of the Company, the waiver by the shareholders of the Company of their preferential subscription rights to the shares or securities convertible into shares in the Company to which these securities give entitlement;

5. resolves that:

- the total nominal amount of the share capital increases that may be carried out immediately and/or in the future under this delegation may not exceed EUR 12,600,000 or the equivalent in any other currency or established monetary unit by reference to several currencies, *i.e.* for information purposes, approximately 10% of the authorised share capital recorded on 31 December 2023, it being specified that this amount will be deducted from the overall ceilings provided for in the 28th resolution or, where applicable, from the amounts of the ceilings which may be provided for by a resolution of the same nature that may succeed said resolution during the period of validity of this delegation; it being specified that it is set without taking into account the nominal value of the shares to be issued in order to preserve, in accordance with the applicable legal and regulatory provisions and, where applicable, with the contractual provisions providing for other cases of adjustments, the rights for holders of securities convertible into shares of the Company, stock options or free share allocation rights,
- the nominal amount of the debt securities that may be issued under this delegation may not exceed EUR 190,000,000 or the equivalent value of this amount in foreign currency, it being specified that this amount will be increased, where applicable, by any redemption premium above par;

6. resolves to cancel the preferential subscription rights of holders of shares to shares or securities giving access to shares issued under this resolution and to offer these securities as part of an offering referred to in Article L. 411-2 1° of the French Monetary and Financial Code under the maximum legal conditions and limits provided for by laws and regulations;

7. resolves that, if the subscriptions have not absorbed the entire issue of shares or securities convertible into shares of the Company, the Board of Directors may use, in the order it determines, one and/or the other of the following:

- limit the issue to the amount of subscriptions, provided that this amounts to at least three-quarters of the increase decided, or
- freely distribute all or part of the unsubscribed shares;

8. acknowledges that this resolution entails the waiver by the holders of shares of their preferential subscription rights to the shares to which the securities that may be issued on the basis of this delegation may give entitlement;

9. notes that, in accordance with the provisions of Article L. 22-10-52 of the French Commercial Code:

- the issue price of the shares issued directly will be at least equal to the minimum provided for by the regulatory provisions applicable on the date of issue (on this day, the weighted average of the prices during the last three trading sessions on the regulated market of Euronext Paris S.A. prior to the start of the public offering within the meaning of Regulation (EU) No. 2017/1129 of 14 June 2017, less a maximum discount of 10%), after, where applicable, correction of this average in the event of difference between the dividend dates,
- the issue price of the securities convertible to shares of the Company and the number of shares to which the conversion, redemption or, more generally, the transformation, of each security convertible into shares of the Company may grant the right, will be such that the amount received immediately by the Company, plus, where applicable, any share that may be received at a later date, *i.e.* for each share issued as a result of the issue of these securities, at least equal to the minimum subscription price defined in the previous paragraph;

10. resolves, in the event that the Board of Directors uses this delegation, that it will be responsible for reporting such to the next Ordinary General Meeting, in accordance with the applicable laws and regulations;

11. sets at twenty-six (26) months from the date of this Annual General Meeting, the period of validity of the delegation of issuance covered by this delegation, which cancels and replaces, up to the unused portion, the delegation granted in the 21st resolution of the Annual General Meeting of 31 May 2022;

12. grants, in particular and without this list being exhaustive, all powers to the Board of Directors to:

- decide on the capital increase and/or determine the securities to be issued,
- determine the form, nature and characteristics of the securities to be created and set the conditions of issue, in particular the dates, deadlines and terms of issue,
- set the issue price, the amounts to be issued and the dividend date, even retroactive, of the securities to be issued,
- determine the method of payment for the shares and/or securities,
- set, where applicable, the terms and conditions under which the Company will have the option to purchase or exchange on or off the stock market, at any time or during specified periods, the shares or securities granting access to existing shares or shares yet to be issued,
- determine and make any adjustments to take into account the impact of transactions on the Company's share capital or equity, in particular in the event of a change in the nominal value of the share, a capital increase through the incorporation of reserves, the allocation of free shares, the division or consolidation of securities, the distribution of dividends, reserves or premiums or any other assets, the amortisation of capital, or any other transaction affecting equity or capital (including in the event of a public offering and/or in the event of a change of control), and take, as a result of the issue of shares and/or securities convertible into shares of the Company, all necessary measures to protect the rights of holders of securities convertible into shares of the Company, stock options or rights to the allocation of free shares (including by way of cash adjustments), in accordance with the legal and regulatory provisions and, where applicable, the contractual provisions

providing for other cases of adjustments, and suspend, where applicable, the exercise of the rights attached to these securities, in accordance with legal and regulatory provisions,

- at its sole discretion and if it deems it appropriate, charge the costs, duties and fees incurred by the issues to the amount of the corresponding premiums and deduct from this amount the sums necessary to increase the legal reserve to one-tenth of the new share capital after each issue,
- ensure, where applicable, the admission of the ordinary shares to be issued for trading on a regulated market or on a multilateral trading facility within the meaning of Regulation No. 596/2014 of 16 April 2014 of the European Parliament and of the Council on market abuse of securities to be issued,
- in general, take all measures, enter into all agreements and carry out all formalities to successfully complete the planned issues, record the resulting capital increases and amend the bylaws accordingly,

in the event of the issue of debt securities, decide, in particular, whether or not they are subordinated, set their interest rate, their term, the fixed or variable redemption price with or without a premium, the terms of amortisation and the conditions under which these securities will entitle holders to Company shares; modify, during the lifetime of the securities concerned, the terms and conditions referred to above, in compliance with the applicable formalities.

23rd resolution — Authorisation to be given to the Board of Directors to set the issue price of ordinary shares and/or convertible into shares of the Company under certain conditions, up to a limit of 10% of the share capital per year, within the framework of share capital increases through the issue of shares without preferential subscription rights

The Annual General Meeting, ruling under the *quorum* and majority conditions required for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 225-129-2 and the second paragraph of Article L. 22-10-52 of the French Commercial Code, authorises the Board of Directors, with the possibility to sub-delegate under the bylaws or legal conditions, for the issues decided pursuant to the 20th and 22nd resolutions of this Annual General Meeting and within the limit of 10% of the share capital assessed on the issue date over a period of one year, to be waived from the rules for setting the issue price of the shares defined in the aforementioned resolutions by applying a discount of up to 5% of the weighted average price during the last three trading sessions on the regulated market of Euronext Paris prior to the date on which the subscription price is set for the capital increase.

The issue price of securities other than ordinary shares will be such that the amount received immediately by the Company plus, where applicable, that likely to be received subsequently by the Company, *i.e.* for each ordinary share issued as a result of the issue of these securities, at least equal to the amount referred to in the paragraph above.

The Annual General Meeting notes that the Board of Directors must prepare an additional report, certified by the Statutory Auditors, describing the final terms of the transaction and providing information on the effective impact on the financial position of the shareholder.

This authorisation is granted for a period of twenty-six (26) months from the date of this Annual General Meeting.

24th resolution — Delegation of authority to be granted to the Board of Directors to increase the number of shares to be issued in the event of a capital increase with or without preferential subscription rights, within the framework of the provisions of Article L. 225-135-1 of the French Commercial Code

The Annual General Meeting, ruling under the *quorum* and majority conditions for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' Special Report, in accordance with the provisions of Articles L. 225-135-1 and R. 225-118 of the French Commercial Code,

1. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide to increase the number of shares to be issued in the event of an increase in the Company's share capital with or without preferential rights under the terms of the issues decided upon under each of the 20th, 21st and 22nd resolutions, at the same price as that used for the initial issue, within the periods and limits provided for by the regulations applicable on the date of the issue (on this day, within thirty days of the closing of the subscription period and within the limit of 15% of the initial issue), particularly for the purpose of granting an over-allotment option in accordance with market practices;

2. resolves that the nominal amount of the capital increases decided pursuant to this resolution will be deducted from the amount of the ceilings stipulated in the 20th, 21st and 22nd resolutions pursuant to which the initial issue is decided upon, and to the amount(s) of the overall ceiling(s) stipulated in the 28th resolution of this Annual General Meeting or, where applicable, from the amount(s) of the ceilings provided for by resolutions of the same nature which could potentially succeed said resolutions during the period of validity of this delegation;

3. resolves that in the event of the filing by a third party of a public offering for the Company's securities, the Board of Directors may not use this delegation of authority during the offer period without the prior authorisation of the Annual General Meeting;

4. sets at twenty-six (26) months from the date of this Meeting the period of validity of the delegation of issue covered by this delegation, which cancels and replaces, up to the amount of the unused portion, the delegation granted in the 23rd resolution of the Annual General Meeting of 31 May 2022;

5. resolves, in the event that the Board of Directors uses this delegation, that it will be responsible for reporting such to the next Ordinary General Meeting, in accordance with applicable laws and regulations.

25th resolution — Delegation of authority to the Board of Directors to increase share capital by issuing shares and/or securities convertible into shares of the Company with the cancellation of preferential subscription rights in consideration for contributions in kind made to the Company and consisting of shares or convertible into shares of the Company, outside public exchange offers

The Annual General Meeting, ruling under the *quorum* and majority conditions for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 225-129-2, L. 225-147 and L. 22-10-53 of the French Commercial Code:

1. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide, on one or more occasions, up to a limit of 10% of the Company's share capital, the issue of shares and/or securities giving access by any means, immediately and/or in the future, to shares of the Company to compensate contributions in kind granted to the Company and consisting of equity securities or securities convertible into shares of the Company, when the provisions of Article L. 22-10-54 of the French Commercial Code are not applicable;

2. resolves that in the event of the filing by a third party of a public offering for the Company's securities, the Board of Directors may not use this delegation of authority during the offer period without the prior authorisation of the Annual General Meeting;

3. sets at twenty-six (26) months from the date of this Annual General Meeting the period of validity of the delegation of issuance covered by this delegation, which cancels and replaces, up to the unused portion, the delegation granted in the 24th resolution of the Annual General Meeting of 31 May 2022;

4. notes the absence of preferential subscription rights for the holders of ordinary shares to the shares or securities thus issued and notes that this delegation entails the waiver by the holders of shares of their preferential subscription rights to the shares of the Company to which the securities that may be issued on the basis of this delegation may grant entitlement;

5. grants full powers to the Board of Directors to implement this resolution and in particular to approve, on the basis of the Statutory Auditors' report mentioned in the first and second paragraphs of Article L. 225-147 of the French Commercial Code, valuation of the contributions, determine the amount and conditions of the issues, the nature and characteristics of the securities to be issued, as well as, where applicable, the amount of the balance to be paid, approve the granting of special benefits, reduce, if the contributors agree, the valuation of the contributions or the remuneration of special benefits, set the dividend dates, even retroactive, of the securities to be issued, make any adjustments to take into account the impact of transactions on the share capital or equity of the Company, in particular in the event of a change in the nominal value of the share, a capital increase by incorporation of reserves, free allocation of shares, division or consolidation of shares, distribution of dividends, reserves or premiums or any other assets, capital amortisation, or any other transaction affecting equity or capital, determining the terms and conditions allowing, where applicable, the preservation of rights of the holders of securities or other rights giving access to the share capital, stock options or free share allocation rights, in accordance with legal and regulatory provisions and, where applicable, the contractual stipulations providing for other cases of adjustments, record the completion of the capital increase in consideration for the contribution, proceed with the listing of the securities to be issued, deduct from the contribution premium, at its sole discretion and as it deems it appropriate, the costs, duties and fees incurred by these issues and deduct from this premium the sums necessary to increase the legal reserve to one-tenth of the new share capital after each issue and make the corresponding amendments to the bylaws;

6. resolves that the total nominal amount of the capital increases that may be carried out under this delegation, which may not exceed 10% of share capital, will be deducted from the ceilings provided for in the 28th resolution hereof or, where applicable, from the amounts of any ceilings provided for by a resolution of the same nature that may succeed said resolution during the period of validity of this delegation; it being specified that it is set without taking into account the nominal value of the shares to be issued in order to preserve, in accordance with the applicable legal and regulatory provisions and, where applicable, with the contractual provisions providing for other cases of adjustments, the rights of the holders of securities giving access to the Company's share capital, stock options or free share allocation rights.

26th resolution — Authorisation to be granted to the Board of Directors to increase the share capital by incorporation of reserves, profits, premiums or other

The Annual General Meeting, ruling under the *quorum* and majority conditions for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 225-129, L. 225-129-2, L. 225-130, L. 22-10-49 and L. 22-10-50 of the French Commercial Code:

1. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide, on one or more occasions, on capital increases, in the proportions and at the times it sees fit, by incorporation into the capital of premiums, reserves, profits or other whose capitalisation is legally possible and permitted by the bylaws, either through the allocation of free shares, or by increasing the nominal value of existing shares, or by a combination of these two processes;

2. resolves that in the event of the filing by a third party of a public offering for the Company's securities, the Board of Directors may not use this delegation of authority during the offer period without the prior authorisation of the Annual General Meeting;

3. sets at twenty-six (26) months from the date of this Annual General Meeting the period of validity of the delegation of issuance covered by this delegation, which cancels and replaces, up to the unused portion, the delegation granted in the 25th resolution of the Annual General Meeting of 31 May 2022;

4. resolves that the nominal amount of the capital increases that may be carried out under this delegation, increased by the amount necessary to preserve, in accordance with the applicable legal and regulatory provisions and, where applicable, the contractual provisions providing for other adjustments, the rights of holders of securities convertible into shares of the Company, stock options or free share allocation rights may not exceed 10% of share capital recorded at 31 December 2023, or the equivalent in any other currency or monetary unit established by reference to several currencies, and is independent of and separate from the ceilings for capital increases that may result from the issue of shares or securities convertible into shares of the Company, authorised by the other resolutions submitted to this Annual General Meeting;

5. grants to the Board of Directors, in particular and without this list being exhaustive, in the event of use of this delegation and under the conditions set by the law, all powers to:

- set the amount and nature of the sums to be incorporated into the share capital, set the number of new shares to be issued or the amount by which the nominal value of the existing shares comprising the share capital will be increased, set the date, even retroactive, from which new shares will carry dividend rights or the one on which the increase in nominal value will take effect,
- decide, in the event of a free allocation of shares, that the fractional rights will not be tradable and that the corresponding shares will be sold; the sums resulting from the sale will be allocated to the holders of the rights no later than 30 days after the date of registration in their account of the whole number of shares allocated,
- make any adjustments to take into account the impact of transactions on the Company's share capital or equity, in particular in the event of a change in the nominal value of the share, a capital increase through the incorporation of reserves, the allocation of free shares or equity securities, the division or consolidation of securities, the distribution of dividends, reserves or premiums or any other assets, the amortisation of capital, or any other transaction affecting equity or share capital, and set any other terms and conditions to ensure, where applicable, the preservation of the rights of holders of securities or other rights giving access to the share capital (including by means of cash adjustments) in accordance with the legislative texts and regulatory provisions and, where applicable, contractual or bylaw provisions providing for other cases of adjustment,
- record the completion of each capital increase and amend the bylaws accordingly, and
- in general, take all necessary measures and enter into all agreements to ensure the successful completion of the proposed transactions, take all measures and carry out all formalities necessary for the issue, listing and financial servicing of the securities issued, and do whatever is necessary, carry out all acts and formalities in order to finalise the capital increase(s) that may be carried out under this delegation.

27th resolution — Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing shares and/or securities convertible into shares of the Company, reserved for members of a company savings plan without preferential subscription rights

The Annual General Meeting, ruling under the *quorum* and majority conditions for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report, in accordance with the provisions of Articles L. 225-129 *et seq.* of the French Commercial Code, particularly Articles L. 225-129-2, L. 225-129-6 and L. 225-138-1 of the French Commercial Code and the provisions of Articles L. 3332-18 to L. 3332-24 of the French Labour Code,

1. delegates to the Board of Directors, with the possibility to sub-delegate under the conditions provided for by law, its authority to decide, on one or more occasions, to issue ordinary shares of the Company or any other securities giving access, immediately or in the future, to ordinary shares of the Company or any other company in which the Company directly or indirectly holds more than half of the share capital, reserved for members of a company savings plan with the Company and, where applicable, French or foreign companies related to it under the conditions defined in Articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labour Code;

2. resolves that in the event of the filing by a third party of a public offering for the Company's securities, the Board of Directors may not use this delegation of authority during the offer period without the prior authorisation of the Annual General Meeting;

3. resolves that the total nominal amount of the share capital increases that may be carried out, immediately or in the future, under this delegation may not exceed 2% of the Company's share capital on the day of use of this delegation without being able to exceed 1% per rolling 12-month period, it being specified that this amount will be deducted from the overall ceiling set in the 28th resolution and that this total nominal amount does not take into account any adjustments that may be made in accordance with applicable legal and regulatory provisions and, where applicable, contractual provisions providing for other adjustments, to preserve the rights of holders of securities convertible into shares of the Company;

4. sets the period of validity of the issuance delegation covered by this delegation at twenty-six (26) months from the date of this Annual General Meeting;

5. resolves that the issue price of the equity securities that may be issued pursuant to this delegation will be determined under the conditions provided for in Articles L. 3332-18 *et seq.* of the French Labour Code and will be at least equal to 70% of the weighted average price of Company shares on the regulated market of Euronext in Paris during the twenty trading sessions preceding the day of the decision of the Board of Directors setting the opening date of the subscription period for members of a company savings plan, or to 60% of this average when the lock-up period provided for by the plan pursuant to Articles L. 3332-25 and L. 3332-26 of the French Labour Code is greater than or equal to ten years;

6. resolves, pursuant to Article L. 3332-21 of the French Labour Code, that the Board of Directors may grant, free of charge, to the beneficiaries indicated above, shares to be issued or already issued or other securities convertible into shares of the Company to be issued or already issued, in respect of the matching contribution, and/or, where applicable, as a substitute for the discount, provided that the consideration of their monetary value, measured at the subscription price, does not exceed the limits provided for in Articles L. 3332-18 *et seq.* of the French Labour Code;

7. resolves that the characteristics of the other securities convertible into shares of the Company shall be approved by the Board of Directors, or its delegatee, under the conditions set by the regulations;

8. resolves to cancel, in favour of the beneficiaries indicated above, the preferential subscription rights of shareholders to the shares and securities convertible into shares of the Company whose issue is the subject of this delegation, the aforementioned shareholders also waiving, in the event of free allocation to the beneficiaries indicated above of shares or securities convertible into shares of the Company, any right to said shares or securities convertible into shares of the Company, including the portion of reserves, profits or premiums incorporated into the share capital, as a result of the free allocation of said shares made on the basis of this resolution;

9. resolves that the Board of Directors has full powers to determine all the terms and conditions of the transactions, postpone the completion of the capital increase, and in particular: (i) decide whether subscriptions may be carried out directly or through company mutual funds, or other structures or entities permitted by applicable legal or regulatory provisions, where applicable, (ii) determine the scope of the companies concerned by the offering, (iii) determine the opening and closing dates for subscriptions, take all necessary measures to protect the rights of holders of securities or other rights giving access to the Company's share capital, in accordance with legal and regulatory provisions and, where applicable, the contractual provisions providing for other cases of adjustment, (iv) record the completion of the capital increase up to the amount of the equity securities or securities convertible into shares of the Company that will be actually subscribed and amend the bylaws accordingly, (v) deduct the costs, duties and fees incurred by the issues from the amount of the corresponding premiums and deduct the necessary sums from this amount for the legal reserve, (vi) arrange, where applicable, the admission to trading on a regulated market of ordinary shares, securities to be issued or shares that would be issued through the exercise of securities convertible into shares of the Company to be issued, (vii) carry out all formalities and declarations and request all authorisations that may prove necessary to carry out these issues and (viii) more generally, do whatever is necessary to successfully complete the transactions.

28th resolution Overall limit for issue authorisations with and without preferential subscription rights

The Annual General Meeting, ruling under the *quorum* and majority conditions required for Extraordinary General Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' special report:

1. resolves, in consequence of the adoption of the 20th, 21st, 22nd, 24th, 25th and 27th resolutions, to set as follows the limits of the amounts of the authorised issues in the event that the Board of Directors of the Company uses these delegations of authority:

- the maximum nominal amount of immediate or future capital increases that may be carried out pursuant to the 20th, 21st, 22nd, 24th, 25th and 27th resolutions is set at EUR 63,000,000 or the equivalent in any other currency or monetary unit established by reference to several currencies,
- the maximum nominal amount of immediate or future capital increases that may be carried out pursuant to the 20th, 22nd and 25th resolutions is set at EUR 12,600,000 or the equivalent in any other currency or monetary unit established by reference to several currencies, *i.e.* for informational purposes, approximately 10% of the Company's share capital recorded on 31 December 2023,
- to the above ceilings will be added, where applicable, the nominal amount of the shares to be issued in addition, in the event of new financial transactions, to preserve, in accordance with legislative and regulatory provisions and, where applicable, stipulations of contracts providing for other adjustments, the rights of holders of securities convertible into shares of the Company, options to subscribe for or purchase new shares or to free share allocation;

2. resolves, in consequence of the adoption of the 20th, 21st, 22nd, 24th, 25th and 27th resolutions, to set as follows the limits of the amounts of the authorised issues in the event that the Board of Directors of the Company uses these delegations of authority:

- the maximum total nominal amount of the securities representing receivables from the Company that may be realised under the 20th, 21st, 22nd, 24th, 25th and 27th resolutions is set at EUR 63,000,000 or the equivalent in any other currency or monetary unit established by reference to several currencies.

29th resolution Authorisation to be granted to the Board of Directors to reduce the share capital by cancelling shares held by the Company following the buyback of its own shares

The Annual General Meeting, acting in accordance with the *quorum* and majority requirements for Extraordinary General Meetings, after having read the Statutory Auditors' special report, in accordance with the provisions of Article L. 22-10-62 *et seq.* of the French Commercial Code:

1. authorises the Board of Directors to cancel, on one or more occasions, up to a limit of 10% of the total number of shares comprising the share capital existing at the date of the transaction, per 24-month period, all or part of the shares that the Company holds and that it may hold, to reduce the share capital accordingly and to allocate the difference between the purchase value of the cancelled shares and their nominal value against the premiums and available reserves, including the legal reserve up to 10% of the cancelled capital;

2. authorises the Board of Directors to reduce the share capital accordingly; and

3. resolves that the Board of Directors will have full powers, with the possibility to sub-delegate, under the conditions provided for by law, to implement this resolution and in particular to:

- determine the definitive amount of this or these capital reductions, determine their terms and conditions and record their completion,
- amend the bylaws accordingly, and
- carry out all formalities, procedures and declarations to all bodies and, in general, do whatever is necessary.

This authorisation replaces that granted by the 28th resolution of the Annual General Meeting of 29 June 2023, and is granted for a period of 18 months as from this day.

30th resolution Powers to carry out formalities

The Annual General Meeting grants full powers to any bearer of an original, a copy or a certified extract of the minutes of this Meeting, in order to carry out any filing, publicity or any other formalities required.

8.4 Special report of the Board of Directors on free share allocation transactions

In accordance with Article L. 225-197-4 of the French Commercial Code, the Board of Directors reports on transactions carried out pursuant to the provisions of Articles L. 22-10-59 of said Code concerning the allocation of free Company shares during the past financial year.

8.4.1 ALLOCATION OF FREE PERFORMANCE SHARES FOR THE 2023 FINANCIAL YEAR

	2023 plan
Date of Annual General Meeting	31/05/2022 (29th resolution)
Allocation date (Board of Directors)	22/03/2023
Total number of shares allocated	434,950 (0.96% of share capital)
of which to executive officers	71,944 (0.16% of share capital)
Start of vesting period	22/03/2023
End of vesting period (definitive vesting)	22/03/2026
Holding period	N/A
Number of shares vested at 31/12/2023	TBC
Cumulative number of cancelled or lapsed shares at 31/12/2023	77,413
Remaining performance shares at the end of the financial year	357,537
Closing price on the allocation date	EUR 9.77

8.4.2 ACQUISITIONS OF FREE PERFORMANCE SHARES DURING THE 2023 FINANCIAL YEAR

At its meeting of 8 March 2023, the Board of Directors, on the proposal of the Nomination and Compensation Committee, validated the performance achievement rates of the 2020 performance share plan, as well as the final number of shares to be delivered to the Chief Executive Officer.

242,598 performance shares were definitively delivered on 10 March 2023 at a price of EUR 9.645, of which:

- 53,900 performance shares to the Chief Executive Officer; and
- 188,698 performance shares granted to employees who are not corporate officers.

8.4.3 HISTORY OF FREE SHARE ALLOCATIONS

Stock options granted to the top 10 employees who are not corporate officers and options exercised by them (Table 9 – Appendix 2 of the AMF Guide)

Not applicable.

8

History of free share allocations (Table 10 – Appendix 2 of the AMF Guide)

	Information on free shares				
	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan
Date of Annual General Meeting	19/05/2017	19/05/2017	12/06/2020	12/06/2020	31/05/2022
Date of Board of Directors Meeting	09/05/2019 24/06/2019	10/03/2020	25/03/2021	09/03/2022	22/03/2023
Total number of shares allocated	265,344	352,940	209,292	286,096	434,950
of which number allocated to: Julie WALBAUM	43,125	53,900	36,360	39,242	0
of which number allocated to: François-Melchior de POLIGNAC	N/A	N/A	N/A	N/A	71,944
Vesting date of shares	09/05/2022 24/06/2022	10/03/2023	25/03/2024	09/03/2025	22/03/2026
End date of holding period	N/A	N/A	N/A	N/A	N/A
Performance conditions	20% of the shares are subject to a 2020 revenue condition, 50% are subject to a 2019 + 2020 EBITDA condition and 30% to a 2019 + 2020 EPS condition 30% are subject to a 2018 + 2019 EPS condition	20% of the shares are subject to a 2021 revenue condition, 50% are subject to a 2020 + 2021 EBITDA condition, and 30% are subject to a 20 + 21 EPS condition	30% of the shares are subject to a Sales CAGR condition: compound annual growth rate between 2020 and 2023, 40% of the shares are subject to an EBIT condition: average EBIT/ revenue ratio over three financial years, 20% of the shares are subject to a TSR condition: rate of return on the share over three years measured against the CAC Mid 60 GR index, and 10% are subject to a CSR condition: share of the responsible offering between 2020 and 2023 (5%) and employee engagement rate between 2020 and 2023 (5%),	30% of the shares are subject to a Sales CAGR condition: compound annual growth rate between 2022 and 2024, 30% of the shares are subject to an EBIT condition: average EBIT/ revenue ratio over three financial years, 20% of the shares are subject to a TSR condition: rate of return on the share over three years measured against the CAC Mid 60 GR index, 20% are subject to a CSR condition: share of the responsible offering in 2024 (15%) and employee engagement rate between 2024 *vs.* 2021 (5%).	20% of the shares are subject to a Sales CAGR condition: compound annual growth rate between 2023 and 2025, 40% of the actions are subject to an EBIT condition: Cumulative EBIT over the 2023-2025 period 20% of the shares are subject to a TSR condition: rate of return on the share over three years, with 50% measured against the CAC Mid 60 GR index and 50% measured against a composite index of 6 European retailers, 20% have a CSR condition: proportion of the "Good is Beautiful" offering in 2025 (10%) and employee engagement rate in 2025 *vs.* 2022 (10%)
Number of shares vested	32,694	242,598	5,396	7,260	Vesting in progress
of which Julie WALBAUM (total number vested at the end of the vesting period)	0 (1)	53,900	1,262	Will not vest	
of which François-Melchior de POLIGNAC (total number vested at the end of the vesting period)	N/A	N/A	N/A	N/A	Vesting in progress
Cumulative number of cancelled or lapsed shares	232,650	110,342	203,900	127,481	77,413
Remaining free shares at the end of the financial year	0	0	0	151,355	357,537

(1) Conditions not met for the Executive Committee

9 | Additional information

9.1 Persons responsible

9.1.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

François-Melchior de POLIGNAC, Chief Executive Officer

9.1.2 STATEMENT BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

“I hereby declare that, the information contained in this Universal Registration Document is, to the best of my knowledge, correct and that it does not contain any omission liable to alter its import.

I certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and that they give a true and fair view of the assets, financial position and results of the Company and of all the companies included in the consolidation, and that the Management Report, referenced in the cross-reference table in Section 9.7, Chapter 9 of this Universal Registration Document gives a true picture of business developments, the results and financial position of the Company and of all companies included in the consolidation, as well as a description of the main risks and uncertainties facing them.”

25 April 2024

François-Melchior de POLIGNAC

Chief Executive Officer

9.1.3 PERSON RESPONSIBLE FOR FINANCIAL REPORTING

Denis LAMOUREUX, Chief Financial Officer

MAISONS DU MONDE

8 rue Marie Curie, 44120 Vertou, France

Tel.: +33 (0)2 51 71 17 17
E-mail: investor.relations@maisonsdumonde.com
Website: https://corporate.maisonsdumonde.com

9.2 Persons responsible for auditing the financial statements

9.2.1 INFORMATION ON THE STATUTORY AUDITORS

Statutory auditors

KPMG SA

Represented by Vincent BROYE.

Registered member of the Compagnie régionale des comptes de Versailles.

3 cours du Triangle
Immeuble Le Palatin
92939 Paris La Défense Cedex

Appointment renewed at the Annual General Meeting of 12 June 2020 for a period of six financial years, *i.e.* until the end of the Annual General Meeting called to approve the financial statements for the financial year ending 31 December 2025.

Deloitte & Associés

Represented by Jérôme QUERO.

Registered member of the Compagnie régionale des comptes de Versailles.

6, place de la Pyramide
92908 Paris-La Défense Cedex

Appointment renewed at the Annual General Meeting of 31 May 2022 for a period of six financial years, *i.e.* until the end of the Annual General Meeting called to approve the financial statements for the year ended 31 December 2027.

9.2.2 FEES OF THE STATUTORY AUDITORS

For more information, see note 29 of Section 6.1.6 "Notes to the consolidated financial statements" of Chapter 6 "Financial Statements" of this Universal Registration Document.

9.3 Information incorporated by reference

Pursuant to Article 19 of European Commission Regulation (EC) 2017-1129, the following information is incorporated by reference into this Universal Registration Document:

- the consolidated and annual financial statements as well as the corresponding audit reports presented in Sections 6.1 to 6.4 of the 2022 Universal Registration Document filed with the Autorité des marchés financiers on 15 April 2022 under number D. 22-0300;
- the consolidated and annual financial statements as well as the corresponding audit reports presented in Sections 6.1 to 6.4 of the 2020 Universal Registration Document filed with the Autorité des marchés financiers on 22 April 2021 under number D. 21-0340;

These reference documents are available on the website of the Company (https://corporate.maisonsdumonde.com) and of the Autorité des marchés financiers (www.amf-france.org).

9.4 Information on the Group's business and markets, and third-party information

This Universal Registration Document contains statistics, data and information on the Group's businesses and markets, including information on the size, historical developments and outlook for these markets, Maisons du Monde's market positions and the competitive environment, as well as other segment and macroeconomic information. Unless otherwise specifically indicated to the contrary, this information was obtained from third parties, including public sources, such as the Banque de France, INSEE (the French national institute of statistics and economic studies) and IPEA (the French institute for the outlook and studies on the furniture market). To the best of the Group's knowledge, no facts have been omitted which would render the information provided inaccurate or misleading.

9.5 Material contracts

9.5.1 MATERIAL CONTRACTS SIGNED IN 2022

None

9.6 Information on payment terms

In accordance with Articles L. 441-6-1 and D. 441-4 of the French Commercial Code, the following table presents the information relating to supplier and customer payment terms:

	Article D. 441 I.-1: Invoices received, unpaid and overdue at the reporting date						Article D. 441 I.-2: Invoices issued, unpaid and overdue at the reporting date					
	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) LATE PAYMENT INSTALMENTS												
Number of invoices concerned	-	1	2	-	9	12	-	-	-	-	-	-
Total amount of invoices concerned, excl. tax	-	218	11,920	-	53,329	65,467	-	-	-	-	-	-
Percentage of the total amount of purchases for the year	-	0.01%	0.30%	0.00%	1.36%	1.67%	-	-	-	-	-	-
Percentage of revenue for the year	-	-	-	-	-	-	-	-	-	-	-	-
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNRECOGNISED DEBTS AND CLAIMS												
Number of invoices excluded	-	-	-	-	-	-	-	-	-	-	-	-
Total amount of invoices excluded, excl. 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 payment												

9.7 Cross-reference tables

9.7.1 UNIVERSAL REGISTRATION DOCUMENT

This cross-reference table sets out the headings defined by Annexes I and II of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 and refers to those pages of this Universal Registration Document on which reference is made to the information relating to each of these headings.

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1.2	Declaration of the persons responsible for the document	9.1.2	350
1.3	Declaration or report by any individual acting in the capacity of expert	N/A	N/A
1.4	Statement relating to information provided by third parties	N/A	N/A
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9.7.2 ANNUAL FINANCIAL REPORT

This Universal Registration Document includes all the elements of the Annual Financial Report as listed in Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General Regulation of the Autorité des marchés financiers.

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9.7.3 MANAGEMENT REPORT

This Universal Registration Document includes all the elements of the Management Report as listed in Articles L. 225-100 *et seq.*, L. 232-1.II and R. 225-102 *et seq.* of the French Commercial Code.

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9.7.4 REPORT ON CORPORATE GOVERNANCE

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9.7.5 NON-FINANCIAL PERFORMANCE STATEMENT

This Universal Registration Document includes all elements of the non-financial performance statement as listed in Articles R. 225-102-1 and R. 225-105 of the French Commercial Code.

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No.	Information	Section(s)	Page(s)
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9.8 Glossary

Glossary

AFEP-MEDEF CORPORATE GOVERNANCE CODE	Set of recommendations relating to the corporate governance and compensation of executive corporate officers of listed companies, issued by the *Association française des entreprises privées* (AFEP) and the *Mouvement des entreprises de France* (MEDEF).
AMF	Autorité des marchés financiers – French Financial Markets Authority. Independent public authority that regulates French financial market participants and products.
EBITDA	EBITDA is defined as current operating profit, excluding depreciation, amortisation, and allowance for provisions, the change in the fair value of derivative financial instruments, and store preopening expenses. EBITDA margin is defined as EBITDA divided by sales.
EBIT	EBIT is defined as EBITDA after depreciation, amortisation, and allowance for provisions. EBIT margin is defined as EBIT divided by sales.
FREE CASH FLOW	Free cash flow is defined as the net cash flow from operating activities less: property, plant and equipment and intangible assets, changes in amounts payable on fixed assets and the reduction in interest on lease liabilities, and plus: proceeds from sale of non-current assets.
GROSS MARGIN	Gross margin is defined as sales minus cost of sales. Gross margin is also expressed as a percentage of Sales.
LEVERAGE RATIO	Leverage ratio is defined as net debt divided by EBITDA.
LIKE-FOR-LIKE SALES GROWTH	Represents the percentage change in sales from the Group's retail stores, website and B2B activities, net of product returns between one financial period (n) and the comparable preceding financial period (n-1), excluding changes in sales attributable to stores that opened or were closed during either of the comparable periods. Sales attributable to stores that closed temporarily for refurbishment during any of the periods are included.
NET DEBT	Net debt is defined as the Group's convertible bonds ("OCEANE"), revolving credit facilities, lease debt, deposits, guarantees and bank borrowings, net of cash and cash equivalents (excluding bank borrowings).
SALES	Sales represent the revenue from sales of decorative items and furniture through the Group's retail stores, website and B2B activities. They mainly exclude customer contribution to delivery costs, revenue for logistics services provided to third parties, and franchise revenue.

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MAISONS
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Limited Company
(*Société anonyme*)
with a Board of Directors
with capital of €126,973,293.12
793 906 728 RCS Nantes
8 rue Marie Curie
44120 Vertou France
Tel.: +33 (0)2 51 71 17 17