ANNUAL REPORT AND FINANCIAL STATEMENTS OF CNOVA N.V. FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

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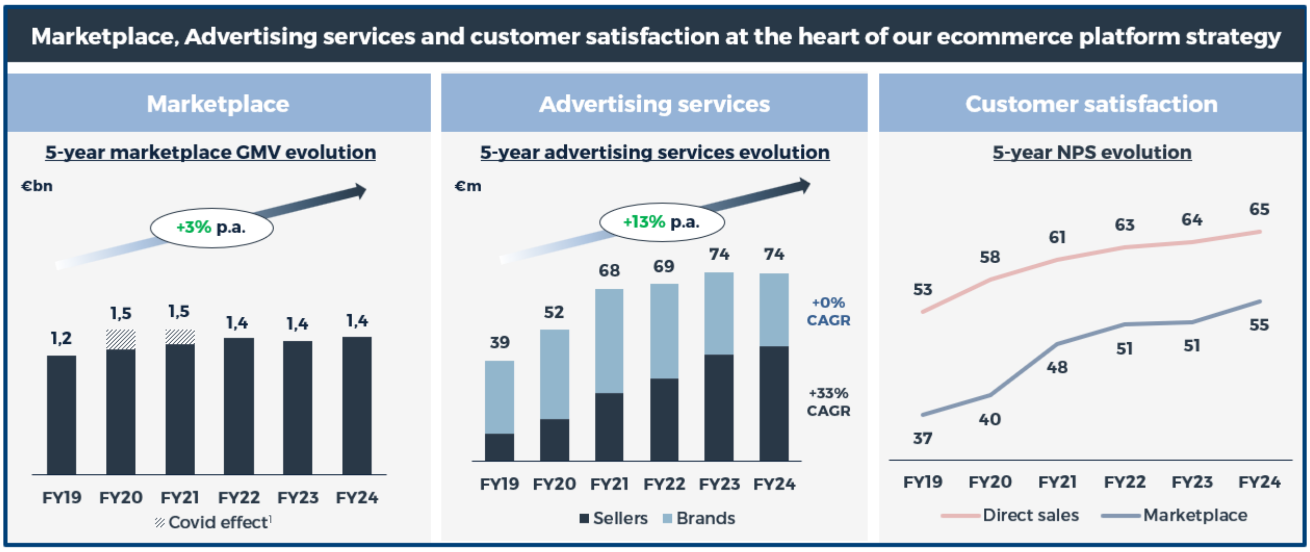
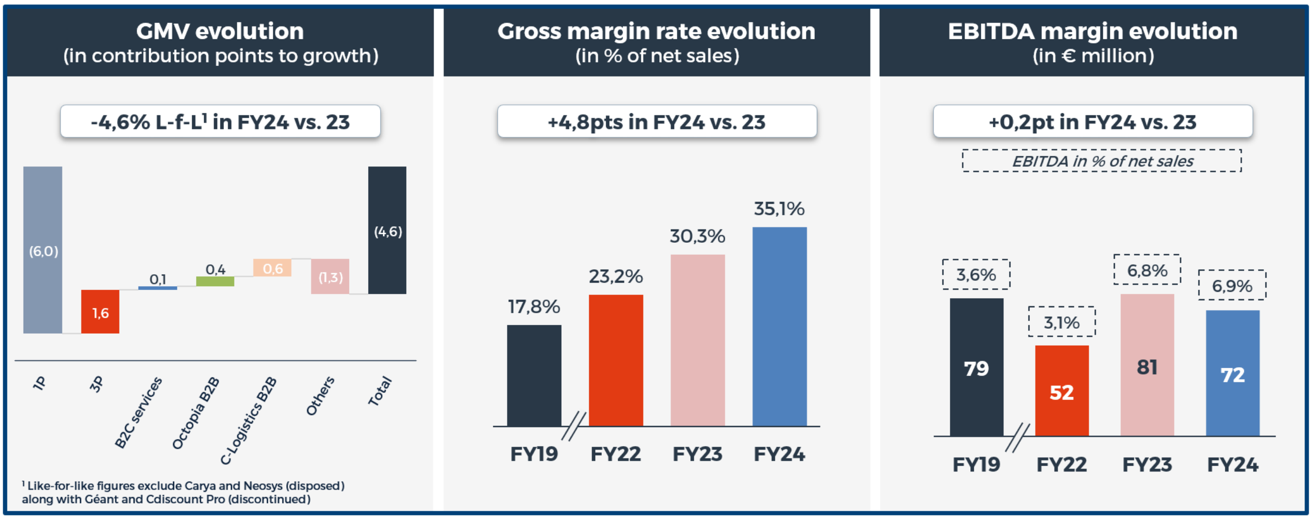
1. DIRECTORS REPORT

1.1 KEY FIGURES



[1] Considering a steady 5% growth rate for FY20 & FY21 aligned with the long-term trend



1.2 FINANCIAL HIGHLIGHTS

The following tables set forth our selected consolidated financial data. The consolidated income statement data for the years ended December 2023 and 2024 as well as the consolidated balance sheet data as of December 31, 2023 and 2024 are derived from our audited consolidated financial statements included in the "Consolidated Financial Statements" section of this annual report.

The selected historical consolidated financial information should be read in conjunction with section “1.6 Financial Review,” our financial statements and the accompanying notes included in this annual report. Our financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as approved by the European Union (“EU”) and have been audited by KPMG Accountants N.V., an independent registered public audit firm.

Our results of operations in any period may not necessarily be indicative of the results that may be expected in future periods. See section “2 Risk Management and Risk Factors” of this annual report.

Cnova N.V. *(€ millions)*	**Full Year**		**Change vs. 2023**
	2023	**2024**	
Overall GMV *(including VAT)*[1]	**2 804,3**[5]	**2 665,5**	**(5,0)%**
Net sales	1 196,7	1 039,1	(13,2)%
Gross margin	**362,1**	**364,3**	+€2,2m
As a % of Net sales	*30,3%*	*35,1%*	*+4,8pts*
SG&A (excluding D&A)[2]	(280,9)	(292,2)	€(11,3)m
As a % of Net sales	*(23,5)%*	*(28,1)%*	*(4,6)pts*
EBITDA[3]	**81,2**	**72,1**	**€(9,0)m**
As a % of Net sales	*6,8%*	*6,9%*	*+0,2pt*
Depreciation & Amortization	(96,2)	(89,3)	+€6,8m
Operating EBIT	**(15,0)**	**(17,2)**	**€(2,2)m**
Other non-current operating expenses	(24,7)	(14,9)	+€9,8m
Net financial expenses	(57,7)	(57,8)	€(0,2)m
Net loss from continuing operations	**(125,9)**	**(93,0)**	**+€32,9m**
Basic EPS *(€)* *(from continuing operations)*[4]	**(0,35)**	**(0,27)**	**+0,8**

1 GMV: Gross Merchandise Volume is defined as the sum of product sales (1P), other revenues (including B2B activities of Octopia and C-Logistics), marketplace (3P) business volumes (calculated based on approved and sent orders), B2C services volumes (mainly travel & mobile) ; all metrics including VAT
2 SG&A: selling, general and administrative expenses
3 EBITDA: operating profit/(loss) from ordinary activities (EBIT) adjusted for operating depreciation & amortization and share based payment expenses
4 Basic EPS (earnings per share) excluding discontinuing operations
5 Published overall GMV provided in 2023 was 2 804,1 and was adjusted to 2 804,3 in this report and in the FY24 financial communication of Cnova as Mobile Plan GMV (within B2C Services) is a non-accounting item, provided by an external partner (Euro Information Telecom in 2023 then Bouygues Telecom in 2024), first as a last estimate just after the closing of the year and then adjusted to actual figures 30 days later, therefore with the actual figures provided later in 2024 for December 2023, Mobile Plan GMV (incl. VAT) was adjusted from 31.8M€ to 32.1M€

1.3 SIGNIFICANT EVENTS OF THE YEAR

During 2024, **Cnova's priorities were the continuous development of its service activities**, such as Marketplace, Advertising and B2B activities**.** After two years of transformation, Cnova has concentrated its efforts on generating profitable growth and improving its operational cash, while working on its commercial bounce-back, with the launch of Cdiscount's new brand identity in June 2024 and the launch of a customer-centric reinvestment plan in the 3rd quarter 2024, with targeted commercial and marketing investments aiming at improving its value proposition for French consumers and boosting client acquisition.

This business mix evolution towards more services revenues has enabled an increase in Cnova's gross margin rate by +17,3pts between 2019 (pre-pandemic level) and 2024, standing at 35,1% of net sales in FY24 (+4,8pts vs. 2023).

Marketplace GMV share reached 65,4% in FY24 (+5,4pts vs. 2023, +26,9pts vs. 2019), confirming Cnova's voluntary strategic shift towards more marketplace revenues. Marketplace GMV trends have gradually improved quarter after quarter over 2024: -4,2% in 1Q24 vs. 2023, -1,8% in 2Q24 vs. 2023, +7,8% in 3Q24 vs. 2023 and +9,1% in 4Q24 vs. 2023, leading to a +3,2% growth in Full Year 2024 vs. 2023 (+15,3% vs. 2019), overperforming the overall French Marketplace market which grew by +1,8%[1] in FY24 vs. 2023. Over the last 5 years, Marketplace GMV has been growing at an annual rate of +2,9%, supporting Cnova's first strategic pillar.

This marketplace development has been supported by an **improvement of customer satisfaction** measured by the Marketplace NPS which grew by +18pts compared to 2019 and +3pts compared to 2023, and the **enhancement of Marketplace delivery services** with Fulfilment by Cdiscount covering 39,5% of Marketplace GMV in FY24 (+1,5pt vs. 2023).

Advertising services net revenues remained relatively steady in FY24 vs. 2023, amounting to €74 million in FY24, mainly supported by Retail Media performance from Marketplace sellers (+7,6% vs. 2023), in line with growing Marketplace business volumes (+3,2% vs. 2023) combined with an increasing Advertising GMV take rate from Marketplace sellers (+0,1pt vs. 2023). Cdiscount Ads Retail Solution (CARS) is key to Advertising services development: CARS share on total Advertising net revenues increased by +8,4pts vs. 2023, with sponsored products growing by +11,7% vs. 2023.

Overall GMV decreased by -4,6% in FY24 vs. 2023 on a comparable basis, mainly impacted by the decline in direct sales (-18,2% vs. 2023) as part of Cnova's business model turnaround towards more high-margin services, partly offset by increasing Marketplace GMV (+3,2% vs. 2023). In addition, overall GMV was positively impacted by B2C services GMV (+2,5% vs. 2023) and B2B fulfilment activities (+50,6% vs. 2023), with both Octopia Fulfilment-as-a-Service (+15,3% vs. 2023) and C-Logistics B2B (+99,0% vs. 2023) expanding.

In 2024, **B2B activities** grew by +61,7% vs. 2023 with both Octopia B2B and C-Logistics B2B expanding. Octopia Fulfillment-as-a-Service revenues increased by +15,3% in FY24 vs. 2023, with the number of parcels shipped, which exceeded 2 million in FY24, growing by +27,9% vs. 2023. Octopia Marketplace-as-a-Service revenues grew by x3,1 in FY24 vs. 2023, with underlying GMV generated by Octopia's sellers multiplying by x2,5 vs. 2023. C-Logistics successfully launched its B2B solution for two new clients in FY24, respectively specialized in luxury goods and customizable pet food. C-Logistics B2B revenues grew by +99,0% in FY24 vs. 2023, mostly driven by the growing number of parcels shipped for external clients (x2 vs. 2023) and the ramp-up of its client specialized in luxury goods since its launch in the 1st quarter 2024.

In the 3rd quarter of 2024, Cnova initiated a reinvestment plan focused on strengthening Cdiscount's

[1] Source: FEVAD (Fédération du e-commerce et de la vente à distance, figures covering from January 2024 to December 2024 compared to the same period last year)

brand identity and enhancing the value proposition to its customers, aiming to boost Cnova's operational profitability and cash.

EBITDA excluding IFRS 16 amounted to €47 million in FY24, **decreasing by €2 million vs. 2023**, mostly due to the €10m targeted commercial and marketing investments as part of the reinvestment plan, which generated a solid increase in contribution margin at the end of 2024.

Free cash-flows amounted to €(79) million in FY24, **improving by +€120 million** vs. 2023, mostly due to:

- Stronger free cash-flows before change in working capital & taxes, thanks to:
  - A sound EBITDA despite Cnova's reinvestment plan launched in the 3rd quarter 2024, with dedicated commercial and marketing investments impacting EBITDA (-€2 million),
  - Rationalized capital expenditures (+€7 million), mainly thanks to strategic decisions aiming to focus investments on Cdiscount.com technical platform, customer and sellers experience, Marketplace and Advertising services,
  - Along with tightly monitored CB4X financial costs (+€5 million) and lower non-recurring items (+€6 million).
- Enhanced change in working capital & taxes (+€104 million) benefitting from consistent yet limited payment terms to suppliers following 2023 context, while impacted by declining direct sales business volumes (-18,2% vs. 2023).

On February 28th, 2024, as part of Cnova's overall strategy, Cnova France closed the disposal of its 51% stake in Neosys, an IT services provider, to Syspread.
Cnova France also closed the acquisition of its 12.8% minority stake in BeezUp, specialized in e-commerce feeds management, on July 25th, 2024, after the three minority shareholders exercised their put options on July 1st, 2024.
On September 3rd, 2024, Cnova finalized the liquidation of International Marketplace Network B.V. ("IMN"). The legal entity was dissolved on November 1st, 2023.

1.4 BUSINESS REVIEW

Key performance indicators	FY23	FY24	Change vs. 2023	Change vs. 2019
Overall GMV(1) (including VAT) *(€ millions)*	2 804,3	2 665,5	-5,0%	-31,6%
Marketplace GMV share(2)	60,0%	65,4%	+5,4pts	+26,9pts
Net sales *(€ millions)*	1 196,7	1 039,1	-13,2%	-52,7%
Marketplace revenues(3) *(€ millions)*	197,6	187,3	-5,2%	+13,3%
Advertising services net revenues (4) *(€ millions)*	74,1	73,7	-0,5%	+86,6%
Active customers(5) *(millions)*	7,5	7,0	-0,5m	-2,3m

(1) Gross merchandise volume (GMV) is defined as product sales + other revenues + marketplace business volumes + services GMV + taxes and is calculated based on approved and sent orders

(2) Marketplace share of GMV of Cdiscount.com in France, calculated on total GMV less businesses not eligible for marketplace (B2B, Travel, etc.). Marketplace GMV shares have been adjusted to consider coupons and warranties and exclude CDAV subscription fees

(3) Includes Marketplace commissions after discount vouchers, subscription fees, revenues from fulfilment services to sellers and other miscellaneous items. The 2023 KPI has been retrospectively adjusted from €198.6 million to €197.6 million. This revision reflects the correction of a double-counting in the 2023 calculation: €0.3m of Cdiscount Express Seller credit notes and €0.8m of Cdiscount Transport revenues that were eliminated in this revised figure.

(4) Cdiscount Advertising revenues for 2023 have been restated from €75.5 million to €74.1 million. The adjustment reflects the reallocation of €1.4 million part in Marketplace sellers' premium packs subscription that is related to fulfilment revenues and therefore should not be taken into account in the Advertising revenues line (same methodology in 2024)

(5) Active customers at the end of the period, having purchased at least once through Cdiscount's website or application during the 12 previous months

1.4.1 OUR HISTORY

Cnova N.V. is a Dutch public limited liability company (*naamloze vennootschap*) incorporated on May 30, 2014, under Dutch law. We are registered with the Dutch Trade Register, and our registration number is 60776676. Our registered office is located at Strawinskylaan 3051, 1077 ZX Amsterdam, the Netherlands.

Our principal place of business is located at Cdiscount S.A., 120-126, quai de Bacalan, 33067 Bordeaux, France. Our website address is www.cnova.com. We have included our website address in this annual report solely for information purposes. The information contained on, or that can be accessed through, our website does not constitute a part of this annual report and is not incorporated by reference herein.

Cnova was created in 2014, Cnova was listed under the ticker symbol "CNV" on November 24th, 2014, on NASDAQ Global and on January 23rd, 2015, on Euronext Paris.

On March 3rd, 2017, Cnova voluntarily delisted its ordinary shares from the NASDAQ. On the same day, Cnova filed a Form 15 with the SEC to suspend its U.S. public reporting obligations under the 1934 Securities Exchange Act. Cnova's ordinary shares continue to be listed on Euronext Paris.

Since 2016 Cnova focused on its French core geography but started developing its European sales in the second part of 2018, both through direct sales from cdiscount.com and through connected websites as a third-party seller.

In addition, Cnova's strategy has been to build, year after a year, a profitable growth supported by the development of its marketplace, the creation of several commission-based B2C services around daily life, leisure and finance, the expansion of services offered to its marketplace sellers and the monetization of its assets, starting with its logistics activity illustrated by the creation of
C-Logistics at the beginning of 2019 and with the creation of Octopia and C-Technology in 2021.

On April 1st, 2021, Cnova carved out its Tech activities and placed them in a new dedicated subsidiary, C-Technology.

On April 1st, 2021, Cnova carved out its marketplace activity and placed it in a new dedicated subsidiary, Octopia. Octopia is offering turnkey marketplace solutions for retailers and e-merchants.

On October 6th, 2022, Geopost signed a firm commitment to acquire a 95% majority stake in CChezVous, C-Logistics' transport subsidiary and a specialist in the delivery of heavy and bulky goods, for a consideration of €67,2 million. Through this agreement, GeoPost will benefit from CChezVous's premium set of delivery services (such as live digital tracking and 7/7 delivery) as well as its network of more than 600 pick-up points in France. This transaction was closed on December 22nd, 2022. As per the shareholder agreement, Cnova still has significant influence over CCV for its 5% residual stake and therefore the retained interest has been accounted for at fair value on initial recognition and is accounted for under the equity method in the consolidated financial statements.

On February 28th, 2024, Cnova France closed the disposal of its 51% stake in Neosys, an IT services provider, to Syspread.

On March 27th, 2024, Casino Group announced the effective completion of its financial restructuring, resulting in a change of control of Casino group to France Retail Holdings S.à.r.l. (an entity ultimately controlled by Mr. Daniel Křetínský) ("FRH"). Consequently, FRH acquired predominant control (*overwegende zeggenschap*) over Cnova.

On July 25th, 2024, Cnova France closed the acquisition of its 12.8% minority stake in BeezUp, specialized in e-commerce feeds management, after the three minority shareholders exercised their put options on July 1st, 2024.

On September 3rd, 2024, Cnova finalized the liquidation of International Marketplace Network B.V. ("IMN"). The legal entity was dissolved on November 1st, 2023.

On October 17th, 2024, Casino initiated statutory buyout proceedings (*uitkoopprocedure*) in accordance with Article 2:92a of the Dutch Civil Code (the "DCC") at the Enterprise Chamber of the Amsterdam Court of Appeal, the Netherlands, (the "Enterprise Chamber"), for the purpose of acquiring all issued shares in Cnova N.V. In the buyout proceedings, Casino requested the Enterprise Chamber to implement the transfer of the Cnova shares held by the minority shareholders of Cnova to Casino, for a buyout price of EUR 0.09 per share (plus statutory interest as from 30 June 2024). On February 11, 2025 the Enterprise Chamber granted the request. On March 31, 2025 Casino announced that the settlement period for the minority shareholders to voluntarily offer their shares to Casino for a period of 10 weeks would open on April 2, 2025. Casino and Cnova also announced their intention to delist Cnova from Euronext Paris following the successful completion of the buy-out procedure.

1.4.2 BUSINESS AND STRATEGY

Over the past few years, the French e-commerce market has constantly evolved with the rapid expansion of marketplaces, mobile share in traffic, express delivery, development of new services and value-added functionalities. In this context of strong acceleration of innovation and volumes which has led to the consolidation of the e-commerce market, Cnova's priority was to reach a critical size. In 2022 and 2023, Cnova has focused on transforming its business model by strategically shifting from direct sales to higher-margin services and rationalizing its cost-base through an Efficiency plan, all with the aim of improving its operational profitability and cash. This has enabled Cnova to start 2024 on solid foundations to focus on generating profitable growth and accelerate its shift towards more service activities, with 3 main strategic pillars: **Marketplace** expansion, **Advertising services** development and **B2B activities** growth.

In 2024, overall GMV amounted to €2 665 million, decreasing by -5,0% on a reported basis, mostly impacted by declining direct sales GMV (-18,2% vs. 2023) as part of Cnova's business model turnaround towards service activities, partly offset by increasing Marketplace GMV (+3,2% vs. 2023), B2C services (+2,5% vs. 2023) and B2B activities (+61,7% vs. 2023). Net sales amounted to €1 039 million in FY24, a -13,2% reported decrease compared to 2023, mostly impacted by the strategic shift from direct sales towards more service activities, as illustrated by Marketplace GMV share growing by +5,4pts vs. 2023, standing at 65,4% in FY24.

The **marketplace of products, Cnova's first strategic pillar,** continued its expansion in 2024, standing as one of Cdiscount's key profitable growth drivers. Marketplace GMV grew by +3,2% in FY24 vs. 2023, and gradually improved quarter after quarter: -4,2% in 1Q24 vs. 2023, -1,8% in 2Q24 vs. 2023, +7,8% in 3Q24 vs. 2023 and +9,1% in 4Q24 vs. 2023. Marketplace GMV share increased by +5,4pts vs. 2023, reaching 65,4% in FY24. Fulfilment by Cdiscount, the delivery services program dedicated to Marketplace sellers, is a key factor, driving marketplace quality along with customer satisfaction and loyalty.

In terms of overall customer base, Cnova encompassed 7,0 million active customers as of December 31st, 2024. Cnova strives to offer the best services to retain its customers and attract new ones. Its loyalty program, Cdiscount à Volonté ("CDAV"), has 1,3 million members and 1,8 million offers eligible to CDAV as of December 31st, 2024.

Over the past two years, Cnova has undertaken several initiatives aiming at optimizing warehouse costs, notably through the close monitoring of warehouses capacities to adapt to business levels. Between January 1st, 2023 and December 31st, 2024, 7 warehouses have been closed, representing -237k sqm.

B2C services GMV grew by +2,5% vs. 2023, amounting to €154 million in FY24. *Cdiscount Mobile* (cell phone plans) GMV increased by +14,4% vs. 2023. Despite rationalized marketing investments due to a focus on profitability, *Cdiscount Voyages* (travel) GMV slightly grew by +0,2% vs. 2023, with the number of passengers travelling with *Cdiscount Voyages* exceeding 200k in 2024.

The second pillar is Cdiscount Advertising development: net revenues from Advertising services remained relatively steady in FY24 vs. 2023, mainly supported by Retail Media performance from Marketplace sellers (+7,6% vs. 2023). Cdiscount Ads Retail Solution (CARS) is key to Advertising services development, enabling both sellers and suppliers to promote their products and brands, with net revenues generated by sponsored products growing by +11,7% in FY24 vs. 2023.

The third pillar is B2B activities growth. Octopia's turnkey marketplace solution offers modular and ready-to-operate marketplace services to international retailers and e-merchants: **first, Merchants-as-a-Service** - to bring sellers to existing marketplaces - and **Marketplace-as-a-Service** - to transform e-commerce websites into marketplaces - revenues grew by x3,1 in FY24 vs. 2023, with underlying GMV generated by Octopia's sellers multiplying by x2,5 vs. 2023. Second, **Fulfilment-as-a-Service -** to bring multi-marketplace fulfilment solutions including cross-border shipping and warehouse management solution - performed well as its revenues increased by +15,3% in FY24 vs. 2023, with the number of parcels shipped, which exceeded 2 million in FY24, growing by +27,9% vs. 2023. **C-Logistics** successfully launched its B2B solution for two new clients in FY24, respectively specialized in luxury goods and customizable pet food. C-Logistics B2B revenues grew by +99,0% in FY24 vs. 2023, mostly driven by the growing number of parcels shipped for external clients (x2 vs. 2023) and the ramp-up of its client specialized in luxury goods since its launch in the 1st quarter 2024.

Regarding CSR commitments and results, please refer to the sustainability statement disclosed by Cnova within the frame of the Corporate Sustainability Reporting Directive in the Directors Report.

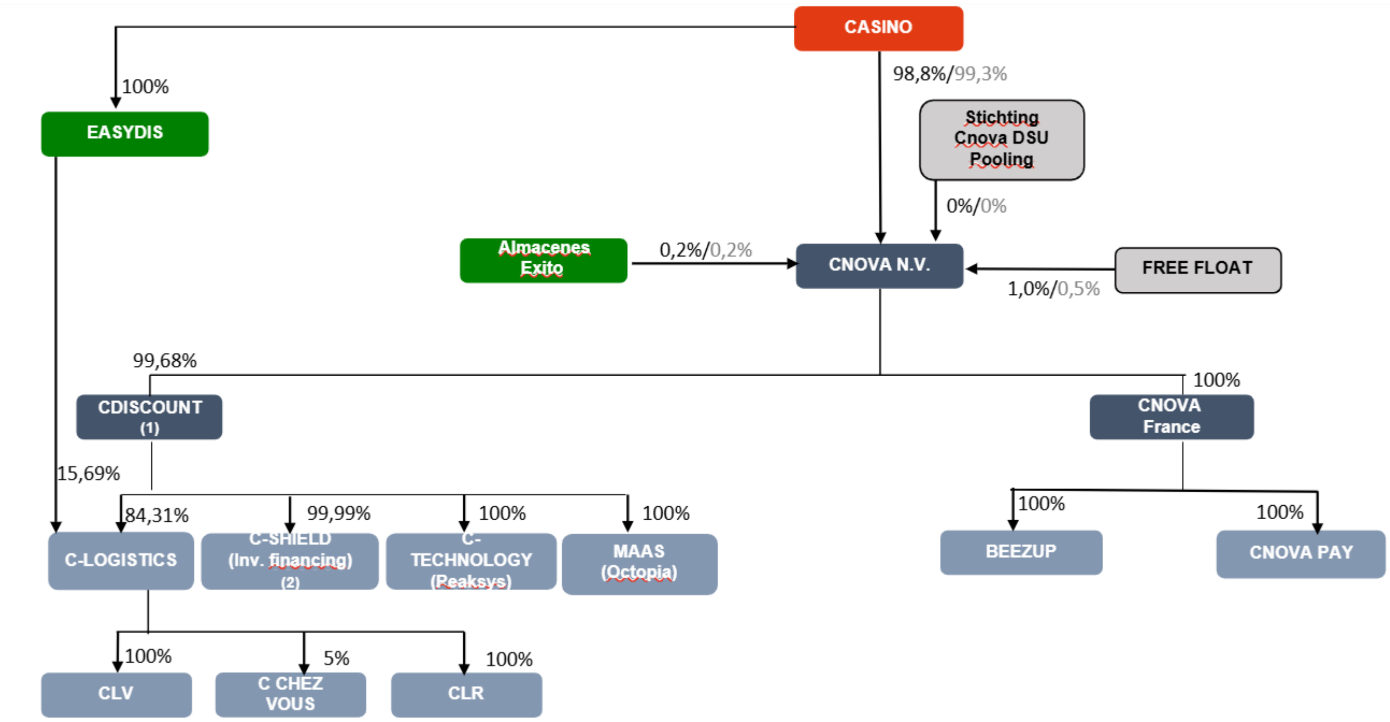
In 2024, Cnova's priorities were the continuous development of its service activities. After two years of transformation, Cnova has concentrated its efforts on generating profitable growth and improving its operational cash, while working on its commercial bounce-back, with a reinvestment plan focused on strengthening its brand identity and enhancing the value proposition to its customers. In 2025, Cnova will pursue the development of its profitable activities, with Marketplace, Retail Media and B2B activities, supported by dedicated investments aiming to reinforce Cdiscount's notoriety, customer acquisition and loyalty, sellers and clients experience along with Cdiscount's commercial promise.

1.5 ORGANIZATIONAL STRUCTURE

The legal name of our company is Cnova N.V., and we are organized under the laws of the Netherlands. We were formed on May 30, 2014. Our corporate structure consists of our Parent Company and several subsidiaries. We also operate through Cdiscount S.A. in France at 120-126 quai de Bacalan, CS 11584, 33067 Bordeaux Cedex, France.

Our corporate structure on December 31, 2024, based upon information known to us, is set out in the following graphic, where black numbers indicate percentage of ordinary shares held by such entity.

Entities under without activity that are under commercial delisting are not presented on this chart



Source: Company information as of 31.12.2024; Cnova shareholding as of 31.12.2024

Notes:
(1) The remaining 0,32% of the share capital is indirectly held by CASINO, GUICHARD-PERRACHON
(2) The 0,01% minority interest is held by Sienna AM France (minority shareholders)

1.6 FINANCIAL REVIEW

Income statement

Consolidated Income Statement *€ million*	2023	2024	*Change*
Net sales	**1 196,7**	**1 039,1**	***€(157,6)m***
Cost of sales	(834,5)	(674,8)	*+€159,8m*
Gross margin	**362,1**	**364,3**	***+€2,2m***
As a % of Net sales	*30,3%*	*35,1%*	*+4,8pts*
Total operating expenses (1)	**(377,1)**	**(381,5)**	***€(4,4)m***
As a % of Net sales	*(31,5)%*	*(36,7)%*	*(5,2)pts*
Fulfilment	(126,3)	(125,7)	*+€0,5m*
Marketing	(69,3)	(78,8)	*€(9,5)m*
Technology & Content	(138,6)	(134,9)	*+€3,7m*
General & Administrative	(42,9)	(42,1)	*+€0,8m*
Operating EBIT (2)	**(15,0)**	**(17,2)**	***€(2,2)m***
As a % of Net sales	*(1,3)%*	*(1,7)%*	*€(0,4)pt*
Other non-current operating expenses	(24,7)	(14,9)	*+€9,8m*
EBIT	**(39,7)**	**(32,1)**	***+€7,6m***
Net financial expenses	(57,7)	(57,8)	*€(0,2)m*
Loss before tax	**(97,4)**	**(89,9)**	***+€7,5m***
Income tax expenses	(28,6)	(3,1)	*+€25,6m*
Share of profit of associates	0,1	(0,0)	€(0,1)m
Net loss from continuing operations	**(125,9)**	**(93,0)**	***+€33,0m***
Net loss from discontinued operations	(3,7)	(1,5)	*+€2,2m*
Net loss for the period	**(129,7)**	**(94,5)**	***+€35,2m***
As a % of Net sales	*(10,8)%*	*(9,1)%*	*+1,7pt*
Attributable to Cnova equity holders (incl. discontinued)	(125,6)	(94,2)	*+€31,4m*
Attributable to non-controlling interests (incl. discontinued)	(4,1)	(0,3)	*+€3,8m*
Basic EPS (€) *(from continuing operations)* (3)	**(0,35)**	**(0,27)**	***+0,1***

1) *Total operating expenses: sum of fulfilment, marketing, technology & content and general & administrative expenses*
2) *Operating EBIT: operating profit/(loss) before other expenses (strategic and restructuring expenses, litigation expenses and impairment and disposal of assets expenses)*
3) *Basic EPS (earnings per share) excluding discontinuing operations*

Operating and Financial Review and Prospects

- ***Company overview***

In 2024, Cnova retained its position among the leaders of e-commerce in France, despite total GMV decreasing by -4,6%[2], in an overall e-commerce market[3] growing by +2% in FY24 vs. 2023, with unfavorable trends for Cdiscount's core markets, mainly for home (-6% vs. 2023) and technical goods (-1% vs. 2023). This like-for-like decrease was mainly driven by declining direct sales (-6,0 contribution points), partly offset by Marketplace (+1,6 contribution points) and B2B fulfilment activities (+0,8 contribution points). CDAV encompassed 1,3 million members as of December 31st, 2024, with GMV share standing at 33,5% in the 4th quarter of 2024, benefiting from 1,8 million offers eligible to CDAV as of December 31st, 2024.

Net sales amounted to €1 039 million in 2024, a -13,2% reported decrease compared to last year, among others due to the voluntary strategic business model shift from direct sales towards more service activities, such as the marketplace, whose revenues are just recognized for the amounts of associated commissions.

We strive to provide our customers with a high value proposition through attractive pricing, extensive product assortment and payment solutions, as well as responsible consumption. We achieve this through our scalable and proprietary technology platforms.

As of December 31st, 2024, we offered our 7,0 million active customers access to a wide assortment.

- ***Net sales***

Net sales are mainly generated by product sales and services provided directly to end customers (B2C) as well as businesses (B2B), across a large variety of product categories. Our product categories include home appliances, consumer electronics, computers, home furnishings, leisure and personal goods. We do not include revenue from returned items or cancelled orders. Net sales also include revenues generated from commissions from our marketplace on sales by third-party sellers selling products on our site and application. We launched our first marketplace in France in 2011 and marketplace revenues represent an improving portion of our total net sales. Our goal is to expand our marketplace business significantly in the coming years, including the expansion of our fulfillment services to marketplace sellers for a fee, as well as other services (marketing and transportation services), which should contribute to our net sales. In addition, we generate revenue from shipping, extended warranties, advertising sales, data monetization, fees collected from customers using our customer service call centers and commissions from services offered to our customers through multiple partnerships (mobile, travel, etc.).

Net sales are primarily driven by the evolution of the number of our active customers, the frequency with which customers purchase products from our site as well as the average order value. Net sales are also impacted by incentive and discount offers we include on products sold. These include percentage discounts applied to current purchases, inducement offers for future discounts subject to a minimum current purchase and other similar offers.

Revenue from product sales is recognized when the control of the goods or services has been passed to the customer, regardless of when the payment is made. Revenue from services is recognized once the service is rendered. We measure revenue at the fair value of the sale or commission price received or receivable, accounting for the terms of payment and excluding taxes and duties. Relating to Cnova's strategy to develop its marketplace, net sales evolution is also impacted by Marketplace

[2] Like-for-like figures exclude disposed (Carya, Neosys) and discontinued (Géant, Cdiscount Pro) activities
[3] Source: FEVAD (Fédération du e-commerce et de la vente à distance, figures covering from January 2024 to December 2024 compared to the same period last year)

GMV share evolution since only the commissions of marketplace orders are included in net sales.

Net sales amounted to €1 039 million in FY24, a -13,2% reported decrease and a -12,7% like-for-like decrease compared to 2023. Net sales evolution was mostly impacted by decreasing direct sales revenues, partly offset by growing service revenues, as part of Cnova's voluntary business shift towards more high-margin services, as illustrated by increasing Octopia B2B and C-Logistics B2B revenues along with improved Marketplace GMV share.

- ***Cost of sales***

Cost of sales relates primarily to our direct sales business, including purchase price of products directly sold to customers, inbound shipping charges to our fulfillment centers and outbound shipping charges from our fulfillment centers to pick-up locations or directly to end customers, fees payable to pick-up locations, packaging supplies, gains related to discounts we obtain from our suppliers, costs associated with lost, stolen or damaged goods we receive and services trade. Shipping charges to receive products from our suppliers are included in our inventory and recognized as cost of sales upon sale of products to our customers.

The change in the cost of sales is primarily driven by the evolution of the number of orders placed by customers, the mix of the products available for sale on our direct sales site and transportation costs related to delivering orders to our customers at the point of delivery they choose, including pick-up locations and postal addresses.

Our cost of sales decreased by -19,1% in 2024 from €835 million to €675 million. It represented 64,9% of our net sales in 2024, compared to 69,7% in 2023. This decrease was mainly driven by Cnova's strategic shift from direct sales towards more high-margin services, as illustrated by the increase in services revenues and their share in Cnova's overall net sales on a comparable basis. At the same time, direct sales revenues and related costs of goods sold decreased.

- ***Operating expenses***

Our operating expenses are classified into 4 categories: fulfillment, marketing, technology & content, and general & administrative costs.

Fulfillment costs

Fulfillment costs are incurred in operating and staffing our fulfillment and customer service centers, after sales costs (including extended warranty costs) and payment processing costs. The costs related to operating our fulfillment centers include reception, warehousing and preparation costs, which include picking, packaging and preparing customer orders as well as payroll and related expenses. After sales costs consist primarily of preparing and resending products that are returned to suppliers or third parties to be repaired. Extended warranty costs include costs to third parties who repair or replace products for which we have sold an extended warranty.

Fulfillment costs are primarily driven by the size of our operations. As our business evolves in size, we expect a corresponding evolution in fulfillment costs in absolute terms. As the size of our marketplace, where we provide fulfilment services for our sellers for a fee, is evolving, we expect variations in fulfillment costs related to warehousing capacity and payment processing, credit card fees, related transaction costs and warehousing costs. We also expect fulfillment costs to be driven by headcount of our customer service centers which evolves to handle customer contacts that are also following the trend of our business.

Fulfilment costs (including D&A) stood at 12,1% of net sales (-1,5pt vs. 2023), improving by €1 million compared to last year, mostly due to full-year effects of the Efficiency Plan savings on warehouses costs (excluding savings on warehouses rents), along with positive volume effects on variable logistic costs. These impacts were partly offset by negative inflation effects and growing B2B logistic costs, in line with expanding Octopia Fulfilment-as-a-Service and C-Logistic B2B activities, notably with the ramp-up of its new client specialized in luxury goods.

Marketing costs

Marketing costs consist primarily of online and offline advertising, such as display advertising and search engine marketing, fees paid for third-party marketing services, costs related to the launch of new business activities and payroll and related expenses for personnel engaged in marketing. The change in marketing costs is primarily driven by the level of traffic we experience on our sites and the determination we make as to whether we need to attract traffic via paid marketing channels in order to grow and retain our customer base as well as our decisions regarding the volume of offline campaigns.

Marketing costs (including D&A) represented 7,6% of net sales (-1,8pt vs. 2023), deteriorating by €9 million compared to last year, as part of Cnova's strategy to boost client acquisition, to strengthen Cdiscount's brand identity and to enhance the value proposition to its customers. This strategy, notably embodied by a reinvestment plan, led to an increase in both media-brand – with the launch of Cdiscount's new brand identity in June 2024 – and marketing acquisition costs.

Technology and content costs

Information technology (IT) and content expenses consist primarily of IT infrastructure expenses and payroll and related expenses for employees involved in application, product, and platform development, category expansion, editorial content, purchasing (including expenses and payroll related to our overall purchasing activity), merchandising selection, systems support and digital initiatives. We expense IT and content costs as they are incurred and amortize development costs over time, including software used to upgrade and enhance our websites and applications supporting our business.

Technology & Content costs (including D&A) stood at 13,0% of net sales (-1,4pt vs. 2023), improving by €4 million compared to last year, positively impacted by headcount optimization notably with the rationalization of Direct sales headcount, while reinforcing Marketplace workforce.

General and administrative costs

General and administrative expenses consist primarily of payroll and related expenses for management, including employees involved in general corporate functions (accounting, finance, tax, legal, and human resources), including our management incentive plans, as well as costs associated with use by these functions of facilities and equipment, such as depreciation expense and rent, and general labor costs. General and administrative costs also include management fees paid to our Parent Companies for shared services, such as accounting, finance, legal and human resources. We also include professional fees and litigation costs and other general corporate costs as general and administrative costs.

General & Administrative expenses (including D&A) represented 4,0% of net sales (-0,5pt vs. 2023), improving by €1m compared to last year, mostly due to full-year effects from the Efficiency plan on headcount and related staff costs, along with savings on administrative expenses.

- ***Other expenses***

Strategic and restructuring expenses

In 2023, we had €3,5 million of restructuring and strategic costs, of which €3,8 million conciliation costs, €1,9 million of head office restructuring and €2,3 million of strategic fees (including fees in connection with the management control transformation plan), offset by €4,5 million net gain on onerous contracts (provision reversal and reduction of lease liability).

In 2024, we had €4,7 million of restructuring and strategic costs, of which €2,5 million of head office restructuring, €1,5 provision and costs on onerous contracts and €0,6 million of strategic fees.

Litigation costs

In 2023, the net positive impact of litigation amounted to € 1,5 million, of which €2,0 million related to an indemnity received by Octopia as a compensation for breach of contract.

In 2024, litigation amounted to € 3,1 million mostly due to a penalty of € 3 million due to a control of DGCCRF that started on August 2020 related to 2019 delay of payment on Cdiscount SA. Please refer to *Subsequent events* section for further information.

Impairment and disposal of Assets

In 2023, we had €22,6 million costs, including €7,6 million loss cost of early termination of lease, €6,1 million impairments of certain IT development costs at Cdiscount €5,0 million loss on disposal of Carya, €3,8 million depreciation of investments in associates.

In 2024, we had €6,9 million costs, of which a €6,4 million write-off assets, €1,6 million gain on disposal of assets and €2,7 million costs of early termination lease in connection with exit lease exits initiated in 2023.

Change in scope of consolidation

In 2023 and 2024, change in scope of consolidation includes amortization of fair value adjustments recognized in purchase price allocation for €0,1 million each year.

- ***Net financial income (expense)***

Financial income and expenses (net) consist primarily of our interest expenses on cash pool, bank overdrafts, state guaranteed loan and other borrowings along with costs we incur related to the sale of receivables, partly offset by revenue from cash and cash equivalents held by us.

On top of these financial expenses linked to our financing structure, we bear the cost of our 4X installment program for our customers. In 2024, more than 40% of Cdiscount GMV was paid by our customers through 4-installment payments ("the CB4X installment payment service"), with one upfront payment and three subsequent interest-bearing payments 30, 60 and 90 days after the initial payment. Under the agreement implemented in August 2015 between Cdiscount and FLOA Bank, Cdiscount fully transfers the credit risk of the installments related to this program in France to FLOA Bank.

Net financial expenses amounted to €(58) million, relatively steady compared to last year, impacted by higher interest expense on borrowings (including cash pool balance with Casino) mostly due to higher drawings, offset by lower interest expense on lease liability and lower costs related to the financing of the 4-installment payments solution ("CB4X"). The latter resulted from a volume effect as Product GMV decreased by -5,4% in FY24 vs. 23, combined with improved customers' risk profiles selection and a more efficient debt recovery.

- ***Income tax expense***

Income tax expense went down from €(28,6) million in 2023, notably due to a €26 million loss related to the change of recognition of the deferred tax concerning C-Logistics, to €(3,1) million in 2024.

- ***Net result from discontinued activities***

The net profit from discontinued activities went from €(3,7) million in 2023, mainly related to Carya (company disposed in December 2023) and Via Varejo reorganization agreement, to €(1,5) million in 2024, mostly due to Via Varejo litigation impact (net of provision reversal).

Cash-flows and working capital

Our principal sources of liquidity have traditionally consisted of cash flows from operating activities, loans or cash received from our Parent Companies and, to a lesser extent, capital increases and proceeds obtained from short and long-term loans as well as financing from third-party financial institutions. Note 22 of our consolidated financial statements, included in this annual report, provides additional financial information regarding our liquidity and capital resources.

The following table presents the major components of net cash flows for the periods presented:

€ millions	**Dec. 31, 2023**	**Dec. 31, 2024**
Net cash from/(used in) continuing operating activities	**(77,5)**	**30,5**
Net cash from/(used in) discontinued operating activities	(3,7)	**(4,9)**
Net cash from/(used in) continuing investing activities	**102,1**	**(55,0)**
Net cash from/(used in) discontinued investing activities	1,7	**0,0**
Net cash from/(used in) continuing financing activities	**(25,2)**	**102,1**
Net cash from/(used in) discontinued financing activities	(1,1)	**(0,0)**
Effect of continuing changes in foreign currency translation adjustments	0,0	**0,1**
Effect of discontinuing changes in foreign currency translation adjustments	-	**-**
Change in cash and cash equivalents, net, at period end	**(3,8)**	**72,8**

We had net cash and cash equivalents of €14,7 million as of December 31st, 2024 and €(58,1) million as of December 31st, 2023, with bank overdrafts of respectively €(0,0) million and €(69,1) million. Considering current financing facilities and continuous access to banks and credit card operators, we believe that our existing cash and cash equivalents together with cash generated from operations, and our existing financial resources and credit lines suffice to meet our working capital expenditure requirements for the next 12 months. Our additional cash needs may also be impacted by external events, see section 2.2. “Risk factors” as well as Notes 1 and 27 of the consolidated financial statements.

- ***Cash From/(Used in) Operating Activities***

Cash used in operating activities was €25,7 million in the year ended December 31st, 2024 compared to €(81,2) million in 2023, benefiting from lower losses and change in working capital.

Our cash flows and working capital fluctuate throughout the year, primarily driven by the seasonality of our business. At the end of December of each year, we experience high trade payables compared to the rest of the year following the peak sales volumes experienced in November and December associated with the end of the year shopping period in France (Black Friday at November-end followed by Christmas shopping season). In the first three quarters of each year, trade payables decrease due to seasonality leading to a cash balance reduction compared to the end of the prior year.

In general, throughout the year, the levels of trade receivables and inventory remain stable relative to our net sales, the level of our payables with suppliers in days of sales may vary from period to period.

Cash used in operating activities was mostly impacted by Cnova's reinvestment plan launched in the 3rd quarter 2024, partly offset by the acceleration of Cnova's turnaround towards high-margin services and the full-year effects from the Efficiency plan. Cnova working capital remained constrained due to consistent yet limited payment terms to suppliers.

Our trade payables include accounts payable to suppliers associated with our direct sales business and operating expenses. Our trade payables amounted to respectively €(191,4) million and €(252,9) million as of December 31st, 2024 and December 31st, 2023. Negative change in working capital was mostly related by a €(61,5) million deterioration in trade payables mostly impacted by Cdiscount own offer GMV trend within a continuous context of deteriorated payment conditions following 2023 credit insurers guarantees reductions (contraction of their risk exposure towards Cnova) and early payments to suppliers.

Our trade receivables include accounts receivable to customers and suppliers. Our trade receivables amounted to respectively €79,2 million and €92,7 million as of December 31st, 2024 and December 31st, 2023. Change in working capital was positively impacted by the decrease of trade receivables by €13,5 million, mostly benefitting from Cdiscount GMV mix towards an increasing share of the marketplace and better cash conversion, partly offset by increasing B2B activities.

Our net inventories of products amounted to respectively €97,4 million and €100,5 million as of December 31st, 2024 and December 31st, 2023. Change in working capital was positively impacted by €3,2 million decrease in inventories of products driven by Cdiscount own offer GMV trend partly related to the increasing GMV share of the marketplace.

Cash from operating activities in the year ended December 31st, 2023, was €(81,2) million. Changes in working capital primarily consisted of a €176,0 million decrease in trade payables, a €(9,7) million increase in trade receivables, a €45,4 million decrease in inventories.

- ***Cash From/(Used in) Investing Activities***

Cash used in investing activities was €(55,0) million in 2024 and was mainly related to:

- €(56,5) million acquisitions of property, equipment and intangible assets – decreasing by €6,8 million vs. 2023 mainly thanks to strategic decisions aiming to rationalize and focus investments on Cdiscount.com technical platform, customer and sellers experience, marketplace and Advertising services
- €2.9 million mostly related to the remaining proceeds from the sale of 1001pneus (2023) and Floa assets (2022)
- €(1,0) million from changes in loans granted linked to Casino Finance agreement

Cash used in investing activities was €103,7 million in 2023 and was primarily attributable to €155,2 million of change in loans granted, €(63,3) million acquisitions of property, equipment and intangible assets and €10,2 million mostly related to the proceeds from the sale of CChezVous, Floa assets and 1001pneus.

- ***Cash From/(Used in) Financing Activities***

Cash used in financing activities was €102,1 million in 2024 and was primarily attributable to

- €181,1 million proceeds from loan received
- €(32,8) million repayment and interests on lease liabilities
- €(46,3) million interests paid.

Cash from financing activities was €(26,3) million in 2023 and was primarily attributable to €45,4 million proceeds from loan received, €6,8 million change in financial debt mostly from an increase in SPV loan (inventories), €(33,7) million repayment and interests on lease liabilities, and €(43,7) million interests paid.

Financial position

€ millions	Dec. 31, 2023	Dec. 31, 2024
Free cash flows before financial expenses	(170.1)	(67.6)
Net financial debt	(589,4)	(704,3)
Group equity	(574,4)	(670,4)

(1) Free cash flows before financial expenses = Net Financial Debt variation – interests paid - Net cash from/(used in) discontinued operating activities - Net cash from/(used in) discontinued investing activities – Other non-cash items. 2023 amount was €(135,3) million in DAR 2023 (vs €(170,1) million in DAR 2024) and calculated as follows : EBITDA – Capital expenditures + change in working capital and taxes – Other non-recurring items. Calculation method evolved to be in line historical presentation.

(2) Net Financial Debt = cash and cash equivalents + other current assets included in net financial debt (see Note 12) – current financial debt – non-current financial debt.

♦ ***Free cash flows***

Free cash flows before financial expenses were €(67,6) million in 2024 compared to €(170,1) million in 2023, improving by €102,5 million, mostly related to:

- Operating profitability for €47 million (EBITDA excl. IFRS 16), declining by €(2) million vs. 2023, impacted by Cnova's reinvestment plan launched in the 3rd quarter 2024, partly offset by the acceleration of Cnova's turnaround towards high-margin services and the full-year effects from the Efficiency plan. Cnova's reinvestment plan focuses on strengthening Cdiscount's brand identity and enhancing the value proposition to its customers, to boost Cnova's operational profitability and cash. The commercial and marketing investments dedicated to this reinvestment plan generated a solid increase in contribution margin at the end of 2024

- Capital expenditures for €(56) million, improving by +€7 million vs. 2023, mainly thanks to strategic decisions aiming to rationalize and focus investments on Cdiscount.com technical platform, customers and sellers experience, Marketplace and Advertising services

- Change in operating working capital for €(38) million, improving by €109 million vs. 2023, benefitting from consistent yet limited payment terms to suppliers following 2023 context, while impacted by declining direct sales business volumes (-18,2% vs. 2023)

♦ *Net financial debt*

€ millions	Dec. 31, 2023	Dec. 31, 2024
Cash and cash equivalents	11,0	14,8
Cash pool balances with Casino (in other current assets)	0,0	-0,0
Less net current financial debt	(183,6)	(41,1)
Current net cash / net financial debt	(172,5)	(26,3)
Less net non-current financial debt	(416,9)	(678,0)
Net cash/(Net financial debt)	(589,4)	(704,3)

Net financial debt went from €(589,4) million at December 31st, 2023 to €(704,3) million at December 31st, 2024, an increase by €(114,9) million. Please refer to Note 21 for further information.

♦ *Group equity*

Group equity went from €(574,4) million at December 31st, 2023 to €(670,4) million at December 31st, 2024, mainly due to a €(94,2) million net loss in 2024.

1.7 SUSTAINABILITY STATEMENT

1.7.1 General information (ESRS 2)

1.7.1.1 Basis for preparation

1.7.1.1.1 General basis for preparation of the sustainability statement (BP-1)

The organizational chart is presented in section "1.5 Organizational structure". In order to facilitate the reading of this sustainability statement, a short presentation of the entities within Cnova is given hereafter:

- Cdiscount is the French leader of e-commerce. We provide our customers with products (divided in 4 main categories: high-tech, home appliances, home and family & leisure) and services for the daily life (travel, mobile, ...).
- MAAS (commercial name "Octopia") is a 100% owned affiliate of Cdiscount (became a subsidiary on April 2021). MAAS propose to its customers different offers to develop a marketplace business (how to develop quickly a products database, how to recruit sellers, a fulfilment solution to develop delivery options...).
- C-technology (became a subsidiary on April 2021) oversees all the IT services needed to perform Cdiscount.com' and MAAS' businesses and will commercialize a know-how on cybersecurity. This entity was created to ensure both to Cdiscount.com and to MAAS' customers that their data are properly separated, according to our legal obligations. This entity creation will also enable to share tools, developments, monitoring tools (instead of creating an IT for Cdiscount.com ad an IT for MAAS).
- C-logistics is a logistics provider for e-merchants. It became a subsidiary of Cdiscount in January 2019.
- CLR is a 100% owned affiliate of C-logistics: the management of the Reau warehouse was as far subcontracted. It has been decided to internalize this warehouse in 2021.
- It is the same scheme for CLV.
- C Chez Vous is a carrier specialized in heavy products (> 30kg).
- Cnova France has no commercial activity and zero employees.
- C-shield is a special purpose vehicle established to carry the inventory of specific categories.
- CnovaPay is the payment institution of Cnova Group. It manages monetary flows for marketplace activities and a 4-installmeent payment solution proposed to customers.
- BeezUp offers an e-commerce feed management solution.
- All these activities enable Cnova to be a leader actor of the e-commerce, each of its subsidiaries having a specific expertise, complementary from the others.

The sustainability statement has been prepared on a consolidated basis. Beezup and C Chez Vous are excluded from this sustainability statement, the first because of the low number of employees and the amount of turnover, the second because Cnova owns only 5% of this company. In addition, Neosys share capital was previously owned at 51% by Cnova France and at 49% by Syspread. Neosys is an IT services provider that owned two subsidiaries at 100%: Neosys Tunisie and Neotech Solutions. On February 28th, 2024, Cnova France closed the disposal of its 51% stake in Neosys to Syspread. Neosys was therefore not considered within this report, as well because only two months of activity occurred in 2024 within Cnova scope and because no material topic arose during the two months.

The content of this report (policies, actions, indicators, etc.) refers by default to Cnova's global scope. If the scope is to be restricted, this will be indicated either in the header of the section concerned, or in the specific paragraph.

This sustainability statement covers Cnova's upstream and downstream value chain, for the materiality assessment as well as the policies, actions and targets. The metrics are not validated by an external body other than the assurance provider.

Cnova did not use the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation.

1.7.1.1.2 Disclosures in relation to specific circumstances (BP-2)

- ***Time horizons***

In accordance with the methodology published by EFRAG, all the issues mentioned in the ESRS have been assessed in terms of time horizons. A scale of time horizons has been defined for the Group and is applicable to all the issues assessed:

- Short-term: less than 1 year
- Medium-term: between 1 and 5 years
- Long term: 5 years or more

All the Disclosure Requirement (DR) or Datapoints (DP) required by the CSRD are presented in the present sustainability statement. We did not use the incorporation by reference.

- ***Value chain estimation***

Diverse data related to the value chain are disclosed in this report. Explanations on the data used including if they are accurate or estimated are provided in each section of the report. However, one can precise that considering the complexity of the value chain of Cnova, most of the data related to the environment and the value chain are estimated (e.g. Scope 3 calculation is not based on the carbon footprint of each product but use the emission factors provided by the ADEME, resource use linked to products sold, waste generated across the value chain). For social and governance information, no estimation was made. Calculation methods and associated limits, as well as action plans and time horizon to gather accurate data are provided in each section.

- ***Estimations and uncertainties***

The major source of uncertainties regarding quantitative metrics and monetary amounts is related to the decarbonization strategy, since it depends on changes across Cnova upstream value chain (the ability of suppliers and sellers to communicate more accurate data, their own decarbonization strategies), to regulatory evolutions (for instance making the supply of some carbon-related data a requirement), to changes in society (e.g. major evolutions of the consumption behaviors), as well as market evolutions (for instance the market share of Cnova in the future). Due to their uncertain nature, future achievements may differ from this forward-looking information.

The comparability of sustainability information between entities and overtime may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques.

When metrics are subject to a high level of measurement uncertainty, the source is disclosed in the methodology section of the relevant topical standard, together with the assumptions, approximations and judgments applied. Possible sources of uncertainty include (non-exhaustive):

- Dependency on the outcome of future events
- Measurement techniques
- Availability and quality of value chain information
- The information is forward-looking and therefore uncertain by definition
- In the future, higher data quality may lead to different outcomes and a necessity to restate numbers or recalibrate targets

The primary sources of estimation and outcome uncertainty in the sustainability statement relate to our Scope 3 GHG emissions.

The comparability of sustainability information between entities and over time may be affected by the lack of historical information in accordance with the ESRS. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

- ***Changes in preparation or presentation of sustainability information***

This sustainability statement has been drawn up according to the European Sustainability Reporting Standards (ESRS) and Regulation EU 2020/852 related to EU Taxonomy disclosures, based on the available information within the timeframe for establishing this report. It has been prepared in the context of new sustainability reporting standards requiring potential entity-specific and temporary interpretations and addressing inherent measurement or evaluation uncertainties.

Please note that at the time of publishment, Cnova disclosures under the ESRS are voluntary since the CSRD is not yet transposed in Dutch Law.

The best efforts have been made to disclose the required information with a high level of completeness and accuracy. However, some uncertainties in understanding the texts may result in a lack of accuracy. Continuous improvement will be made over time to refine the sustainability statement, based notably on established market practices which will be set up in the coming years.

- ***Reporting errors in prior periods***

This is the first year of application for the CSRD.

1.7.1.2 Governance

1.7.1.2.1 The role of the administrative, management and supervisory bodies (GOV-1)

Cnova's administrative, management and supervisory bodies are the following ones:

- The Board of Directors
- The Audit committee, the Nomination and Remuneration Committee and the Strategic Committee
- The Executive Committee
- The Direction Committee

Cnova N.V.	2024		
	Board	Executive Committee	Direction Committee
# of members	**5**	**10**	**18**
# of independent members	3	n.a.	n.a.
% of indepedent members	**60%**	**n.a.**	**n.a.**
% of female	**20%**	**30%**	**50%**

- ***Board structure and roles***

See section "4. BOARD OF DIRECTORS" for information related to the Board composition and roles.

- ***Cnova's Executive Committee***

The Executive Committee acts as a strategic think-tank, coordinating and sharing structuring initiatives and monitoring cross-functional projects, including social and environmental issues. It ensures the coherence of action plans and, in this respect, makes the necessary decisions. It monitors the Group's results, balance and financial and non-financial performance, and decides on action plans to be implemented. The Committee meets every week.

The Executive Committee is composed of 11 senior corporate executives:

- Thomas Métivier – CEO
- Marie Even - Deputy CEO in charge of the General Secretariat and the Transformation
- Yves Trézières – CFO
- Antoine Guillotte - Chief Product Officer de Cdiscount
- Jonathan Gorges – Head of Assortment
- Christophe Blot - Chief Revenue Officer
- Mélanie Denis - Customer & Marketing Director
- Antoine Wolff – CEO of C-logistics
- Christophe Samson – CEO of Peaksys
- Stanislas Pringent – CEO of Octopia
- Marina Prevosto – Head of Strategy

Marie Even, the Deputy CEO in charge of the General Secretariat and Transformation, manages the main departments involved in the sustainability matters day-to-day management. Marie Even is a graduate of the Paris Bar and holds a PhD in Law. She served as Head of Legal Group for 2H Technologies and practiced as a lawyer at Deloitte law firm for six years. Marie joined Cnova in 2009 as Head of Legal Affairs. She was later appointed General Secretary in 2017, overseeing Legal, HR, CSR, Corporate Communication, DPO, and Public Affairs. Marie Even has been Deputy CEO of Cdiscount since August 2020, overseeing the General Secretary and Cnova Pay, a financial entity managing marketplace financial flows and instalment payments. Since April 2024, she has also overseen Transformation.

- ***Cnova's Direction Committee***

A Direction Committee completes the governance. It enables us to share strategic priorities and structuring projects, and to monitor action plans and company results (financial and non-financial), thus guaranteeing a common vision among top management and facilitating cross-functional work between the company's departments. It meets every week. It is composed of:

- The Executive Committee members,
- The Head of Cnova Pay,
- The Commercial Director,
- The Offer Director,
- The Data Director,
- The Communication Director,
- The Legal Director,
- The HR Director,
- The CSR and Quality Director.

- ***Representation of employees and other workers***

Employees and other workers are not directly involved within these management, administrative and supervisory bodies. However, Cnova has put in place a combination of levers to ensure strong and regular interactions with its employees and other workers. These mechanisms are described in the sections “Interests and views of stakeholders” SBM-2, “Processes for engaging with own workforce and workers’ representatives” S1-2 and more generally in the section “Social information” S1.

The sustainability matters are managed within Cnova by different directors, including the CSR and Quality director, the HR director, the Legal Director and the Data Protection Officer. They are all managed by Marie Even, the Deputy CEO. Other topics such as Internal Control or Risk Management are managed by Yves Trezieres, Cnova's CFO. They both are members of the Executive Committee.

By their intermediate, those topics are presented Executive Committee. In addition, the CSR and Quality director as well as the HR director and the Legal director are members of the Direction Committee, enabling us to share on a weekly basis key information with the entire Direction Committee and Executive Committee.

The ESG strategy is discussed during the Board and the Audit Committee once per year. The objectives and targets of the year are discussed once a year, while major ESG results achieved are presented all through the year to the Board and Audit Committee to monitor progress.

Indeed, as mentioned in the Board Rules, the Board of Directors is responsible for achieving the Company's aims, the strategy and associated risk profile, the development of results and corporate social responsibility issues that are relevant to the business.

The CSRD introduced new concepts and requirements such as the analysis of the material IROs and the setting of targets related to them as well as processes to monitor progress towards them. In 2024, the Board, across from the Audit Committee, was informed of the CSRD implementation:

- The methodology used for conducting the double materiality assessment (DMA)
- The results of the DMA and the list of the material IROs identified for Cnova
- The results of the gap analysis
- Advancement of the report draft
- The assurance approach used by the auditors in charge of the validation of the sustainability statement

Regular information was also shared to the Executive Committee and the Direction Committee by the CSR and Quality Director, the Deputy CEO and the CFO.

Regarding especially the management of risks, an analysis of the major risks for Cnova activities is performed each year. This is led by the internal audit direction entity (a risk being the potential for an event to occur and have a negative impact on reputation or achievement of financial, strategic or operational objectives) and to describe the treatment type and mitigation plans for the identified.

This assessment is performed according to the following process:

- Based on a complete risk universe (including ESG related ones) the risk management functions interview the top management committee to identify the 12 top risks,
- The evaluation is challenged with risk management and validated by the executive committee
- The risk mapping is fully renewed every 3 years and updated every year
- Casino Risk management consolidate all risk mapping performed by the entities of the Casino group, and challenge each evaluation
- For the 12 main risks identified, an action plan is defined (actions, priority level, due date, person in charge, status)
- Action plans are followed each semester

In addition, an ESG risk assessment was performed each year, until 2024 where the double materiality assessment was performed. The approach was identical, the results being limited to the main 5 ESG risks.

The results of the risk assessments are shared with the Board and the Audit Committee each year.

1.7.1.2.2 Information provided to and sustainability matters addressed by the Cnova administrative, management and supervisory bodies (GOV-2)

The sustainability matters are presented to the administrative, management and supervisory bodies as described in the following table, by the Directors in charge of these topics (Deputy CEO, CSR and Quality director, HR director…).

Cnova N.V.	Overall strategy	Major results	ESG regulation implementation
Board	Once a year	Once a year	Once a year
Audit Committee	Once a year	Once a year	At each committee
Executive Committee	All along the year	All along the year	All along the year
Direction Committee	All along the year	All along the year	All along the year

The annual presentation to the Board and the Audit Committee includes discussions related to climate change, the management of human capital, business ethics and the reporting requirements.

As explained in the previous section, the DMA process and its results, including the IROs identified as material and presented in the following section "Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)", were shared and discussed with the Audit Committee along 2024. They will continue to contribute to the strategic reflexions in the coming years.

1.7.1.2.3 Integration of sustainability-related performance in incentive schemes (GOV-3)

There is an ESG component in the variable remuneration for the Executive Directors members of the Board. It is based on 3 criteria: percentage of women executives within Casino Group, GHG emissions of 2024 at the level of Casino Group and electricity consumption per square meters at the level of the Casino group. It weighs 10% of the variable (3,33% for each) of Thomas Métivier and 7,5% of the variable (2,5% for each) of Steven Geers. The targets are set and measured by the Casino Group and are validated and approved by Cnova's Remuneration Committee and the Board. In case of overachievement the performance is capped at 200%.

For the non-executive members, their remuneration is only composed of a fixed fee.

There is also an ESG indicator of the variable remuneration of all the employees of Cnova subsidiaries eligible to an incentive scheme, based both on the more sustainable products sold and the gender parity within the management. It represents 5% of the variable remuneration. The variable remuneration represents between 4% and 16% of the remuneration. Each quarter, the results are compared to the targets. The target represents 100% achievement, while the bonus will vary between 0% and 200%. The targets are defined each year and validated by the Executive Committee.

1.7.1.2.4 Statement on due diligence (GOV-4)

The following table summarizes the main steps of the due diligence process regarding sustainability matters.

Key steps of the due diligence	Related sections in the sustainability report
Integrate due diligence into governance, strategy and business model	Section "Governance" of the "General information" section
Collaborate with relevant stakeholders at all stages of due diligence	Section "Interest and views of stakeholders" of the "Strategy" in the "General information" section
Identify and assess negative impacts	Section "Material impacts, risks and opportunities" of the "Strategy" in the "General information" section
Take measures to remedy these negative impacts	Sections "Environmental information", "Social information" and "Governance information"
Follow	Sections "Environmental information", "Social information" and "Governance information"

1.7.1.2.5 Risk management and internal controls over sustainability reporting (GOV-5)

Workshops were held with Casino group and Cnova internal Audit team during the double materiality process, both for the construction of the methodology, in particular the construction of evaluation scales, and for the evaluation of IROs. The workshops also ensured that the results of the double materiality exercise (IROs considered material) were consistent with the CSR risks identified during previous major risk mapping exercises.

In addition, since 2020, so-called CSR risks have been included in the Group's major risk mapping campaign. This assessment is performed at the level of Cnova, based on a common approach used within Casino group. It is led by Cnova internal audit team and CSR Director. During the 2024 major risk identification campaign, risks linked to Cnova own workforce, to evolution of consumers demand, on cybersecurity, and on brand notoriety were identified. These issues were also identified across the DMA process.

- ***Data collection methods and controls to ensure the reliability of published non-financial information***

Non-financial data is collected and consolidated by the CSR Direction. It is based either on a reporting tool used at the level of Casino group, or on a market tool used for carbon footprint calculation, or on operational data extracted from our IT systems.

If we focus on a major part of non-financial data, they are collected thanks to an integrated reporting tool which was implemented during 2018 at the level of Casino group to improve data collection and make the calculation and consolidation of non-financial indicators on the Casino Group scope more reliable. It used for Cnova as part of the Casino Group.

Definitions and methodologies for calculating non-financial indicators are entered directly into the tool, and accessible to all those involved in the reporting process. Improvements are made every year to ensure:

- Compliance with legal and regulatory requirements relating to Ordinance No. 2017-1180 of July 19, 2017, and Decree No. 2017-1265 of August 9, 2017, on the publication of non-financial information
- The harmonization and proper understanding of calculation methodologies
- The smooth running of the reporting campaign. Tutorials are made available to contributors and validators, and reporting principles are reiterated at the start of each campaign, including:
- The timetable and organization of the CSR indicators collection, validation and consolidation process
- Responsibilities at different levels of the process
- Reporting scope and principles for taking account of changes in scope (disposals, acquisitions)
- Definitions useful for understanding the data requested
- Methodologies for calculating indicators, in line with applicable international or national standards

To ensure the reliability of the data reported, the data entry system includes:

- A workflow with defined roles and responsibilities
- A double level of control by the data validator and the CSR Department. The audit of non-financial data reinforces this system
- Automatic checks and consistency tests, directly integrated into the reporting tool. Data validation is blocked if the results of these checks are not satisfactory
- Supporting documents required in the event of significant variations, zero data or no data at all
- Indication of the source of sensitive information.

1.7.1.3 Strategy

1.7.1.3.1 Strategy, business model and value chain (SBM-1)

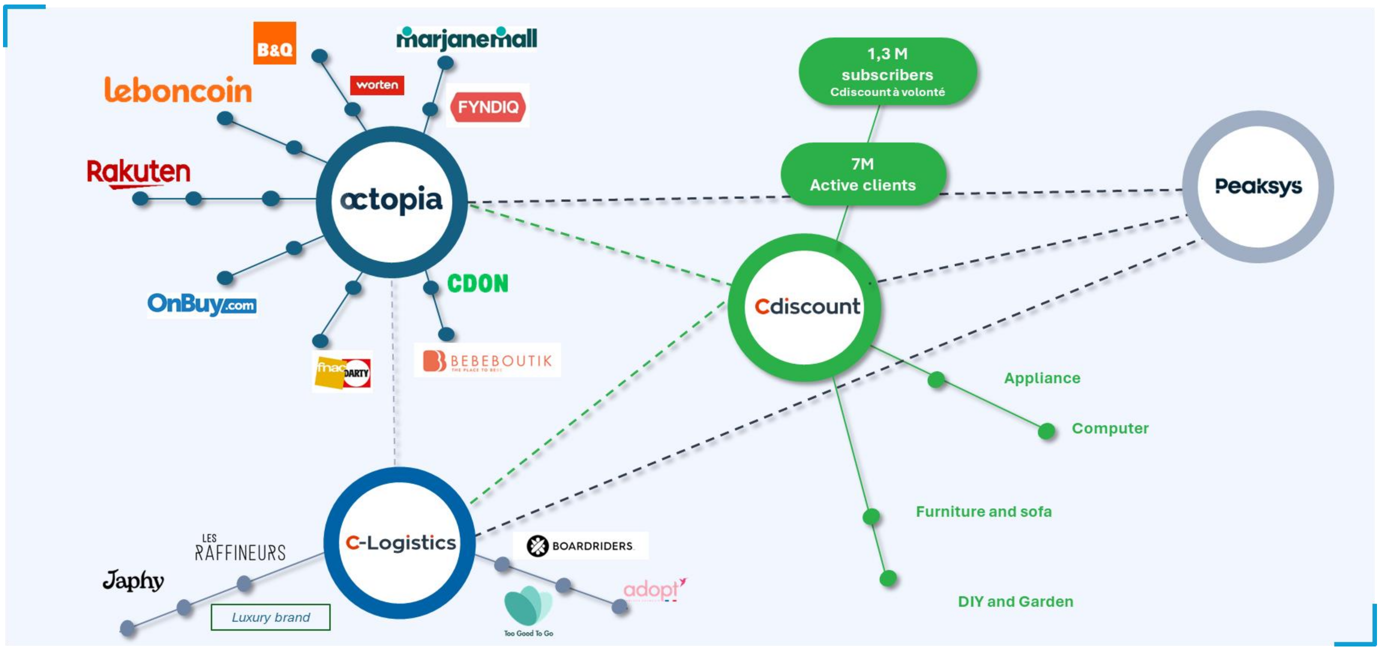
Cnova's Gross Merchandise Volume is composed of:

- Activities linked to the platform cdiscount.com
  - The sales of products, either directly by Cdiscount (several thousands) or by sellers of the marketplace (several millions), composed of high-tech, home appliances, home and family & leisure products
  - B2C services such as Travel or Mobile services
  - Revenues linked to the loyalty program, the advertising, the fulfillment service and the 4-installment payment
- B2B activities such as the fulfillment service proposed by Octopia for sellers selling their products on other marketplaces than cdiscount.com, or the storage and delivery of products by C-logistics for other e-actors

Cnova's customers are divided in different categories:

- The French consumers buying on Cdiscount.com
- The sellers selling on Cdiscount.com or other marketplaces using different services provided by Cnova
- The retailers and marketplaces using offers of Octopia and C-logistics to develop their business, most of them being French actors

The following chart presents major B2C and B2B customers:



Regarding the employees of Cnova, all are based in France except for one person located in the Netherlands.

Regarding the sustainability-related goals, and as it will be described in this report, Cnova is committed to promote access to goods and services to as many people as possible while building a sustainable and inclusive European digital economy. This means in particular:

- For French consumers: to provide them an e-commerce platform which helps them to reduce their impact, by offering more sustainable products, by giving them the tools to reduce the impacts of the logistics, by ensuring them products are complaint with legal requirements to ensure their safety and to have high ethical standards,

- For retailers and marketplaces: to provide them with an e-commerce offer which cares of its impact, from an environmental, social and ethical point of view.

Environmental, social and societal stakes such as climate (climate adaptation and mitigation), business ethics (practices across the value chain regarding workers, ESG practices of partners…) and human capital (talent attraction and retention, diversity, gender parity…) are at the heart of Cnova activities. Major 2024 actions and results are listed below.

- ***Regarding Cnova's actions to reduce its impact on climate:***

Accelerating the transition toward a sustainable consumption is at the core of Cnova's strategy and a cornerstone of Cdiscount's new brand identity, launched in June 2024. Through Cdiscount.com and its program dedicated to « more sustainable » products, Cnova aims at giving consumers the power to choose and act. In 2024, new criteria were added to the « More sustainable » program: « Made-to-order » for home furnitures, « Refurbished in France », « Epeat certified » for high-tech products and « Ecolabel certified » on do-it-yourself and personal care products. These products benefit from the « More sustainable" label which help customers easily identify these products among others. The efforts of Cnova for developing this offer, highlighting products on the website and promoting sales enabled to reach a new record in 2024: 25.2% of Product GMV is « more sustainable » (+8.1pt vs 23). This increase was constant all along the year, including intense commercial periods such as Black Friday (25.3% of product sales). Refurbished smartphones, more reparable vacuum cleaners, more energy-efficient washing machines and epeat certified computers were in the Top 20 sales.

Cnova acts also in favor of a more circular economy. For instance, Cdiscount enables its customers to sell their old devices (smartphones, tablets, connected watch, game consoles) to professional refurbishers across the service « Cdiscount Reprise ». In 2024, the service had a 10-fold increase in the number of product returns. Cnova also continued to develop solutions enabling to give a second life to products returned by Cdiscount.com customers. New partnerships were signed with experts of refurbishment such as Reficio (small appliances) and Ninety (smartphones). Such initiatives contribute both to reduce products greenhouse gas emissions and create qualified jobs in France

Cnova also signed in 2024 the Sustainable Consumption Pledge. This voluntary initiative carried out by the European Commission promotes sustainable consumption beyond legal requirements. This initiative allowed Cnova to reaffirm its commitments, including identifying and reducing its carbon footprint, minimizing the environmental impact of its products, increasing circularity in its operations, and ensuring social sustainability throughout its value chain.

Regarding deliveries, Cnova collaborates with its carriers to continue reducing the greenhouse gas emissions. This is achieved through the increase of alternative transportation means on last mile delivery (+20% vs 23) and the increase of bulk loading (+8% vs 23). Cnova also participates to a working group led by La Poste, aiming at implementing the AFNOR SPEC "E-commerce: information to consumers on the environmental impact of their delivery choice.

Cnova has also been continuing its action plan to reduce the impact of packaging. Thanks to mutualization of parcels and the program dedicated to zero overpacking, 900k packaging was avoided in 2024. More than 88% of parcels were also targeted by an action of void reduction (3D/2D machines, envelopes, reusable packaging, non-packaging…).

- ***Regarding Cnova's actions to ensure ethical practices across its value chain:***

Cnova has a policy dedicated to the management of ethical issues within its value chain. As part of it, audits based on the ICS workframe are mandated in the plants manufacturing Cdiscount's private labeled products. In 2024, 100% were covered by an audit.

Cnova also performed ESG evaluation of its main suppliers and Marketplace sellers, thanks to an independent 3rd party. At the end of 2024, 55% of GMV was targeted.

- ***Regarding Cnova's actions to develop human capital:***

Cdiscount was awarded for the 6th time by the Financial Times as Diversity Leader. This recognized the policies of the company in favor of diversity, against discrimination, of equal opportunities and gender parity. The actions include agreements signed with social partners, awareness-raising initiatives such as videos campaigns enabling to promote career development and the place of women within the company, training, support for managers, partnerships with local and national charities, monitoring of HR figures and so on.

The efforts and achievements of the company are demonstrated by results such as the equality Index (94/100 at Cnova level) or figures such as the share of senior officers being women (42,3%, +1,3pt vs 23).

More information related to the impacts, risks and opportunities related to sustainability matters, the policies, actions, targets and results of Cnova are disclosed in this sustainability statement in the different sections referring to the material IROs.

Regarding Cnova's strategy, it is composed of 5 pillars:

- Building a strong brand, in line with customers' expectations
- Supporting our B2C and B2B customers and partners daily
- Strengthening our ecosystem through partnerships and B2B activities
- Developing a culture of customer care and continuous improvement
- Promote more sustainable consumption, logistics and technology

The sustainability stakes are thus at the heart of Cnova's strategy.

Regarding the value chain of Cnova, it can be described as follows. The upstream value chain is composed by:

- The Tier-1 product suppliers are divided into two categories: the private-label brands and well-established brands. These Tier-1 suppliers themselves have their own value chain, among which the plants which manufactures the products being sold on Cdiscount.com.
- The sellers which are companies using the marketplace to sell their products to customers.
- The carriers which deliver the parcels to end-users
- The providers of Tech solutions enabling us to operate the platform
- The other suppliers providing services such as assurance, banking services and so on.

The downstream value chain is composed of:

- Cdiscount.com visitors (16M unique monthly visitors)
- The active customers (7M as of 31/12/24)

In addition, Cnova leverages on the expertise and engagement of its employees as well as financial resources (CAPEX and OPEX) to ensure the success of its own operations and business model.

A strong corporate culture, good management of relationships with suppliers and sellers, considering customers' expectations as described in the dedicated sections of this report contributes to gathering, securing and developing those inputs.

1.7.1.3.2 Interests and views of stakeholders (SBM-2)

Cnova's key stakeholders and their engagement are described in the following table.

Stakeholder group	Why we engage	How we engage	What sustainability matters are mainly discussed
Employees	Employees at the heart of the company's success, thanks to their knowledges and skills, their engagement, their ideas and their energy. Cnova continuously seeks to provide them a safe, health, diverse and incluse work environment as well as good work-life balance conditions and to offer them opportunities to develop their competencies.	- Quaterly meetings with the CEO, including a presentation of major results and overall company's strategy, with Q&A sessions - Frequent employees surveys - Regular meetings with representative of employees and unions - Training programs enabling to develop employees' skills - Training sessions on policies related to diversity, ethics and compliance HSE and so on - Diversity and CSR networks	- Diversity and inclusion - Health, safety and wellness - Career paths, training and development - Climate change and circular economy - Governance and business conduct - Responsible sourcing - Product quality and safety - Corporate culture
Workers in the value chain	Workers in the value chain are vital to the success of Cnova as they play a critical role in ensuring the flow of goods and services from production to the end customer. Their contributions, from sourcing and manufacturing to customer service, directly influence product quality, availability and customer satisfaction. Value chain workers help drive operational excellence and foster competitive advantage. Moreover, ensuring ethical labor practices throughout the value chain, including the avoidance of forced or child labor, safeguards the company from reputational risks associated with social issues, reinforcing trust with consumers and stakeholders.	- Sustainability requirements in the procurement policy - Social and environmental audits based on the ICS framework	- Working conditions (decent wages, job security, working time, health and safety…) - Climate change, pollution and resource use
Customers	Engagement with our customers enable us to better understand their expectations and to anticipate market trends. We especially enable them to find answers to their expectations in terms of sustainable consumption. We provide customers a trustful ecommerce platform, ensuring them quality and safety of products, protection of their data, balanced relationships with the sellers notably through the compliance with regulations and voluntary commitments.	- Customers surveys - Focus groups with selected customers - Loyalty program - Customer care service - Market surveys giving customers insights	- Customer experience - Sustainable consumption - Resource use and circular economy - Climate change and pollution - Diversity and inclusion - Quality and safety of products - Data protection
Suppliers and sellers on the marketplace	Suppliers and sellers are key partners for the creation of value and the commercial success. Suppliers and sellers engagement enable us to ensure the use of ethical standards within the value chain, and to strive to respect the environment and the people across our activity. Our collaboration enable us to better understand our customers and to innovate. Suppliers and sellers engagement also enable us to ensure the compliance of our activity within the frame of continuous regulatory evolutions.	- Annual suppliers and sellers event - Direct engagement with supplier and sellers relationship managers - Supplier audits (quality and CSR) - FAQ, mailing and other contents shared regarding regulations and best pratices related to sustainability topics	- Climate change - Circular economy - Raw materials availability - Responsible sourcing and manufacturing - Human rights - Product quality and safety
Local, national and international autorities	Sustainability stakes that we are facing require important changes in the way companies make their business. To ensure balanced competitive conditions between the differents players, autorities play a major role. A constant dialogue between autorities and companies also facilitate the enter in law of new regulations, by better shaping the operational conditions.	- Participation to numerous voluntary initiatives at the national and European level - Participation to consultations initiated by the governement - Meetings with elected representatives at the local and national levels -	- Fair practices - Data protection - Consumer protection - Quality and safety of products - Climate change and pollution - Circular economy - Ressources management

The stakeholder's engagement enables Cnova to consider their expectations within its business model and strategy. One example is the program dedicated to more sustainable products, which answers both to Cnova's strategy for reducing its carbon footprint and the increasing expectations of consumers to reduce their impact. It is one pillar of our strategy, and one pillar of the commercial success of the past months.

The results of stakeholder's engagement is shared with the management, administrative and supervisory bodies notably through the ESG topics discussions.

The above-mentioned stakeholders were included in the materiality assessment, as described in the dedicated section.

1.7.1.3.3 Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

The list of material impacts, risks and opportunities is provided in the following table:

- With reference to the specific ESRS
- Information related to IRO
- Information related to the negative or positive aspect if relevant
- Information related to the actual or potential aspect if relevant
- Information related to the time horizons, if relevant

Please note that Cnova considered IROs as actual when their degree of intensity appears to be at its highest for the current reporting period. It does not significate that a specific event occurred during the reporting year.

Information related to the value chain The others information required as part of the SBM-3, including the description of the IROs or consequences on the business model and strategy of Cnova are provided in the following sections, ESRS by ESRS to facilitate the understanding of this sustainability statement.

ESRS	Topic	IRO	Postive or negative	Actual or potential Time horizon	Value chain (O = Own operations,U = Upstream, D = Downstream)
ESRS E1: Climate Change	Climate change adaptation	Impact	Negative	Potential Long-term	O/U/D
	Climate change adaptation	Risk	n.a.	Potential Long-term	O/U/D
	Climate change mitigation	Impact	Negative	Potential Long-term	O/U/D
	Climate change mitigation	Risk	n.a.	Potential Long-term	O/U/D
	Energy	Impact	Negative	Actual	U/D
ESRS E2: Pollution	Pollution of air	Impact	Negative	Actual	U/D
	Pollution of soil	Impact	Negative	Actual	U/D
	Pollution of water	Impact	Negative	Actual	U
ESRS E3: Aquatic or marine resources	Water consumption	Impact	Negative	Actual	U
ESRS E5: Resource Use and Circular Economy	Resources inflows, including resource use	Impact	Negative	Actual	O/U
	Resource outflows related to products and services	Impact	Negative	Actual	O/U/D
	Resource outflows related to products and services	Opportunity	n.a.	Actual	O/U/D
	Waste	Impact	Negative	Actual	O/U/D
ESRS S1: Own Workforce	Social dialogue and collective bargaining, including rate of workers covered by collective agreements	Impact	Negative	Actual	O
	Health and safety	Impact	Negative	Actual	O
	Gender equality and equal pay for work of equal value	Impact	Positive	Actual	O
	Training and skills development	Impact	Positive	Actual	O
	Employment and inclusion of persons with disabilities	Impact	Positive	Actual	O
	Diversity	Impact	Positive	Actual	O
ESRS S2: Workers in the Value Chain	Secure employment	Impact	Negative	Actual	O/U
	Working time	Impact	Negative	Actual	O/U
	Adequate wages	Impact	Negative	Actual	O/U
	Social dialogue and collective bargaining	Impact	Negative	Actual	O/U
	Freedom of association, including the existence of work councils	Impact	Negative	Actual	O/U
	Work-life balance	Impact	Negative	Actual	O/U
	Health and safety	Impact	Negative	Actual	O/U
	Measures against violence and harassment in the workplace	Impact	Negative	Actual	O/U
	Child Labor and Forced Labor	Impact	Negative	Actual	O/U
	Adequate Housing and Water and Sanitation	Impact	Negative	Actual	O/U
ESRS S4: Consumers and End-users	Privacy	Impact	Negative	Actual	O/U
	Access to (quality) information	Impact	Negative	Actual	O/U/D
	Health and Safety	Impact	Negative	Actual	O/U/D
	Protection of children	Impact	Negative	Actual	O/U/D
	Responsible marketing practices	Impact	Negative	Actual	O/D
	Raising customer awareness of more responsible consumption	Impact	Positive	Actual	O/U/D
	Raising customer awareness of more sustainable consumption	Opportunity	n.a.	Actual	O/U/D
ESRS G1: Business Conduct	Corporate culture	Impact	Positive	Actual	O
	Protection of whistleblowers	Impact	Positive	Actual	O
	Management of relationships with suppliers including payment practices	Impact	Negative	Actual	O/U
	Corruption and bribery	Impact	Negative	Actual	O/U/D

Regarding the risks and opportunities identified as far, the current financial effects are:

- For climate change adaptation: a risk linked to turnover, revenue and cash flows,
- For climate change mitigation: a risk linked to turnover, revenue, cash flows and access to

financing solutions,
- For resources outflows related to products and services: an opportunity linked to turnover, revenue and cash flows,
- For raising customer awareness of more sustainable consumption: an opportunity linked to turnover, revenue and cash flow.

The amounts were assessed regarding the scale used for evaluating the financial materiality and described in the following section. The current financial effects of our material risks and opportunities on the financial position, financial performance and cash flows are not material. Furthermore, we have not identified material risks and opportunities for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related Financial statements.

♦ ***Interaction between the IROs and the strategy and business model***

As explained in the section "Strategy, business model and value chain" – SBM-1, Cnova is committed to promote access to goods and services to as many people as possible while building a sustainable and inclusive European digital economy.

Impacts, both positive and negative, considered to be material, in terms of the environment, society and governance, are thus considered by Cnova. Results achieved in 2024 are shared previously and result from policies and actions plans carried out by the company. These policies and actions plan, more detailed in each section of this report, aim either to minimize negative impacts and mitigate risks, or to maximize opportunities and positive impacts on all stakeholders concerned. There are in line with the "Renouveau 2028" strategic plan announced by Casino Group at the end of 2024, of which Cnova contributes to. At the level of Cnova it is structured around 5 pillars:

- Building a strong brand in line with consumers' expectations,
- Supporting our B2C and B2B customers and partners daily,
- Strengthening our ecosystem through partnerships and B2B activities,
- Developing a culture of customer care and continuous improvement,
- Promote more sustainable consumption, logistics and technology.

Those axes are related to the material IROs identified and presented in this report. For instance:

- IROs of ESRS E1 are addressed by the 5th pillar
- IROs of ESRS E5 are addressed by the 3rd and 5th pillars
- IROS of ESRS S1 are addressed by the 4th pillar
- IROs of ESRS S2 are addressed by the 2nd and 5th pillars
- IROs of ESRS S4 are addressed by the 1st, 2nd, 4th and 5th pillars

1.7.1.4 Impact, risk and opportunity management

1.7.1.4.1 Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)

♦ ***Process for identifying and assessing the material IROs***

The double materiality assessment process as well as the due diligence process will be improved over time, including reinforced engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The double materiality assessment process may also be impacted in time by sector-specific standards to be adopted. The sustainability statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

For this first year of application, Cnova has developed an internal tool to perform double materiality analysis (DMA), in accordance with the standards defined by EFRAG. The process of identifying material IROs involved:

- Identifying IROs: Cnova analyzed the issues arising from the materiality analysis carried out within the Casino group in 2021, which considered the expectations of internal and external stakeholders, the main risks identified by the Casino Group Risk Department, and the list of themes and sub-themes present in the directive. Nearly 150 IROs were identified. The scope of the double materiality assessment (DMA) covers Cnova's entire value chain, from direct operations to upstream and downstream activities.
- Mobilization of internal experts: internal experts were identified within Cnova and assigned to the various ESRSs thanks to their in-depth knowledge of the issues addressed. These included: Human Resources and Labor Relations, Technical Departments, Quality, Compliance Officer, Data Protection Officer, the Legal Department and the Finance Department
- Description of the IROs: a documentary study was carried out to understand the issues, their sub-themes and sub-sub-themes. This study was based on founding texts, reports and specific internal studies, such as the Cnova Ethics Charter and Code of Ethics and Business Conduct, as well as external studies such as ILO standards, OECD guidelines and collective agreements. This preparatory work made it possible to describe the positive and negative impacts, risks and opportunities
- Stakeholder mapping (see section "Interest and views of stakeholders" SBM-2)
- Valuation of IROs: the valuation of IROs has been carried out on a gross basis, in accordance with EFRAG recommendations, without considering policies and actions already in place, and in compliance with French and European regulations. Each impact (positive or negative), risk or opportunity has been rated separately, so as not to undermine the seriousness of an impact or risk by a correlated positive impact or opportunity. An initial rating was made by the CSR Direction, then validated with the internal experts HR director, Legal director…). The rating was reviewed with the Finance Department.
- Validation of the DMA results by Cnova Audit Committee: 40 material IROs were identified, under the ten thematic ESRSs. In the last quarter of 2024 and early 2025, the members of the Audit Committee examined the methodology and results of the double materiality analysis. A presentation of sustainability-related impacts is also planned for the Cnova Works Councils in 2025.

Workshops were also held with Casino group and Cnova internal Audit teams during the double materiality process, both for the construction of the methodology, in particular the construction of evaluation scales, and for the evaluation of IROs. The workshops also ensured that the results of the double materiality exercise (IROs considered material) were consistent with the CSR risks identified during previous major risk mapping exercises.

Several meetings were also held with the CSR direction of Casino group to ensure the consistency of methodologies and results between both DMA exercises.

♦ *Focus on the IROs valuation*

For each topic (e.g. climate change adaptation):

- We assessed whether the impact was negative or positive. When both were possible, we considered the one which has the higher impact
- We considered the relationship between the topic and the business model of Cnova: how the topic can impact the business; how the business can impact the topic
- We based the assessment on different inputs, including:
  - Results of the stakeholder's voice, gathered through the stakeholder's engagement channels as described earlier

- ESG standards such as the SASB or the Initiative for Compliance and Sustainability
- Existing risk mapping results conducted the previous years
- Sectorial review of the sustainability commitments and results from peers and competitors
- Market research, notably focused on the expectations of customers regarding ecommerce
- Press review
- Regulations and laws

Evaluation scales have been defined to assess the impacts according to severity, scope, irremediability and likelihood. The scales considered for each parameter range from 1 to 4, the first level being insignificant/weak, the last being very strong/catastrophic.

The severity scale is broken down by theme:

- Positive impacts, generating value for the people or the environment
- Impact on strategy
- Impact on reputation
- Impact on people
- Impact on ecosystems

Severity scale						
Score	**Wording**	**Strategy**	**Reputation**	**People**	**Ecosystems**	**Positive**
4	Very strong / catastrophic	Potential call into question the financial integrity of the entity - Significant interruption of activity, significant interruption of supply, significant absenteeism of the workforce	Heavy repetitiveness in the national/international media, publicized lawsuit	Death, forced labor, child labor	Destruction of ecosystems	Brings changes, generating very significant positive impacts for populations, the planet or the economic activity of the company
3	Strong	Impacts the entity in its ability to pursue and continue its activity. Repeated interruption of activity, repeated interruption of supply, frequent absenteeism of staff	Insistence and strong repetitiveness in the national media and on social networks, attacks on NGOs, calls for boycotts	Extreme working conditions, significant impact on the health and safety of employees	Major alteration of ecosystems	Brings changes that generate significant positive impacts for populations, the planet or the company's economic activity
2	Medium	Significant impact which does not call into question the company's strategy but alters its functioning - Occasional interruption of activity, limited absenteeism	Relays by the regional press, fines, smear campaign on social networks	Anomalies observed concerning working conditions that do not call into question the health and safety of people	Minor alteration of ecosystems	Makes minor changes, generating limited positive impacts for populations, the planet or the economic activity of the company
1	Not significant / weak	Low impact not likely to call into question the company's ability to achieve its objectives and continue its activity	Relayed by local and regional media	No anomaly or slight anomaly noted - without consequences	No alteration or non-significant alteration noted	Brings little or no changes that generate positive impacts for populations, the planet or the company's economic activity

The scope scale is broken down by theme:

- One for the environment
- One for the social aspects within the value chain
- One for the social aspects related to the company's own workforce

Scope scale				
Level	**Wording**	**Environmental issues PP**	**Social items PP**	**Social items COMPANY**
4	Very strong	Region of the world/planet	Population Multinational/global	Group
3	Strong	Country	National population	Brand
2	Medium	Territory/several company sites	Group of individuals	Site
1	Not significant / weak	Site	Individuals	Service / Individuals

An irremediability scale has been defined to measure the potential of reversibility of the impact:

Irremediability scale		
Level	**Wording**	**Description**
4	Very strong	No action has a reversible effect
3	Strong	A significant number of actions can have a reversible effect on the impact
2	Medium	Implementing a few actions makes it possible to remedy the impact
1	Not significant / weak	No or few actions are needed to address the impact

A scale of likelihood is used to determine the frequency of occurrence of the event, either for evaluating the impact materiality or the financial one:

Likehood scale		
Score	**Wording**	**Frequency**
4	Probable	Several times a year
3	Occasionnal	Once a year
2	Rare	Once every 3-5 years
1	Exceptionnal	Once every 10 years or more

When focusing on the impact materiality, we proceeded as follow:

- The impact was defined as actual or potential
- If the impact was evaluated as potential, we assessed the time horizons according to the definitions given earlier in this section.

The impact materiality was calculated using the following method:

- If the impact is actual,
  - If positive: Average of (severity x scope)
  - If negative: Average of (severity x scope x irremediability)
- If the impact is potential,
  - (Average of (severity x scope x irremediability) x likelihood)/4

For financial effects, the following scale has been used:

Financial severity				
Score	Wording	Decline in GMV	Decline in cash flow	Decline in EBITDA
4	Very strong / catastrophic	> 350M€	> 50M€	> 40%
3	Strong	125-350M€	20-50M€	15-40%
2	Medium	40-125M€	5-20M€	5-15%
1	Not significant / weak	< 40M€	< 5M€	< 5%

When focusing on financial materiality, we proceeded as follows:

- We qualified the financial effects related to the topic, as a risk or an opportunity. When both were possible, we considered the one which has the higher impact.
- We specified the nature of the effect (turnover, profitability, cash flow, access to financing...)
- The financial materiality was calculated as follows: severity x likelihood

A materiality threshold has been defined, as well for the impact materiality or the financial materiality. Hence, all topics with a score superior or equal to 2 out of 4 are considered as material. A topic is material either because of the impact materiality or the financial materiality or both.

1.7.1.4.2 Disclosure requirements in ESRS covered by the Cnova sustainability statement (IRO-2)

♦ ***Publication requirements***

ESRS	Publication requirement	Publication requirement full title	Section
ESRS 2	BP-1	General basis for preparation of the sustainability statement	1.a.i
ESRS 2	BP-2	Disclosures in relation to specific circumstances	1.a.ii
ESRS 2	GOV-1	The role of the administrative, management and supervisory bodies	1.b.i
ESRS 2	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	1.b.ii
ESRS 2	GOV-3	Integration of sustainability-related performance in incentive schemes	1.b.iii
ESRS 2	GOV-4	Statement on due diligence	1.b.iv
ESRS 2	GOV-5	Risk management and internal controls over sustainability reporting	1.b.v
ESRS 2	SBM-1	Strategy, business model and value chain	1.c.i
ESRS 2	SBM-2	Interests and views of stakeholders	1.c.ii
ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	1.c.iii
ESRS 2	IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	1.d.i
ESRS 2	IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	1.d.ii
ESRS E1	E1.GOV-3	Integration of sustainability-related performance in incentive schemes	2.a.i
ESRS E1	E1-1	Transition plan for climate change mitigation	2.a.ii
ESRS E1	E1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	2.a.iii
ESRS E1	E1.IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	2.a.iv
ESRS E1	E1-2	Policies related to climate change mitigation and adaptation	2.a.v
ESRS E1	E1-3	Actions and resources in relation to climate change policies	
ESRS E1	E1-4	Targets related to climate change mitigation and adaptation	2.a.vi
ESRS E1	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	2.a.viii
ESRS E1	E1-7	GHG removals and GHG mitigation projects financed through carbon credits	2.a.ix
ESRS E1	E1-8	Internal carbon pricing	2.a.x
ESRS E1	E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	2.a.xi
ESRS E2	E2.IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	2.b.i
ESRS E3	E3.IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	2.c.i
ESRS E4	E4.IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	2.d.i
ESRS E5	E5.IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	2.e.i
ESRS E5	E5-1	Policies related to resource use and circular economy	2.e.ii
ESRS E5	E5-2	Actions and resources related to resource use and circular economy	
ESRS E5	E5-3	Targets related to resource use and circular economy	
ESRS E5	E5-4	Resource inflows	2.e.ii
ESRS E5	E5-5	Resource outflows	2.e.iii
Taxonomy		Context	2.f.i
Taxonomy		Organization of Taxonomy Reporting	2.f.ii
Taxonomy		Methodology applied to performance indicators	2.f.iii
Taxonomy		Results	2.f.iv
Taxonomy		Regulatory tables	2.f.v

ESRS	Publication requirement	Publication requirement full title	Section
ESRS S1	S1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.a.i
ESRS S1	S1-1	Policies related to own workforce	3.a.ii
ESRS S1	S1-2	Processes for engaging with own workforce and workers' representatives about impacts	3.a.iii
ESRS S1	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	3.a.iv
ESRS S1	S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	3.a.ii
ESRS S1	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
ESRS S1	S1-6	Characteristics of the undertaking's employees	3.a.v
ESRS S1	S1-8	Collective bargaining coverage and social dialogue	3.a.vi
ESRS S1	S1-9	Diversity metrics	3.a.vii
ESRS S1	S1-14	Health and safety metrics	3.a.viii
ESRS S1	S1-16	Remuneration metrics (pay gap and total remuneration)	3.a.ix
ESRS S2	S2.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.b.i
ESRS S2	S2-1	Policies related to value chain workers	3.b.ii
ESRS S2	S2-2	Processes for engaging with value chain workers about impacts	3.b.iii
ESRS S2	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	3.b.iv
ESRS S2	S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	3.b.ii
ESRS S2	S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
ESRS S3			3.c
ESRS S4	S4.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.d.i
ESRS S4	S4-1	Policies related to consumers and end-users	3.d.ii
ESRS S4	S4-2	Processes for engaging with consumers and end-users about impacts	3.d.iiI
ESRS S4	S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	3.d.iv
ESRS S4	S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	3.d.ii
ESRS S4	S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
ESRS G1	G1.GOV-1	The role of the administrative, management and supervisory bodies	4.a
ESRS G1	G1-1	Business conduct policies and corporate culture	4.b
ESRS G1	G1-2	Management of relationships with suppliers	4.d
ESRS G1	G1-3	Prevention and detection of corruption and bribery	4.b
ESRS G1	G1-4	Incidents of corruption or bribery	
ESRS G1	G1-6	Payment practices	4.d

♦ *Other EU legislation*

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (27) ,		1.b.i
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		1.b.i
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				1.b.iv
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) T able 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (29) , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	2.a.ii

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		2.a.ii
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		2.a.vi
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				N/A
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				N/A
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				N/A
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		2.a.viii
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		2.a.viii

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	N/A
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			N/A
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).					N/A
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			N/A
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		N/A
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				N/A
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				N/A

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				N/A
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				N/A
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				N/A
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				N/A
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				N/A
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				N/A
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				N/A
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				N/A
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				N/A
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				N/A
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				2.e.iii
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				2.e.iii
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				3.a.i
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				3.a.i
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				3.a.ii

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		3.a.ii
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				3.a.ii
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				3.a.ii
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				3.a.iv
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		3.a.viii
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				3.a.viii
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		3.a.ix
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				3.a.ix
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				N/A
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		N/A
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				3.b.i

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				3.b.ii
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				3.b.ii
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		3.b.ii
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		3.b.ii
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				3.b.ii
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				N/A
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		N/A
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				N/A
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				3.d.ii
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		3.d.ii
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				3.d.ii

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				4.b
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				4.b
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		4.b
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				4.b

According to the results of the DMA, Cnova conducted a gap analysis to determine the information to be disclosed, in accordance with the ESRS requirements and based on the EFRAG guidance.

1.7.2 Environmental information

1.7.2.1 Climate change (ESRS E1)

1.7.2.1.1 Integration of sustainability-related performance in incentive schemes (E1.GOV-3)

See section “Integration of sustainability-related performance in incentive schemes (GOV-3)” for that information.

1.7.2.1.2 Transition plan for climate change mitigation (E1-1)

Cnova is committed to mitigating its impact on climate change by reducing its greenhouse gas (GHG) emissions and promoting sustainable modes of operation, production and consumption. This approach is part of a global strategy aimed at strengthening the sustainability of its business model.

Since 2015, Cnova, as part of Casino group, is committed to reduce the GHG emissions of its activity, according to targets defined at the Casino group level and validated by the Science-Based Target Initiative as being in line with the Paris Agreement, namely:

- Reducing GHG emissions on Scopes 1 and 2 by 2030 with an intermediate target of 18% by 2025 compared to 2015,
- Reducing GHG emissions on Scope 3 of 10% in 2025 compared to 2018

In 2024, following the Casino Group's restructuring (sale of Latin American operations and Casino hypermarkets and supermarkets), new climate ambitions were defined for 2030. These new targets have been submitted to the COMEX of Casino group (of which Cnova’s CEO is part), which is responsible for validating them, and to the Nominations and Remuneration Committee of Casino Group, which reports to the Board of Directors. It should be noted, however, that these new reduction targets have not yet been submitted to or validated by the Science-Based Target Initiative (SBTi). They also take no account of new technologies. These ambitions will be declined at the level of Cnova in 2025, considering the weight of Cnova within the Casino group, the specificities of its business model and growth projection.

Locked-in emissions are the ones related to products sales. Decarbonization levers are defined to address them, as described in the following paragraphs.

When preparing the current sustainability statement, Cnova had no information related to an exclusion of EU Paris-aligned Benchmarks.

Cnova publishes investment and operating expense ratios that meet the criteria of Commission Delegated Regulation (EU) 2021/2178 in the dedicated section “Note on taxonomy”. It should be noted that these ratios offer only a partial view of the financial resources dedicated to climate transition, due to the restrictive framework concerning the operating expenses that can be booked. Work will be done in 2025 and at the latest in 2026, to set up a financial transition plan, which will enable to accurately assess the economic impact of decarbonization levers between now and 2030. However, the main challenge for Cnova is to involve its value chain due to the structure of the GHG emissions of the company, which are in majority Scope 3 emissions. The Cnova financial needs to realise will thus be difficult to assess since they are shared with the value chain.

Regarding the decarbonization levers, and based on the structure of the GHG emissions linked to Cnova activity, we can quote:

- Improving the visibility and attractiveness of the more sustainable products sold on Cdiscount.com
- Improving the environmental performance of products sold, especially on our private-label products
- Evaluating the transition strategy of our key suppliers and sellers
- Encouraging our customers to increase the lifetime of their products and to repair products
- Encouraging our customers to choose the less emissive delivery choice
- Reducing with carriers the impact of deliveries
- Reducing Scope 1 and 2 emissions thanks to actions plan to reduce energy consumption and renewable electricity purchase

Each lever is described in more detail in the section “Policies related to climate change mitigation and adaptation”. As explained in the dedicated section and in section related to Cnova strategy, these levers are part of Cnova overall business strategy and financial planning.

Hence, to date Cnova does not have a transition plan that meets the requirements of the Directive. Cnova will have the transition plan and its financing validated by its governance bodies by the end of 2026 at the latest. However, it has drawn up a decarbonization strategy.

It should be noted that the methodologies used to assess the compatibility or alignment of company-wide greenhouse gas emission reduction targets with the Paris Agreement [or a targeted temperature increase] are not yet stabilized/consensual. Decarbonization strategies already underway are explained in more detail in the section “Policies related to climate change mitigation and adaptation”.

1.7.2.1.3 Material impacts, risks and opportunities and their interaction with strategy and business model (E1.SBM-3)

As part of its climate strategy and the setting of reduction targets, Cnova has identified the sources of greenhouse gas emissions generated by its own activities. They are presented in detail in the section “Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)”. They are linked to the offices and warehouses used by Cnova for its own operations. They represent less than 1% of the total GHG emissions.

In line with the GHG protocol methodology, Cnova has also identified all indirect sources of emissions. The analysis of its actual and potential impacts on climate change is presented in the section “Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-

3)".

A study of chronic and acute physical climatic risks was carried out in 2022 at the level of Casino group. The location details the sites (geolocation) that were considered. Cnova warehouses and offices were considered by the study. No new offices or warehouse was opened after that study. The study covered:

- Chronic and acute temperature-related hazards (temperature change, heat stress, temperature variability, heat/cold wave, forest fire)
- Chronic and acute wind-related hazards (cyclones, hurricanes, storms, tornadoes, changing precipitation patterns and types)
- Chronic and acute water-related hazards (hydrological variability, water stress, drought, heavy precipitation, flooding)
- Chronic and acute solid hazards (landslides, soil degradation)

This analysis was carried out according to two climate scenarios, including a high-emissions climate scenario (IPCC RCP 8.5), for two timeframes (2030 and 2050). This study revealed that the Casino Group, and thus Cnova, has no business assets or activities at risk from climate change, even under the most pessimistic scenario (RCP 8.5), nor that are incompatible or require major efforts to be compatible with a transition to a climate-neutral economy. On this basis, and to date, the impact of climate change on Cnova financial statements is not considered to be significant for own operations.

Due to the structuration of Cnova value chain, we enlarged the analysis to consider our downstream value chain (e.g. ability of our carriers to deliver our customers in case of storms or landslide) and our upstream value chain (e.g. ability of suppliers to produce specific products due to water stress or soil degradation), based on scientific literature, regulations, benchmark, sectoral analysis, press articles and so on. A summary of the main physical risks identified is presented in the following table.

An analysis of transitional climate risks, in line with Taks-Force for Climate-Related Financial Disclosures (TCFD) recommendations, has also been carried out by Casino group and including Cnova activities and covers:

- **Regulatory and legal transition risks**, notably due to the F-Gas regulation banning all non-natural gas by 2030, the potential introduction of a carbon pricing mechanism, and the development of regulations such as the European regulation on imported deforestation, which may impact Cnova business
- **Technological transition risks**, with the transfer of current energy equipment to low-carbon equipment, or the use of biofuel or electric vehicle fleets
- **Market transition risks**, with consumers moving towards less carbon-intensive consumption, or even limiting their consumption, to reduce their ecological impact
- **Reputational transition risks** due to heightened stakeholder expectations in the fight against climate change, and the need for companies to make strong commitments and be accountable.

New structural consumption trend arises, calling to question the consumption model, which is a factor hardly measurable and strengthened by adverse geopolitical and macroeconomics conditions. It may lead to model changes and mutation in stakeholders' behaviors. Consumers' preferences are for instance shifting towards more sustainable products (second-hand, refurbished, easy-to-repair, reusable, traceable, locally made products) and services. Practices of e-commerce actors may lead to a stigmatization of the sector impacting negatively Cnova's reputation and attractivity, apart from our policies and actions. In addition, stakeholders and more particularly customers are more and more concerned about climate change and expect serious changes from the economic actors. A lack of reactivity may lead to negative stakeholder feedback and change in customers behavior.

The reinforcement of regulations regarding environmental claims may also increase the risk of exposure to litigation, while the enhanced emissions-reporting obligations increase the level of investment necessary to ensure compliance. At term, regulations related to GHG emissions could also impact Cnova, since a part of our climate-change mitigation plan relies on carbon sequestration.

The climate-related transition risk is also linked to the uncertainty of signals of the market, which may slow down transition efforts, especially investments on technology to substitute existing products and services with lower emissions options or enable the transition to lower emissions technology. An increase of the cost of raw materials due to the shortage of resources or increased legal expectations may also impact the value chain.

The following table lists the transition and physical risks identified across Cnova value chain and gives an overview of the time horizons associated.

Climate-related hazards and transition events identified				
		Short-term	**Medium-term**	**Long-term**
Physical risks				
Temperature related	Changing temperature			x
	Heat stress		x	
	Temperature variability		x	
	Heat wave		x	
	Cold wave/frost		x	
	Wildfire		x	
Wind-related	Storms	x		
Water-related	Changing precipitation patterns and types	x		
	Precipitation or hydrological variability	x		
	Water stress			x
	Flood		x	
	Heavy precipitation (rain, hail, snow/ice)	x		
Solid-mass related	Soil degradation		x	
	Landslide		x	
Transition risks				
Reputation	Shifts in consumer preferences		x	
	Stigmatization of sector			x
	Increased stakeholder concern	x		
	Negative stakeholder feedback	x		
Market	Changing customer behavior			*x*
	Uncertainty in market signals	x		
	Increased cost of raw materials		*x*	
Technology	Susbtitution of existing products and services with lower emissions options		x	
	Cost of transition to lower emissions technology			x
Policy and legal	Mandates on and regulation of existing production processes		x	
	Exposure to litigation		x	
	Enhanced emissions-reporting obligations	x		
	Increased price of GHG emissions			x

Cnova's business model enables us to secure products offering, one of the bases of our business model, notably through the marketplace which enables to diversify the procurement sources. By being in direct contact with our customers and commercial customers, we can rapidly share any signals of the market traducing major shifts. This has been the case in the past years as it is described in the section "Transition plan for climate change mitigation" especially with the more sustainable program.

More generally, to prevent reputational, market and legal risks, Cnova engaged actions plans to reduce its GHG emissions and accompany the transition towards a more sustainable e-commerce, either at its own level, or with its suppliers and sellers, or through sectorial initiatives. One can quote its participation to Fret 21, the e-commerce charter for a more sustainable logistics, or the sustainable consumption pledge for instance See the section "Transition plan for climate change mitigation" for more details.

Different sources of uncertainties exist, whose main ones are:

- How will customers' expectations evolve in the coming years? Recent surveys demonstrate more and more awareness of climate change, but trends in consumption are not following the same paths
- How will commercial partners make evolve their products to reduce their GHG emissions?
- How will the legal framework evolve, in the context of political uncertainty?

Due to these uncertainties, Cnova was not able as far to evaluate the anticipated financial effects from material physical and transition risks.

1.7.2.1.4 Description of the processes to identify and assess material climate-related impacts, risks and opportunities (E1.IRO-1)

The GHG emissions of Cnova broken down by Scopes are disclosed in the Section "Gross Scopes 1, 2, 3 and total emissions". They were taken into account as well as the other inputs described in the previous chapter to identify impacts, risks and opportunities related to climate change.

The methodology for the assessment of the material items is described in section "Description of the process to identify and assess material impacts, risks and opportunities" of ESRS2.

The assessment identified these results:

- **Climate change adaptation** is a negative impact at long-term for Cnova's own operations but mainly for its upstream and downstream value chain (see above), and a risk since adapting will require investments all along the value chain to manage physical and transition risks. The assets enabling manufacture and deliver products all along the value chain, as well as people working within those value chain can be impacted in the future. This may result in difficulties for operating our business model, either related to products availability, or pricing competitiveness, or delivery options and so on.
- **Climate change mitigation** is a negative impact at long-term for Cnova's own operations, its upstream and downstream value chain, and a risk. E-commerce activities generate greenhouse gases, through the sale of products and services, products delivery and the ride of customers to pick-up points, buildings and in particular warehouses as well as data centers which host the activities Tech (especially with the development of AI).

Although reduction policies are being deployed, climate change mitigation, and related risks, remain a major concern for businesses.

See section "Material impacts, risks and opportunities and their interaction with strategy and business model" for more details on physical and transition risks.

1.7.2.1.5 Policies and actions related to climate change mitigation and adaptation (E1-2 and E1-3)

To address the climate-change related identified IROs, the first step is to understand how the business model generates GHG emissions. For that purpose, Cnova is committed to measuring and monitoring its carbon emissions, on 100% of Scopes 1, 2 and 3. Each year, the carbon footprint of the company is thus calculated, based on acute methodologies and tools thanks to collaborations with third parties (consulting firms or institutional bodies). See section “Gross Scopes 1, 2, 3 and total emissions” for more details. Cnova also monitors the impact of climate issues on customers, across survey such as the “Baromètre de la Consommation Responsable” performed by the ADEME each year. Press articles, social networks contents, benchmarks of competitors’ climate-strategy, or information shared by our suppliers and sellers related to their own climate-related risks are also used to enrich our knowledge of the issues and to define our policies and actions plans.

To address the impacts, risks and opportunities related to climate-change presented earlier, Cnova has define policies and actions plans aiming at:

- Reducing the GHG emissions linked to its business model and strategy
- Anticipating new consumption trends
- Committing the e-commerce sector to avoid the stigmatization of the sector
- Protecting and developing Cnova reputation and attractivity
- Involving our value chain

The stakeholders mainly targeted by those policies are the employees of Cnova, the suppliers and sellers, and the customers/end-users.

These policies are shared and supported by the Executive Committee. The action plans are deployed both by the CSR department and the operational business units. They involve important HR resources, due to the transversality of the topics. Opex and Capex are also required to deliver the actions plans and amount for several hundred thousand euros.

The integration of an incentive linked to sustainable consumption in the variable remuneration of employees testimonies of the involvement of the whole company. The CSR Director is accountable for those policies, actions, targets and results with the Operational Directors, notably the Director of the Assortment, the Commercial Director, the Customer and Marketing Director, but also the Director of Warehouses. They target both our own operations and our value chain.

To ensure that ESG topics are embedded at all levels, we also share the main projects and results of our CSR strategy, including the one related to climate change, with employees through different communication tools. We also communicate around those items with our suppliers and sellers. See section “Interest and views of stakeholders” for more details.

Our customers are informed about our policies, thanks to our website where a tab dedicated to our ESG commitments presents the main actions and results of Cnova.

We follow key indicators to monitor our environmental performance, which are reviewed on a regular basis (at least annually but often quarterly) and shared with the stakeholders across cdiscount.com, press articles, Cnova.com or interviews for instance.

Cnova policies for climate change mitigation and adaptation mostly focus on the impact of products sold and the deliveries. The following table presents the link between IROs and actions plans.

Linked between policies and IROs		
	Climate change adaptation	Climate change mitigation
Reducing the impact of the products sold on Cdiscount.com		
Improving the visibility and attractiveness of the more sustainable products sold on Cdiscount.com	x	x
Improving the environmental performance of products sold, especially on our private-label products	x	x
Evaluating the transition strategy of our key suppliers and sellers	x	x
Encouraging our customers to increase the lifetime of their products and to repare products		x
Reducing the impact of transportation		
Investing in our warehouses to reduce the void in parcels and deploy bulk loading	x	x
Reducing with carriers the impact of deliveries	x	x
Encouraging our customers to choose the less emissive delivery choice		x
Actions to absorb remaining emissions		x

Key actions are presented hereafter. The potential of GHG emission reduction linked to each action is not measured yet, since they mostly target the value chain.

- ***Reducing the impact of the products sold on Cdiscount.com (Scope 3-1, 3-4, 3-11 and 3-12).***

Improving the visibility and attractiveness of the more sustainable products sold on Cdiscount.com

In 2021, Cnova has set up a program dedicated to the sale of "More Sustainable " products on Cdiscount.com. These products include energy class A or B products (or A+++ or A++ depending on the category), products with repairability indexes[4] greater than or equal to 8/10, Made In France products, 2nd hand products, made-to-order products or products certified by independent third parties (for instance FSC[5], PEFC[6], Oeko-Tex[7], Epeat…). These criteria have been defined mainly based on the recommendation of the ADEME.

To make this offer visible to customers on Cdiscount.com, a "More Sustainable" label that brings together all these products has been created, with sub-criteria such as "certified wood" or "Made In France" presented to consumers in the interests of transparency and education. This information is visible all through the customer journey (from the landing page to the product data sheets, but also through the search engine). This makes it easy to highlight these products among the entire range available on Cdiscount.com.

Launched in 2021, this more sustainable offer accounted for 25% of sales on Cdiscount.com in 2024. As part of its transition plan, Cnova pledges to increase the share of this offer each year enabling to reduce the emissions of the products sold and the products’ use.

These actions enable both to reduce the GHG emissions linked to products sales and use, but also to anticipate evolution of consumers expectations, to reinforce Cnova brand, and to demonstrate that e-commerce can contribute to the transition by making more sustainable products available for consumers, as well as involving the value chain.

Improving the environmental performance of products sold, especially on our private-label products

Cnova has carried out life-cycle analysis[8] in 2022 with the specialized consulting firm Ecoact on

4 https://epargnonsnosressources.gouv.fr/indice-de-reparabilite/#:~:text=Il%20s'agit%20d'une,remplacer%20en%20cas%20de%20panne
5 https://fr.fsc.org/fr-fr ;
6 https://www.pefc-france.org/
7 https://www.oeko-tex.com/en/
8 Life cycle analysis, is a methodology for assessing environmental impacts associated with all the stages of the life cycle of a commercial product, process, or service. In the case of a manufactured product, environmental impacts are assessed from raw

emblematic products9 sold under Cnova's private label-brands. Main actions to improve the products environmental performance concern the energy efficiency of the products, the choice of raw materials and packaging. Discussions with manufacturers are already underway since 2023 to improve the environmental performance of these products. Cnova will start selling a first selection of improved products (regarding either their energy-efficiency or reparability index) in the coming months, as part of its transition plan.

These actions contribute to reducing the GHG emissions of products sales, but also to anticipate evolution of consumers expectations and to reinforce private-labels brands by answering new consumers expectations.

Evaluating the transition strategy of our key suppliers and sellers

Since 2022, Cnova has asked its main suppliers and sellers (amounting 55% of the Gross Merchandise Volume in 2024) to undertake an ESG assessment performed by an independent company, specialized of ESG topics. The assessment considers the environmental, social and societal aspects as well, and the governance and the business model. Specific questions related to GHG emissions and transition plan are asked. Based on the results, Cnova can decide to accelerate some partnerships, can challenge its partners and build a common vision for a 1.5°C compatible trajectory.

These actions enable both to reduce the GHG emissions linked to products sales, but to involve the value chain in the transition.

Encouraging our customers to increase the lifetime of their products and to repare products

Cdiscount.com customers can resell their high-tech products to local refurbishers, thanks to a partnership with Comparecycle10. The service is accessible from the website 11since 2019. The service is becoming more and more visible on the website while new categories of products are being handled, to encourage Cdiscount customers using the service.

Cdiscount promotes also repairability and energy-efficiency, through its more sustainable offer as explained earlier and with a service for diagnosing breakdowns, selling spare parts and providing repair assistance via visio since 202012. Cnova commits to develop this service by giving it higher visibility on Cdiscount.com in the future.

These actions enable both to reduce the GHG emissions linked to products end-of-life, but also to anticipate evolution of consumers expectations, to reinforce Cnova brand, and to demonstrate that e-commerce can contribute to the transition.

- ***Reducing the impact of transportation (Scope 3-4, 3-9)***

Investing in our warehouses to reduce the void in parcels and deploy bulk loading

In 2016, Cnova was the first actor in Europe to install 3D machines in its warehouses that adjust the parcel to the size of the product and reduce the volume of the parcel. Today, we have the largest fleet of 3D machines in France, with 6 machines. A variety of envelope and cardboard formats, as well as 2D machines, round out our measurements. This enables us to produce smaller, more accurate packages for 88% of our shipments. We also deploy bulk loading in trucks with our carriers. By combining this action with the adjustment of parcels to make them as small as possible, we manage to reduce the number of trucks we use to ship your parcels.

Reducing with carriers the impact of deliveries

Every year, our carriers upgrade their fleets to offer ever more low-emission solutions. Electric

material extraction and processing, through the product's manufacture, distribution and use, to the recycling or final disposal of the materials composing it.
9 TV, microwaves, vacuum cleaner, kettle, food processor, heating, air conditioner
10 https://comparecycle.com/faq/about
11 https://reprise.cdiscount.com/#utm_source=secondevie&utm_medium=bandeau
12 https://cdiscount.spareka.fr/?utm_source=Site&utm_medium=reconditionne&utm_campaign=secondemain

vehicles and cargo bikes, for example, are used for last-mile deliveries. Together, we are moving towards less polluting transport, from our warehouses to our customers, to reduce greenhouse gas emissions as much as possible.

These actions enable both to reduce the GHG emissions linked to deliveries (a 51% achieved in 2023, compared to 2020), but also to anticipate evolution of consumers expectations regarding e-commerce activities, and to reinforce Cnova brand.

Encouraging our customers to choose the less emissive delivery choice

Cnova contributed to the writing of the charter of e-commerce for a more sustainable logistics, which aims at engaging the whole sector around three main kinds of actions: reducing the impact of delivery, reducing the impact of packaging and better informing the customers.

On this last point, one objective is to inform consumers of the environmental impact of delivery. For that purpose, Cnova took part to collaborative initiatives such as the writing of an AFNOR SPEC "E-commerce: information to consumers on the environmental impact of their delivery choice", aiming at defining a common framework for environmental display related to delivery choice. In parallel, first tests were performed on Cdiscount.com confirming the interest of customers for such information. Cnova currently works on the implementation of that methodology with its partners.

These actions enable both to reduce the GHG emissions linked to deliveries, but also to anticipate evolution of consumers expectations regarding e-commerce activities, and to reinforce Cnova brand.

Reducing the Scope 1 and 2 emissions thanks to sobriety actions and renewable electricity purchase

Energy consumption is identified as a material IRO. Indeed, Cnova's own operations are not intense in term of energy-consumption. The issues related to energy within the upstream and downstream value chain of the company are linked to the manufacturing of products and their use. They are monitored across the Scope 3 calculation and targeted by action plans related to climate change adaptation and mitigation described earlier. This is why we do not disclose more information on that topic.

However, Cnova has put in place since 2022 a sobriety plan, targeting offices and warehouses. The target was to reduce by 21% the energy consumption in 2023 compared to 2019. Measures to reach this goal ranged from reduced energy consumption in the offices and warehouses to employee awareness campaigns. The company achieved a 31% reduction in 2023, overperforming its target. Cnova is currently in the process of refining the targets. In addition, in 2025, Cnova will define a target for renewable energy consumption, in line with the plan announced by Casino group.

These actions enable to reduce the GHG emissions linked to Scopes 1 and 2 and to reinforce Cnova brand.

1.7.2.1.6 Targets related to climate change mitigation and adaptation (E1-4)

Following the Casino Group's restructuring, new targets for reducing its carbon footprint were set in 2024 for the 2030 horizon. The new targets are based on a recent reference year, 2023, considering the 2024 scope, in order to guarantee their comparability and representativeness. The targets are expressed in gross values, excluding any use of carbon credits, avoided emissions or GHG absorption. They are the following:

- 50% renewable energy target
- Reduction of nearby direct and indirect emissions (scopes 1 and 2) - The Casino Group is committed to reducing its emissions by 42% between 2023 and 2030, in line with the Paris Agreement target of limiting global warming to 1.5°C. This target is in line with the contraction method recommended by SBTi, although it has not been formally validated.
- Reduction of indirect emissions (scope 3) – The Casino Group plans to reduce its indirect emissions by 2.5% a year, giving an overall reduction of 16% between 2023 and 2030 (gross

value). The annual reduction percentage of 2.5% is based on the criteria recommended by the SBTi for setting scope 3 targets on a Well-Below 2°C trajectory, without however complying with the level of commitment required by this benchmark.

Those targets could be revised between now and 2026, once work on the transition plan will be completed. Cnova, will define its own targets within this frame in 2025. Human and financial resources required will be assessed at the same time.

Cnova has defined several targets in the past years related to climate change mitigation and adaptation. We can quote:

- **The share of "more sustainable" products in the total products sales**. Launched in 2021 with a share of 10.3%, the target for 2024 was 20%. The result was even greater, with 25.2% of sales achieved. New targets for 2028 are currently being discussed, and will depend on:
  - Evolutions of methodologies for GHG calculation enabling to be more specific and to valorize the impact of the "more sustainable" products in terms of GHG reduction.
  - Availability of data related to carbon footprint of products, which should be easier in the coming years thanks to legal requirements such as the environmental information of products
  - Evolution in consumption trends that will impact on the strategy of our commercial partners
- **The reduction of emissions related to deliveries**. Cdiscount joined the Fret 21 initiative (led by ADEME and the French Ministry of Sustainable Development) in 2021. As part of the initiative, the company voluntarily committed to reducing its GHG emissions related to the transportation of goods sold via Cdiscount.com, based on 2020 emissions. Between 2020 and 2023, the company reduced these GHG emissions by 51%. New targets for 2027 based on 2024 emissions are currently being discussed.
- **The reduction of energy consumption in Cnova's operations**. The company announced in 2021 a target of -21% reduction of consumption by 2023, based on 2019 consumption. The company finally overperformed its target with a 31% reduction of consumption achieved. Measures to reach this goal will range from reduced energy consumption in the offices and warehouses to employee awareness campaigns. New targets for 2030 will be defined in 2025.

1.7.2.1.7 Energy consumption and mix

Energy consumption is identified as a material IRO. Indeed, Cnova's own operations are not intense in term of energy-consumption. The issues related to energy within the upstream and downstream value chain of the company are linked to the manufacturing of products and their use. They are monitored across the Scope 3 calculation and targeted by action plans related to climate change adaptation and mitigation described earlier. This is why we do not disclose information in this section.

1.7.2.1.8 Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

- ***GHG emissions***

The GHG emissions of Cnova for 2024 and 2023 are presented in the following table.

Base year : 2024	N	N-1	% N / N-1
Scope 1 GHG emissions			
Gross Scope 1 GHG emissions (tCO2eq)	393	860	-54%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	-	
Scope 2 GHG emissions			
Gross location-based Scope 2 GHG emissions (tCO2eq)	316	439	-28%
Gross market-based Scope 2 GHG emissions (tCO2eq)	316	439	-28%
Significant scope 3 GHG emissions			
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	1 719 261	1 819 861	-6%
1 Purchased goods and services	1 256 951	1 307 649	-4%
[Optional sub-category: Cloud computing and data centre services			
2 Capital goods	4 886	5 588	-13%
3 Fuel and energy-related Activities (not included in Scope1 or Scope 2)	188	330	-43%
4 Upstream transportation and distribution	193 184	218 479	-12%
5 Waste generated in operations	2 488	2 951	-16%
6 Business travelng	169	141	20%
7 Employee commuting	2 287	2 287	0%
8 Upstream leased assets	-	-	
9 Downstream transportation	1 606	1 476	9%
10 Processing of sold products	-	-	
11 Use of sold products	239 398	261 827	-9%
12 End-of-life treatment of sold products	18 104	19 133	-5%
13 Downstream leased assets	-	-	
14 Franchises	-	-	
15 Investments	-	-	
Total GHG emissions (location-based) (tCO2eq)	**1 719 970**	**1 821 160**	**-6%**
Total GHG emissions (market-based) (tCO2eq)	**1 719 970**	**1 821 160**	**-6%**

- ***Calculation of ratio per net revenue***

The following table presents the ratio GHG emissions by turnover for 2024 and 2023. The turnover used for the calculation is 1,039.1M€ and is reconciled with the financial statements.

Retrospective			
Base year : 2024	**N**	**N-1**	**% N / N-1**
Scope 1 GHG emissions			
Total GHG emissions (location-based) per net revenue (tCO2eq/M€)	1 656,31	1 520,47	8,9%
Total GHG emissions (market-based) per net revenue (tCO2eq/M€)	1 656,31	1 520,47	8,9%

- ***Methodologies, significant assumptions and emissions factors***

The GHG emissions disclosed in this report are based on the 01/01/24-31/12/24 period. Waste data used for 3-5 are partly estimated (see Resource outflows (E5-5)). They include Cnova's own operations as well as its upstream and downstream value chain. The GHG protocol methodology is used.

Scope 1 includes Cnova's direct emissions, linked to the combustion of hydrocarbons, natural gas and refrigerant gas leaks. The data collected for Scope 1 are:

- Hydrocarbon and natural gas consumption in buildings leased by Cnova
- Refrigerant gas leaks from buildings leased by Cnova
- Fuel consumption of vehicles leased by Cnova

Emissions factors used are those provided by the ADEME basis (https://base-empreinte.ademe.fr/donnees/jeu-donnees), related to energy consumption. No calculation assumptions have been made about this matter.

Scope 2 considers emissions linked to the production of electricity consumed by Cnova. The data collected for Scope 2 is the electricity consumption of the buildings leased by Cnova. Emissions factors used are those provided by the ADEME basis (https://base-empreinte.ademe.fr/donnees/jeu-donnees), related to energy consumption. No calculation assumptions have been made about this item.

Scope 3 – 1 includes emissions linked to Cnova purchases, as well as emissions linked to products and services sold by the company, either directly or through the marketplace. This excludes the portion of the carbon footprint of products sold linked to transportation, use and end-of-life which are reported respectively in Scopes 3-4, 3-11 and 3-12.

Indeed, since a part of our activity is based on products sold by sellers on the marketplace, Cnova does not purchase those products. However, the GHG emissions arising from their sales are linked to the business model of Cnova. It is thus important to integrate them in the GHG emissions calculation to have a realistic calculation of GHG emissions related to Cnova activity. Cnova has only access to the data related to the sales of these products and not their purchase. To be consistent, Cnova calculated for the products directly purchased and sold by Cnova the emissions linked to the sales as well. Indeed, products purchased are sold very quickly due to our business model, and activity can be considered as recurrent from one year to another even if seasonality arises during the year. This is why in Scope 3-1, Cnova calculated the emissions of products sold over the period, the products being either sold by Cnova or on its marketplace.

For products sold, emissions factors used are those provided by the ADEME basis ((https://base-empreinte.ademe.fr/donnees/jeu-donnees), related to products and are either monetary ratio (48% of the emissions of the scope) or Life Cycle Analysis (LCA) based (52% of the emissions of the scope). As soon as possible, we used the LCA. They are "cradle to retail".

When LCA were available, we applied some assumptions depending on the granularity of the emission factor and the availability of detailed information in our databases.

Indeed, often the LCA are linked to a product category. In this case, we used the emission factor and the total volumes of sales to calculate the emissions. When the emission factor is more precise than the product category, we use two kinds of approaches:

- If the emission factor is based on thresholds (e.g. for washing machines, the emission factors available as far are the 5kg washing machine and the 7kg washing machine), we divided our sales as inferior or equal to 5kg, between 5 et 7kg and over 7kg. We applied the emission factor linked to 5kg washing machines to all the sales of washing machines of 5kg or inferior, applied the emission factor linked to 7kg washing machines to our sales of washing machines of 7kg or more, and used the average of the emission factor of 5kg and 7kg washing machines for 6kg. The same logic is applied to smartphones, for instance where the emission factor is linked to the size of the screen.
- If the emission factor is linked to a characteristics such as a material (e.g. leather or fabric sofa), we used the information in our databased and calculated the emissions linked to leather sofa, the one linked to fabric sofa and when the information was not available, we calculated an average emission factor based on both kinds of sofa, applied to all the sales for which the information is not available.

We then calculated the impact of the more sustainable products program, on the categories for which data was available. This concerns Scope 3-1 refurbished products, namely smartphones, computers and tablets. The ADEME led a study enabling to evaluate the reduction of GHG emissions achieved through the sale of refurbished equipment instead of new ones. See the source: https://librairie.ademe.fr/ged/6720/ademe_impact_environnemental_reconditionnement_rapport.pdf. Based on the number of units sold in 2024, and the reduction factor applied to the cradle-to-retail factor, we calculated the GHG emissions of these categories.

In this scope, we also include the emissions generated by sales of services offered by the company. The relevant services collected in this section of Scope 3-1 are of several types:

- Banking services ("Carte Cdiscount", "Coupe de pouce")
- Show ticketing
- Health/mutual insurance activities
- Telephone and Internet packages
- "Cdiscount Voyage" offers

For all services other than "Cdiscount Voyage", we apply a monetary emission factor to the sales performed.

For "Cdiscount Voyage" offers, we applied two different methodologies:

- We applied a monetary emission factor provided by ADEME (https://base-empreinte.ademe.fr/donnees/jeu-donnees) to the sales generated by Camping, Hotel, Cruise and Ferry, Tailor-made Travel, stays with a mode of transport other than flight, car rental and others (miscellaneous activities not included in the above categories).
- For offers of flights and stays with flights, we calculate emissions per km travelled. To do so, we collect customer data and flights by city of origin and destination. We then calculate the flight distance from the following sources in order of priority: https://partir.ouest-france.fr/magazine/distances-et-durees-de-vols-au-depart-de-paris/, https://apprendre5minutes.wordpress.com/2022/02/27/distance-entre-paris-et-les-capitales-du-monde/ otherwise https://www.google.fr/. This work has been performed on 97,9% of the flights sold. To address 100% of our emissions, we applied a ratio based on this precise calculation.

We then classified the different flights into 3 categories: short, medium or long distance and applied the emission factor with drag provided by ADEME (https://base-empreinte.ademe.fr/donnees/jeu-donnees).

In scope 3-1, we also calculated the GHG emissions related to the purchases of non-marketed products and services. For insurance, telecommunications, correspondence, and monetary ratio were used. For paper, cardboard and other raw material linked to parcels, we collected physical data and related emission factors, based on the ADEME. Finally, for the data centers we outsourced, we collected data related to the consumption of electricity and the gases used and associated emission factors.

Finally, scope 3-1 considers emissions associated with the use of the website and network mobilization linked to online advertising. For the website, the data collected for this item is the weight of pages on the CDISCOUNT website pages and the number of visits per country. For advertisements, the data collected is the viewing time in France and the share of viewings on smartphones and computers. Some assumptions have been made for the use of the site, the processor usage of the customer's terminal has been neglected. The website's carbon footprint is calculated on the basis of consumption of user terminals, network load and data center consumption. For the video carbon footprint, an estimate from the Shift Project was used.

Scope 3-2 includes emissions related to buildings, machinery and equipment, particularly in warehouses and IT equipment owned by the company. Hypothesis are taken regarding the amortization periods applied (computers 3 years, smartphones 2,5 years and so on).

Scope 3-3 considers emissions associated with the upstream use of electricity, natural gas and hydrocarbons consumed by Cnova (extraction, transport, losses, etc.). The data collected are the same as for Scope 1 and 2, i.e. the quantity of hydrocarbons, natural gas and electricity consumed. No calculation assumptions have been made about this matter.

Scope 3-4 considers emissions associated with the transportation of products sold. It includes the upstream transportation up to our warehouses but also the deliveries from our warehouses to the pick-up points or the home of our customers depending on their delivery choice. Regarding the transportation of goods, we applied the following approach:

When using an LCA on a product category, we extracted the sub-part related to transportation included in the cradle-to-retail emission factor.

When using monetary ratio, we applied the same ratio as for other products categories very similar to calculate the transportation part. If similar products were also calculated based on monetary ratio, we then used the average ratio on the other categories.

Scope 3-5 considers emissions related to waste. Data collected is the mass of waste generated by type of waste. Emissions factors are based on an average of the different types of treatment occurring for this particular waste.

Scope 3-6 considers the emissions related to professional travel. The calculation is based on the distances travelled for business trips, by type of transport mode. Emissions factors related to each type of travel are then used to calculate GHG emissions.

Scope 3-7 is related to emissions generated by commuting. To calculate them, we carry out a questionnaire with all our employees, which enables us to collect information on kilometers travelled, modes of transport used, and the number of journeys made per week (depending on telecommuting possibilities). For each company, we thus obtain representative information on the commuting habits of each employee. We extrapolate this data to the total number of employees per entity and apply the ADEME emissions factors for each mode of transport (https://impactco2.fr/).

Scope 3-9 enables us to get a complete picture of the impact of deliveries by calculating the impact of customers' journeys when they use a pick-up point. The calculation is carried out by collecting the list of deliveries made by zip code. Each zip code is then categorized as either rural or urban. For both types of area, an emission factor is calculated using studies carried out by La Poste group, which show how people travel depending on whether they live in a rural or urban area.

Scope 3-11 calculates GHG emissions related to the use of products. To do so, we have a three-stage calculation method. Firstly, whenever possible, we use ADEME emissions factors relating to product use for all our categories. When this data is not available for a specific product category, we calculate the average of emissions factors related to use for all categories within the macro-category (e.g. computers, tablets within the IT sector). We then apply this average to categories for which no information is available (e.g. hard disks).

When information is not available either at category level (e.g. plush toys) or at macro-category level (e.g. toy games), we apply the previously calculated global average to all product categories with a usage-related emission factor.

Finally, we calculate the impact of the more sustainable products program, on the categories for which data are available. This concerns Scope 3-11 more energy-efficient products, on washing machines and dishwashers as far. For these 2 categories, we calculated the average electricity consumption per energy class and compared it to the average electricity consumption of the category. We thus obtain ratio, either minoring or majoring the GHG emissions of the product depending on their energy class. We apply these ratios to the volumes of products sold by energy-class to refine the calculation of GHG emissions on these products.

Scope 3-12 related to the emissions of end-of-life of products. The same approach as Scope 3-11 is applied but related to end-of-life of products.

During the reporting period, Cnova did not used contractual instruments for Scope 2 GHG emissions. The share of market-based scope 2 GHG emissions linked to purchased electricity bundled with instruments such as Guarantee of Origins or Renewable Energy Certificated is thus null.

As well Cnova GHG Emissions are not related to biomass biodegradation.

Cnova did not include any removals, or any carbon credits purchased sold or transferred in the calculation of Scope 2 emissions, neither for Scope 1 nor Scope 3.

As presented in the following paragraphs related to the GHG emissions calculation, the calculation is not based on primary data obtained from Cnova's suppliers or contributors of the value chain.

Scope 3-8, 3-10, 3-13, 3-14, 3-15 are not calculated, because within the frame of its activity, Cnova does not generate such emissions (no franchises for instance relevant for Cnova's activities).

Cnova has no information related to biogenic emissions of CO_2 from the combustion or biodegradation of biomass that occur in its upstream and downstream value chain.

1.7.2.1.9 GHG removals and GHG mitigation projects financed through carbon credits (E1-7)

Cnova does not finance GHG removals or GHG mitigation projects through carbon credits. This is why no data is disclosed in this section.

1.7.2.1.10 Internal carbon pricing (E1-8)

Cnova does not have an internal carbon pricing scheme. This is why no data is disclosed in this section.

1.7.2.1.11 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities (E1-9)

Cnova will provide information in next reports, according to the Phase-in possibility.

1.7.2.2 Pollution (ESRS E2)

1.7.2.2.1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities (E2.IRO-1)

The methodology for the materiality assessment is described in section "Description of the process to identify and assess material impacts, risks and opportunities" of ESRS2. Cnova did not conduct dedicated internal consultations, nor with affected communities. However, Cnova ESG teams are responsible for these topics and have a good knowledge of pollution issues for own operations and value chain activities, notably thanks to scientific and market review, press articles, dialogue with authorities, benchmark of competitors practices.

Three topics arise from the double materiality assessment:

- **Pollution of air**: e-commerce can contribute to air pollution mainly because of the upstream and downstream transport of goods, or the ride of customers to pick-up points and employees.
- **Pollution of soil**: marketing of household appliances and high-tech products generates waste that can be buried in the ground and contribute to its pollution if not properly collected and recycled
- **Pollution of water**: direct impact of retail activity on water is low. However, Cnova's activities may indirectly contribute to water pollution due to the manufacturing processes of the products (use of chemicals in textiles, for example).

# of IRO	Description of the IRO	Actual or potential
1	Negative impact on pollution of soil due to the end of life of products	Actual
2	Negative impact on pollution of air due to freight	Actual
3	Negative impact on pollution of water due to the manufacturing processes of the products	Actual

Issues related to pollution are mostly located upstream in the value chain. This is why Cnova does not disclose information in this section.

Since impacts are generated within the value chain, and since all the value chain is not yet targeted by disclosure requirements, Cnova does not have the complete information required in this section. To collect them in the future, Cnova will rely on two mechanisms:

- The ESG assessment already performed by Cnova since 2021 with the help of an independent third party, which targets the main suppliers and sellers (see Section E5-4 – resources inflows). Questions related to pollution are for instance "Does your company integrate environmental criteria to improve the end-of-life of products and/or services?", "What solutions has your organization developed to extend the life of products or services?", " How does your organization reduce the environmental impact of the upstream logistics (sourcing) of its products or raw materials?", "How does your organization optimize the environmental impact of the downstream logistics (distribution) of its products or raw materials?". As of 2024, it targets 55% of the products sold. If we consider especially home appliances and high-tech products which have a greater impact regarding pollution of soil and water due to the raw material which compose them, the current selection covers 69% of the sales. In the next years, Cnova will increase the share of suppliers and sellers assessed to extend the coverage rate. A target has not been yet defined.
- The annual questionnaire that Cnova shares to all its carriers. Actions aiming at reducing the carbon footprint of deliveries also contribute to reducing pollution of air (since alternative means for instance do not emit fine particles). Specific questions related to pollution will be added in coming years to improve the data collected.

1.7.2.3 Water and marine resources (ESRS E3)

1.7.2.3.1 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities (E3.IRO-1)

The methodology for the materiality assessment is described in section "Description of the process to identify and assess material impacts, risks and opportunities" of ESRS2. Cnova did not conduct dedicated internal consultations, nor with affected communities. However, Cnova ESG teams are responsible for these topics and have a good knowledge of water and marine resources issues for own operations and value chain activities, notably thanks to scientific and market review, press articles, dialogue with authorities, benchmark of competitors practices.

One topic arises from the double materiality assessment:

- Water consumption: Cnova's activities lead to water consumption on various sites for the daily lives of employees, but this is very limited. The impact is in the value chain, linked to manufacturing products.

# of IRO	Description of the IRO	Actual or potential
1	Negative impact on water consumption due to manufacturing process of certain products	Actual

Issues related to water consumption are mostly located upstream in the value chain. This is why Cnova does not disclose information in this section.

Since impacts are generated within the value chain, and since all the value chain is not yet targeted by disclosure requirements, Cnova does not have the complete information required in this section. To collect them in the future, Cnova will rely on the ESG assessment already performed by Cnova with the help of an independent third party, which targets the main suppliers and sellers (see Section E5-4 – resources inflows). Questions related to water "What actions has your organization taken to limit the pressure of its activity on water?", "Does your company integrate environmental criteria into the production of its products and/or services?". As of 2024, it targets 55% of the products sold. If we consider especially high-tech and textiles products which have a greater impact regarding water consumption due to the raw material which composes them and manufacturing processes, the current selection covers 67% of the sales. In the next years, Cnova will increase the share of suppliers and sellers assessed to extend the coverage rate. A target has not been yet defined.

1.7.2.4 Biodiversity and ecosystems (ESRS E4)

1.7.2.4.1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities (E4.IRO-1)

The methodology for the materiality assessment is described in section "Description of the process to identify and assess material impacts, risks and opportunities" of ESRS2.

Following items were assessed to identify possibly material impacts, risks and opportunities related to biodiversity: Climate change, land use change, freshwater and marine use change, direct exploitation of biodiversity, invasive alien species, and pollution. Cnova identified no material items related to biodiversity and ecosystems.

Cnova own activities (headquarter and warehouses) have low impacts and dependencies on ecosystems. Cnova facilities are in adequate areas (urban areas, business parks or industrial zones).

Materiality assessment led to identifying some limited and mostly indirect impacts and dependencies in the value chain (e.g.: dependencies on wood and forests for furniture, impact due to various pollution induced by products manufacturing).

Cnova did not identify transition and physical risks (including systemic risks) and opportunities related to biodiversity and ecosystem.

Assessment included an interview with the Cnova HSE Director. No consultations with affected communities were conducted.

Cnova following sites are located near biodiversity sensitive areas:

Location	Site	Biodiversity-sensitive area	Type	Distance
Bordeaux, Gironde, France	Headquarter	Garonne	Natura 2000	< 1km
Cestas, Gironde, France	Warehouse	Landes humides	Type 1 ZNIEFF	~2,5km
Cestas, Gironde, France	Warehouse	Parc naturel régional des Landes de Gascogne	Parc naturel régional	~1km
Andrézieux, Loire, France	Warehouse	Contreforts mériodionaux des monts du Lyonnais	Type 2 ZNIEFF	< 1km
Réau, Seine-Et-Marne, France	Warehouse	Forêt de Rougeau	Type 2 ZNIEFF	~2km

It does not imply operational constraints for Cnova activities nor biodiversity mitigation measures.

Biodiversity and ecosystems are not material topic for Cnova. The above elements are disclosed in order to be in line with ESRS1.29.

1.7.2.5 Resource use and circular economy (ESRS E5)

1.7.2.5.1 Description of the processes to identify and assess resource use and circular economy-related impacts, risks and opportunities (E5.IRO-1)

Process and methodologies to identify and assess material impacts, risks and opportunities is described in ESRS 2 “Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)”.

See section “Interests and views of stakeholders (SBM-2)” of ESRS 2 for information related to relevant stakeholders regarding resource use and circular economy.

Cnova’s assets and activities were taken into consideration, actual and potential IROs were assessed, including our own operations and the upstream and downstream value chain.

Cnova double materiality assessment led to identify three material items, as presented in the following table.

# of IRO	Description of the IRO	Actual or potential
1	Negative impact on resources inflows, including resource use	Actual
2	Negative impact on source outflows related to products and services	Actual
3	Opportunity of increasing the company turnover and reducing its cots by developing circular economy	Actual
4	Negative impact on waste	Actual

- ***Resources inflows, including resource use***

E-commerce, like all economic activities, has an impact on resource use. As explained in ESRS 2, Cnova enables consumers to buy products related to the daily life: high-tech, home appliances, home and family & leisure products. The stakes are thus in the upstream value chain, linked to the manufacturing of products mainly (raw materials, energy). For instance, the production of technical goods like smartphones and laptops requires the use of mineral resources. The extraction of these minerals can lead to environmental degradation, pollution and resource depletion, which are not easily replenished. Other products may impact on the natural ecosystems, depending on the way resources are extracted. For instance, the logging of forests for wood products can lead to deforestation if not managed responsibly, impacting biodiversity and contributing to climate change. This resource use can be decreased depending on the manufacturing processes.

One need also to consider the resource use in Cnova own operations (raw materials and energy used in the warehouses or in the offices which can increase the pressure on natural resources and ecosystems) as well as in the downstream value chain (energy used in datacentres or for deliveries). The impact on resource use can be increased or decreased depending on technical, organizational and marketing choices.

- ***Resource outflows related to products and services***

The major stakes related to resource outflows are also linked to the value chain, either the upstream or the downstream value chain.

It starts with the conception of products. Industrial or marketing choices can impact the lifespans of products, requiring consumers to replace them and leading to increased resource consumption. The ability to repair products can also be impacted, because of complex structures, incorporating multiple materials and components or because of a lack of availability of spare parts. Consumers can be left with no choice but to discard and replace faulty items rather than fixing them. The composition of these products can also pose significant challenges to end of product life management recycling efforts. Multi-material designs, while often necessary for functionality, can be difficult to disassemble and sort, making the recycling process more complex and less efficient, contributing to environmental pollution and the depletion of natural resources.

Packaging of these products also generates issues, because they often contain materials like plastic and cardboard, each with its own set of environmental impacts (see "Reducing the impact of packaging" in the section Policies, actions and targets related to resource use and circular economy (E5-1, E5-2, E5-3)).

Giving customers information related to these aspects, either when they buy a product (information related to repairability, lifespan of products…) or when they use them is also necessary (advice on the use conditions, services for repair…), and ensuring the collection of old products to guarantee their proper treatment are other stakes related to resource outflows related to products and services.

In parallel, customers are more and more demanding for more sustainable products, including the one coming from circular sources. By being able to adapt its offer and business model, Cnova has the opportunity to develop its turnover but also to reduce costs of sales and operations.

- ***Waste***

E-commerce activities require the delivery of products directly to consumers. The quality of service is a key driver of economic performance. As part of this quality of service, one can find the quality of the packaging that consumers receive. Indeed, delivery is the first physical contact for e-commerce companies with their customers. To achieve such quality of service, products are often repackaged compared to the ones sold directly in stores, to resist to transportation. These packaging are mainly composed of cardboard and plastic, which raise specific environmental issues (extraction of raw materials, energy-intensive or water-intense processes, difficulties to recycle materials…) that Cnova must handle in its own operations and by working with suppliers and sellers. Consumers also play a role in waste management, either by accepting new standards such as no-overpacking, or reusable packaging, and by contributing to recycling.

In addition, Cnova activity also generates waste related to the exploitation of its warehouses and offices, including non-hazardous and hazardous waste. Details on this waste are provided in section "Resource outflows".

The impacts, risks and opportunities related to the transition to a circular economy are linked to the evolution of Cnova business model towards a more sustainable consumption. They are discussed in section S4 "Consumers and end-users".

1.7.2.5.2 Policies, actions and targets related to resource use and circular economy (E5-1, E5-2, E5-3)

Cnova circular economy and resource use policies, action plans and targets are placed under the supervision of the CSR and Quality Director, the Director of the Assortment, the Commercial Director and the Director of Warehouses, all members of the Direction Committee or Executive Committee. Regular review of the metrics and actions are performed under the supervision of CSR and Quality direction and shared with the above-mentioned directions, either monthly, quarterly or annually depending on the topics, to ensure the achievement of the targets.

Resources allocated to policies and actions plans are disseminated throughout Cnova, due to the transversality of these topics. For instance, CAPEX for promoting new services and working on the customer journey, OPEX for buying certified cardboard, and HR resources (assortment teams, commercial teams, UX teams, transportation and warehouses teams, communication teams…).

To address the identified IROs related to resource use and circular economy, Cnova has since several years deployed a combination of policies and actions aiming at reducing the resource use linked to products and deliveries and for promoting circular economy. This is based on 5 pillars:

- Promoting “more sustainable” products on Cdiscount.com to raise awareness of consumers, develop those products sales and encourage suppliers and sellers modifying their assortment,
- Promoting services enabling to longer the lifespan of products either through reparation or reselling,
- Contributing to circular economy development by facilitating the collection of products that consumers do not want anymore, building partnerships with refurbishers or directly refurbish products,
- Reducing the impact of packaging with chosen materials, the development of reusable packaging or the suppression of packaging,
- Internal actions related to operational waste sorting and treatment, as well as daily waste associated to employee’s daily life.

♦ ***Promoting “more sustainable” products***

Cnova has set up in 2021 a program dedicated to the sale of "More Sustainable " products on Cdiscount.com. These products include:

- Products certified by independent third parties (FSC (13), PEFC (14), Oeko-Tex (15) certifications, as well asEuropean Ecolabel and Epeat launched in 2024…),
- Made-to-order products (2024),
- Energy class A or B products (or A+++ or A++ depending on the category),
- Products with repairability indexes (16) greater than or equal to 8/10,
- Second hand products,
- and Made in France products.

These criteria have been defined mainly based on recommendation of the ADEME (French Agency for ecological transition). The program consists in developing the assortment of “more sustainable” products, make them highly visible on the website and attractive as well for customers, notably from a price point of view.

See section “Policies related to climate change mitigation and adaptation (E1-2)” for more information.

These criteria enable Cnova to address the resource inflows and outflows and circular economy stakes, because they ensure a more sustainable use of resources (e.g. sustainable forest management for the wood incorporated in our home furniture or made-to-order sofas), an increased lifespan of products due to design choices, availability of spare parts and so on traduced in the repairability index, reduced consumption of resources and promotion of circular economy through the refurbishment or second hand.

“More sustainable” products represented 25,2% of value of products sold in 2024. The 2024 actions were focused on increasing the assortment, the visibility given to these products and the integration of these products within the commercial operations. Cnova targets to increase this quote-part next year but cannot disclose objectives and action plans due to business confidentiality. This target involves Cnova and its upstream and downstream value chain. This concerns the “prevention”, “recovery” and “reuse” parts of the waste hierarchy.

13 https://fr.fsc.org/fr-fr ;
14 https://www.pefc-france.org/
15 https://www.oeko-tex.com/en/
16 https://epargnonsnosressources.gouv.fr/indice-de-reparabilite/#:~:text=Il%20s'agit%20d'une,remplacer%20en%20cas%20de%20panne

♦ *Promoting services enabling to longer the lifespan of products*

In addition to promoting more reparable products, Cnova proposes to its customers different services or tools to longer the lifespan of products.

First, customers can access a service dedicated to reparation (https://www.cdiscount.com/reparation) provided by a partner of Cnova, Spareka, launched in 2020, which includes:

- Repair diagnostic tools,
- More than 8 million spare-parts,
- Self-repair assistance.

It targets home appliances (large and small), garden, pool, tools products. In 2024 the customer journey was modified to increase the visibility given to this service.

Cnova also gives its customers advice across 2.200 pages of content, enabling them to choose the right products, to properly use and maintain them and to make them last longer (Guides et Conseils - Tous nos conseils pour choisir le meilleur produit). Pages were enriched in 2024 and will continue to be next years.

When customers do not want to keep their products, Cnova enables them to resell their products. It is the “Cdiscount Reprise” platform launched as well in 2020, which offers a purchase and refurbishing solution for smartphones, consoles and tablets by professionals operating mainly in France. The categories covered by the service evolves each year, as refurbishing capacities are developed. In 2024, the visibility across the customer journey was increased thanks to information added in the product files.

Cnova objectives for 2025 are to ensure a great visibility of these services, by promoting them all along the customer journey. By being connected to millions of French citizens, Cnova can contribute to develop new consuming manners. This is the target of Cnova, which involves Cnova and its upstream and downstream value chain. This concerns the “recovery” part of the waste hierarchy.

♦ *Contributing to circular economy development*

Cnova is engaged for more than 15 years in promoting circular economy. The stakes are to structure qualitative sectors, to standardize practices, to broaden the scope of products managed within these sectors, to increase the products flows and to increase the appetite of consumers. Cnova contributes to these objectives, by several actions.

First, across its “Cdiscount Reprise” service, the company contributes to collecting products and addressing them to qualified refurbishers mainly in France. By giving them their resource input (products to refurbish), Cnova helps them to grow. One knows that resource inflow is indeed one major stake for this new economy. Cnova targets to increase the use of this service next year but cannot disclose objectives and action plans due to business confidentiality

Cnova has also developed a partnership with the French startup Geev which facilitates the donation and collection of unused items between individuals, all for free. This helps reduce waste and supports sustainable consumption habits. When customers purchase new items on Cdiscount, they are offered the option to donate their old items through Geev. This initiative aims to give a second life to objects that would otherwise be discarded or stored away. In 2024, Cnova modified the customer journey to increase the visibility given to this option. It will be continued next year.

In addition, and in accordance with French regulation, customers who purchase products targeted by “Extended Producer Responsibility” are informed of the options they have in order to ensure their products will be collected and treated (recycled or refurbished). This targets a very large range of products: home appliances, toys, do-it-yourself, furniture’s, textiles…100% of our customers are informed of these options for the targeted products. It will remain the same next year.

With the same objective of promoting circular economy, Cnova structures the management of the products in return. The return is generated by consumers who ordered a product but changed their mind and decided to return it. It can be because the product does not fit with their expectations, because the product was damaged during the delivery or because the customer address was inexact, for instance. Each year, product returns represent around 3% of the overall products shipment. Cnova has structured a dedicated service in charge of products returns since several years. The objective is clear: 100% of these products must have a second life. It can be achieved by reintegrating the products in stock (when it was not even unpacked), by refurbishing the product in Cnova warehouses (for smartphones and tablets), by sending them to partners companies dedicated to refurbishment (such as Ecomicro for IT products, Ninety for smartphones, Deuzio for toys, Reficio for household appliances launched in 2024) or by giving them to charities (more than 40 partners across France). This was the target in 2024 and will remain the same for the coming years. To achieve that, Cnova will continue launching partnerships with qualified refurbishers. This target involves Cnova and its downstream value chain and concerns the “reuse” and “recycling” parts of the waste hierarchy.

♦ ***Reducing the impact of packaging***

Cnova has a proactive policy aimed at minimizing the environmental impact of packaging. It relies on several actions, launched over the past years and active in 2024:

- Enabling customers to choose reusable packaging. Since 2021, the Cdiscount offers packaging that can be reused up to 100 times on a wide range of small-sized products, designed by the start-up Hipli. The impact of this packaging is inferior to classical cardboard as soon as it is used 2 times.
- Applying a zero-overpacking approach when it is possible. After a logistics audit, references that do not present a risk of breakage or fraud are shipped without an additional shipping box.
- When packaging remains necessary, Cdiscount optimizes the consumption of cardboard, thanks for example to 3D packaging machines which precisely adjust the box size to the dimensions of the product. Products are also sent in the same package as soon as possible when an order contents several products.
- At the same time, Cdiscount favours the use of sustainable materials. More than 85% of shipping boxes are made from recycled raw materials (see below), 100% of boxes are FSC certified or equivalent. In addition, mineral inks have been replaced by vegetable inks and plastic pads have been replaced by kraft paper for many years.

The targets for Cnova are to maintain this level of results at least in 2025, by maintaining the current action plan. This target involves Cnova and its upstream and downstream value chain.

Cnova is also involved in its ecosystem regarding these topics. For example, Cnova is a signatory of French responsible e-commerce charter, whose 1st version was signed in 2021 (an updated version is expected in 2025). This charter addresses the impact of logistics across 3 pillars: raising awareness of customers, managing the impact of packaging, and managing the impact of warehouses and deliveries. Cnova actively contributed to the redaction of this charter, convinced that sectorial approach is required to accelerate the transition towards more sustainable practices.

♦ ***Operational waste sorting and treatment***

Regarding the waste generated by Cnova own activites, 70% are diverted from disposal in 2024 (see below). The targets for Cnova are to maintain this level of results at least in 2025.

Finally, Cnova has developed good practices for employees in their daily life. It takes the form of a guideof good practices at work. This includes recommendations aimed at reducing water and energy consumption and limiting waste production. Cnova target is that all employees must be informed of these eco-gestures. Recurrent internal information was shared in 2024 and will continue to be in coming years.

However, it does not strictly comply with targets disclosure requirements of CSRD, Cnova has multiple targets on circular economy (as mentioned before). Cnova will refine its targets over the coming year to comply with requirements. Above 2025 targets are not based on scientific evidence or studies. Targets for coming years will be in line with the current trajectory on these topics. No milestones or interim targets were defined.

1.7.2.5.3 Resource inflows (E5-4)

Cnova resource inflow are linked to the product categories sold and own supply chain operations. They are described below:

High-tech	**Metals**: Copper, gold, aluminum, and other conductive metals are crucial for wiring and electronic components. Copper is highly ductile and malleable, making it perfect for wiring and electronics. Semiconductors: Silicon, germanium, and gallium arsenide are essential for manufacturing semiconductor chips used in various electronic devices. **Rare Earth Elements**: Indium, gallium, tantalum, neodymium, and germanium are critical for digital and electronic components, especially in smartphones and other high-tech devices, **Plastics**: Used for casings and insulation in electronic devices, providing durability and lightweight solutions. Critical Raw Materials: Lithium, cobalt, and platinum group metals are used in batteries and other high-tech applications
Home appliances	**Steel and Stainless Steel**: Essential for the structure and durability of appliances, comprising a significant portion of the raw materials used. **Plastics**: Used for various components due to their lightweight and durable nature **Copper and Aluminum**: Used for electrical components and structural parts, contributing to the overall functionality and efficiency of appliances. **Insulating Materials**: Crucial for the safety and performance of electrical appliances, ensuring long-term reliability and user safety.
Home and family products	**Wood**: Commonly used in furniture and home decor, providing a natural material option. **Textiles**: Fabrics like cotton, silk, and wool are used for clothing, accessories, and home decor **Plastics**: Used in various home products, including storage solutions and decorative items, due to their versatility and durability. **Metals**: Steel, aluminum, and brass are used in furniture and home decor for their strength and aesthetic qualities.
Leisure products	**Stainless Steel**: Widely used in sports and leisure equipment for its durability and resistance to corrosion, ensuring long-term performance. **Plastics**: Used in various leisure products, including outdoor gear and sports equipment, due to their lightweight and durable nature. **Textiles**: Used in leisure apparel and accessories, providing comfort and functionality for various activities,
Packaging	**Cardboard and Paper**: Widely used for packaging boxes and envelopes due to their recyclability and strength **Plastics**: Utilized in various forms such as bubble wrap and reusable packaging **Foam and Cushioning Materials**: Used to secure fragile items within packages, preventing damage from impact and movement during shipping. Only used by suppliers and sellers (Cnova is using kraft paper within its packaging) **Adhesives**: For sealing packages and securing labels, ensuring the integrity of the packaging throughout the delivery process.

Regarding the total weight of products sold on Cdiscount.com, Cnova has not access to all the data required to calculate accurately the indicator. Thus, Cnova applied the following method:

- For calculating the weight of products sold by Cnova:
  - Calculation for each category of the average weight by category (based on detailed products weight and number of units sold by Cnova)
  - Multiplication of the average weight per category by the number of units sold or each category
- For calculating the weight of products sold by sellers on the marketplace:
  - Calculation for each category of the average weight by category (based on detailed products' weight and number of units sold for products stored in our warehouses)

- Multiplication of the average weight per category by the number of units sold on the marketplace for each category

It allows to roughly evaluate the weight of products sold in 2024 at 137 278 tons.

Cnova has not access to technical and biological materials used, or percentage of biological materials used or weight in absolute and percentage of secondary reused or recycled components.

To achieve such an objective, and due to the complexity and depth of the value chain of products sold by Cnova and other actors having the same business model, appropriate legal framework is required. However, to raise awareness of its partners and refine its CSR strategy, Cnova has implemented a complete questionnaire based on ESG (Environment, Social, Governance) criteria targeting its major commercial partners. This is performed by Positive Company®, a French company that offers scoring tools. Its goal is to help organizations, regardless of their CSR maturity level, progress and engage their stakeholders (employees, customers, suppliers) in their sustainable development strategy. The scoring is based on international standards such as ISO 26000 and the Sustainable Development Goals (SDGs). The question of resource use and circular economy is part of that questionnaire. Launched in 2021, it targets as far 55% of Cnova GMV.

Regarding Cnova own operations, Cnova monitors the weight of materials used for packaging (cardboards and envelopes) used by warehouses, which is 2 203 tons in 2024. The rate of recycled materials is 85% in 2024 (according to a monitoring processed by C-Logistics facilities management and based on the number – not the weight – of packages). Therefore, Cnova estimates the weight of recycled materials in packaging is 1872 tons.

In addition, all cardboard used by Cnova warehouses is FSC-certified.

1.7.2.5.4 Resource outflows (E5-5)

Cnova has a large interpretation of what are the “production process”, considering that our business consists in enabling customers to access to a wide range of products either sold by Cdiscount (under our private-label brands or national brands) or by sellers on the marketplace. In the next paragraphs, we disclose information related to the overall perimeter of products sold.

Within this frame, material that come out of Cnova production process and that comply with circular principles include thus:

- Refurbished products
- Highly repairable products
- Spare parts
- Products certified by 3rd parties or made-to-order products
- Recycled and recyclable packaging
- Reusable packaging

In 2025, French regulation (loi n° 2020-105 du 10 février 2020 relative à la lutte contre le gaspillage et pour l’économie circulaire) will gradually introduce a mandatory durability index for certain categories of products (televisions: 08/01/2025, washing machines: 08/04/2025). For now, Cnova is not able to monitor durability, due to the lack of a clear definition and information from the value chain. Once the repairability index is fully implemented, Cnova will be able to monitor, manage and publish data on products durability.

Regarding repairability, 2020 French anti-waste law for a circular economy (LOI n° 2020-105 du 10 février 2020 relative à la lutte contre le gaspillage et à l'économie circulaire) introduced a repairability index for the following products:

- Washing machine (door and top loading),
- Smartphone,
- Laptop,
- Lawnmower,

- Dishwasher,
- Vacuum cleaner,
- High pressure cleaner.

Over the year 2024, 51% of products having a repairability index sold on Cdiscount.com can be considered highly repairable (index equal to or above 8 out of 10).

Repairability index (out of 10)	Part of sold products
<4	1%
>= 4 and < 6	6%
>= 6 and < 8	42%
>= 8	51%

Products sold on Cdiscount.com in 2024 with repairability index

Considering its business model, Cnova is not able to collect the rate of recyclable content in products and products packaging. Such as for resources inflows, appropriate legal framework is required to ensure the proper collection of this data. As mentioned earlier, Cnova set-up an ESG evaluation for its major commercial partners. Resource inflows is one of the topics discussed across this assessment.

Regarding packages used in warehouses, almost 100% are recyclable (cardboard, plastic), according to a monitoring processed by C-Logistics facilities management and based on purchasing data. Cnova does not have access to exhaustive information related to products recyclability and therefore only discloses data on packaging. In 2024, Cnova own activities generated 5 300 tons of waste.

	Non-hazardous	Hazardous	Total	Share
Preparation for reuse	0	0	0	
Recycling	2301	2	2303	
Other recovery operations	1427	1	1428	
Total diverted from disposal	**3728**	**3**	**3731**	**70%**
Incineration	166	2	168	
Landfill	1399	2	1402	
Other disposal operations	0	0	0	
Total directed to disposal	**1565**	**4**	**1569**	**30%**
Total	**5293**	**7**	**5300**	
Including recycling	**2301**	**2**	**2303**	**43%**
Including non-recycling	**2992**	**5**	**2997**	**57%**

Tons - no radioactive waste to be reported

Waste stream generated from own activities is mostly related to packaging and warehouses operations:

- Wood (46% of the total mass of generated waste),
- Cardboard (31% of the total mass of generated waste).

- Mixed non-hazardous industrial waste (19% of the total mass of generated waste).

Above data follow-up is processed by dedicated operational teams and based on data from waste collection service providers. Due to inaccessibility of data, breakdown by category is an estimation based on data from France in 2021 as published by French ministry (17). Breakdown per category is based on estimations based on findings from the study although the treatment categories in study do not correspond to table presented in report. This estimation, based on data for France, does not fully align with the specific nature of waste managed by Cnova that are mostly diverted from disposal (wood and cardboard – this above).

Moreover, due to the unavailability of part of the data at the time of publication of the sustainability statement, the data for the fourth quarter of 2024 were estimated on the basis of year the fourth quarter of 2023 for one office and two warehouses (18% of the total).

Cnova did not include waste from sites opened or closed during the reporting period. Therefore, two warehouses (approx. 3% of waste) were excluded from the table.

Waste related to customer returns (820 tons, including 377 tons of WEEE) are excluded from the scope as they do not result from Cnova own operations.

1.7.2.6 Note on taxonomy

This publication is part of the application of Article 8 of the Green Taxonomy Regulation (Regulation (EU) 2020/852) and the following delegated acts:

- Delegated Regulation (EU) 2021/2178 of the Commission of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council
- Delegated Regulation (EU) 2021/2139 of the Commission of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council and amended by Delegated Regulation (EU) 2023/2485 of the Commission of 27 June 2023
- Delegated Regulation (EU) 2022/1214 of the Commission of 9 March 2022 amending Delegated Regulation (EU) 2021/2139
- Delegated Regulation (EU) 2023/2486 of the Commission of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council.

1.7.2.6.1 Context

♦ ***Presentation of the European Green Taxonomy***

Regulation (EU) 2020/852 of 18 June 2020, said the Taxonomy Regulation, is a key element of the European Commission's action plan on sustainable finance. It sets out the principles of a classification system for companies' economic activities, allowing the identification of economic activities considered sustainable that contribute substantially to one of the following objectives:

- Climate change mitigation,
- Climate change adaptation,
- Sustainable use and protection of water and marine resources,
- Transition to a circular economy,
- Pollution prevention and control,
- Protection and restoration of biodiversity and ecosystems.

As a company required to publish non-financial information in accordance with Directive (EU) 2022/2464 (CSRD) and Delegated Directive 2023/2775/EU (CSRD) amending Directive 2013/34/EU, Cnova falls within the scope of Article 8 of the European Green Taxonomy Regulation.

17 https://www.statistiques.developpement-durable.gouv.fr/la-production-et-le-recyclage-des-dechets-en-2020-et-2021-en-france-synthese-des-connaissances-en#:~:text=La%20France%20s%27est%20fix%C3%A9e,d%C3%A9chets%20min%C3%A9raux%20ont%20%C3%A9t%C3%A9%20recycl%C3%A9s.

Cnova must therefore report, for the fiscal year 2024, on the share of its economic activities classified as sustainable according to the criteria defined in the Taxonomy for the six objectives mentioned above. In accordance with Article 8 of the UE Taxonomy Regulation, Cnova is required to publish the share of its revenue, capital expenditures (CapEx), and certain operating expenses (OpEx) eligible and aligned with the Taxonomy ("the indicators").

Technical screening criteria have been established in the delegated acts for each environmental objective. To be considered aligned with Taxonomy, an activity must meet substantial contribution criteria, DNSH (Do No Significant Harm) criteria, and minimum safeguards required by Taxonomy. Cnova has determined the indicators eligible and aligned with the Taxonomy in accordance with legal requirements.

1.7.2.6.2 Organization of Taxonomy Reporting

To carry out the work within the framework of the Taxonomy application, Cnova has set up a specific organization, bringing together members of the Finance Direction, the CSR Direction, and business teams. The mission was also coordinated with Casino Group which performed the same exercise. This organization has worked on the analysis of the eligibility and alignment of Cnova activities, particularly based on Regulation (EU) 2020/852 and its delegated acts for the six environmental objectives defined by the Taxonomy. Exchanges were conducted with this organisation and with Casino group to study the eligibility and alignment of each of Cnova activities and the proper completion of financial data associated with the targeted activities.

- ***Evaluation and Methodology***

Eligible Activities for the Taxonomy

All of Cnova's economic activities eligible for the Taxonomy for all environmental objectives have been examined. Specific meetings were held to study eligibility.

The revenue and CapEx considered cover all activities pursued by Cnova.

The share of eligible activities for Cnova remains limited and not material because its activities, mostly non-food distribution and marketplace activities, are not covered by the delegated regulations.

The financial data are derived from the consolidated accounts as of 31 December 2024.

After a thorough examination of all the Taxonomy objectives, three types of eligible activities were identified:

- Economic activities generating revenue.
- Activities generating capital expenditures (CapEx), including investments associated with individual measures, including long-term leases.
- Activities generating OpEx

Economic Activities

After analysis, the activities presented in the table below have been identified as generating eligible revenue for the Taxonomy.

Taxonomy objectives	Taxonomy activities	Cnova activities
CCM	5.5 Collection and transport of non-hazardous waste sorted at source	Sale of recyclable waste (mainly paper/cardboard/plastic) collected by the Group in warehouses/administrative sites, sorted, and valued
CCM	7.7 Acquisition and ownership of buildings	Rental of space for data centers with energy recovery from the heat produced
CCM	6.4 Operation of personal mobility devices, cycle logistics	Sale of soft mobility products (bicycles, scooters) as part of Cdiscount activities.
CE	2.3 Collection and transport of non-hazardous and hazardous waste sorted at source	Sale of recyclable waste (mainly paper/cardboard/plastic) collected by the Group in warehouses/administrative sites, sorted, and valued
CE	5.4 Sale of second-hand products	Sale of second-hand products as part of Cdiscount.com activities.

Codes are those used in the delegated regulation (CCM: Climate Change Mitigation, CE: Circular Economy)

Activities Generating Capital Expenditures

After analysis, the activities presented in the table below have been identified as generating eligible CapEx for the Taxonomy.

Taxonomy objectives	Taxonomy activities	Cnova activities
CCM	7..3 Installation, maintenance and repair of energy efficiency equipment	Insulation work, heating, improvement of cold furniture, or solutions to limit electricity losses
CE	5.4 Sale of second-hand products	IT developments related to the sale of second-hand products

Codes are those used in the delegated regulation (CCM: Climate Change Mitigation, CE: Circular Economy)

- ***Methodology for Evaluating Alignment Criteria***

Evaluation of Generic DNSH

As part of the evaluation of the alignment of Cnova eligible activities with the Taxonomy, Cnova has verified the compliance of its business model with the DNSH criteria presented in the Taxonomy in the annexes of the delegated acts for each activity. Cnova meets all the generic criteria targeted by the Taxonomy as described in the paragraphs below:

- To meet the DNSH criterion related to the objective of Climate Change Adaptation targeted by the Taxonomy, Casino Group – Cnova parent company – conducted a study on physical climate risks. This analysis, carried out in 2022 (18), covering more than 99% of the Group's assets including Cnova, identified and measured the potential risks to its assets. The method uses data from the Global Climate Models and Global Warming, RCP 4.5 and RCP 8.5 scenarios, and was applied over two-time horizons (2030 and 2050). The report details the various risks by site and region. Entrusted to an expert firm, this study revealed a low exposure of the Group to acute and chronic physical climate risks, even in the most pessimistic scenario (RCP 8.5).
- To meet the DNSH criterion related to the objective of Sustainable Use and Protection of Water and Marine Resources targeted by the Taxonomy, the Group relies on the Water Framework Directive, transposed into French positive law. The Group complies with the regulations concerning local regulations (SDAGE, water law, PLU) in France.
- To meet the DNSH criterion related to the objective of Pollution Prevention and Control targeted by the Taxonomy, the Group strictly complies with French and European regulations on pollution. However, this criterion is not applicable to Cnova as Cnova does not generate

18 No major changes have occurred since 2022 that could modify the analysis

pollution related to the use and presence of chemicals due to the nature of its activities.
- To meet the DNSH criterion related to the objective of Protection and Restoration of Biodiversity and Ecosystems targeted by the Taxonomy, all the Group's projects are aligned with the European EIA directive (Environmental Impact Assessment of Projects in Europe).

Evaluation of Minimum Safeguards

In accordance with the guiding principles of the Minimum Safeguards described in Article 4 of the Taxonomy Regulation, economic activities meeting substantial contributions and DNSH (specific and generic) must comply with international principles in terms of human rights, anti-corruption, taxation, and competition law. Companies must also ensure:

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

To meet the Minimum Safeguards on human rights, Cnova relies on the following elements:

- A vigilance plan defined by Casino and accompanied by specific governance regarding social and environmental risks in its direct activities and value chain (suppliers) and applied within Cnova.
- Casino signing, on 19 October 2009, of the United Nations Global Compact, thus committing to 10 universally accepted principles on human rights, labor standards, the environment, and anti-corruption, committing the whole group.
- An Ethics Charter reminding that each employee is expected to act in strict compliance with laws and regulations, demonstrate loyalty and honesty, and behave with exemplary professional ethics.

In terms of anti-corruption, Cnova has implemented a comprehensive system, in accordance with the requirements of the Sapin II law, for identifying corruption risks, prevention policies, alert processes, etc., deployed across all the Group's activities. In addition, the Code of Ethics and Business Conduct presents the Group's policy on business ethics and individual behavior. More information is included in the section “Governance Information”.

To meet the regulatory requirements related to taxation, Casino has published a responsible tax policy, framing compliance with the recommendations issued by the Organisation for Economic Co-operation and Development (OECD).

Finally, the Ethics Charter developed by the Group and detailed above also meets the expectations in terms of compliance with competition law.

Given the elements presented above, the Group considers itself, and by consequence Cnova, compliant with the Minimum Safeguards criteria for all its activities.

Evaluation of Substantial Contributions and Specific DNSH for Each Activity

Cnova analysed the substantial contribution (SC) criteria as well as the specific DNSH for the activities listed by the Taxonomy, then completed a collection matrix to identify eligibility data and conduct the analysis of the various criteria for alignment. These matrices were then subject to a critical review and reconciliation with the consolidated accounts by the Cnova Finance and CSR Departments.

Eligible but non-aligned activities

Taxonomy objectives	Taxonomy activities	Evaluation of Substantial Contributions	Evaluation of Specific DNSH
CCM	6.4 Operation of personal mobility devices, cycle logistics	Products sold as part of Cdiscount soft mobility offer allow people to be propelled solely by the users' physical activity or by a zero-emission engine	No waste management system is in place, either for the use phase or the end of life of soft mobility products.
CCM	7.3 Installation, maintenance and repair of energy efficiency equipment	No improved insulation of energy efficiency proof of improvement	The activity complies with European regulations on hazardous chemical substances
CE	5.4 Sale of second-hand products	Products sold as part of Cdiscount second lige activities are not covered by a specific sales contract indicating a shorter use of the product	The activity involves the use of heating and air conditioning, byt this is not limited to 270g CO2 / kWh. Furthermore, no specific strategy has been implemented to reduce GHG emissions in the second-life product value chain

Eligible and aligned activities

Taxonomy objectives	Taxonomy activities	Evaluation of Substantial Contributions	Evaluation of Specific DNSH
CCM	7.7 Acquisition and ownership of buildings	An energy audit demonstrates aligned performance	No DNSH outside of generic DNSH
CCM	5.5 Collection and transport of non-hazardous waste sorted at source	Non-hazardous sorted waste is intended for reuse and recycling	Collected waste is not mixed with waste having different properties to facilitate recycling and reuse
CE	2.3 Collection and transport of non-hazardous waste sorted at source	Non-hazardous sorted waste is intended for reuse and recycling	Cnova does not transport waste

1.7.2.6.3 Methodology Applied to Performance Indicators

- ***Revenue Indicator***

Definition

The share of eligible economic activities in total revenue was calculated as the share of revenue from products and services associated with economic activities eligible for the Taxonomy (numerator) divided by Cnova turnover (denominator) for the fiscal year from 1 January 2024 to 31 December 2024 within the scope of continued activities. The denominator of the turnover indicator is based on Cnova consolidated turnover.

Reconciliation

Consolidated turnover €1,039 million is reconciled with the financial statements (see 1.2 – Financial highlights).

Multi-objective Analysis

As part of the Taxonomy, some activities contribute to multiple environmental objectives. This is the case for climate activity 5.5, which corresponds to circular economy activity 2.3 (Sale of waste for reuse or recovery). In this case, the European Taxonomy requires an individual analysis of climate activities and circular economic activities. For these activities, the analysis was carried out by Cnova and can be found in the multi-objective tables.

There is no double counting between the different activities as the sale of second-life products in the soft mobility categories remains very marginal.

- ***CapEx Indicator***

Definition

CapEx indicator is defined as the CapEx eligible for the Taxonomy (numerator) divided by the total CapEx of Cnova (denominator). Total CapEx consists of acquisitions of tangible and intangible assets during the fiscal year as well as changes in scope, before depreciation and amortization and excluding changes in fair value. It includes acquisitions of fixed assets (IAS 16), intangible assets (IAS 38), investment properties (IAS 40), and right-of-use assets (IFRS 16).

Reconciliation

For the fiscal year ended 31 December 2024, the total consolidated CapEx of the Group amounts to €56.5 million and is reconciled with the financial statements (see 1.8 – Capital expenditures and research & development).

- ***OpEx Indicator***

Definition

Cnova applied exemption principle to operating expenses (OpEx), which are considered non-significant.

For the numerator, total operating expenses include non-capitalized direct costs related to research and development, building renovation measures, short-term rentals, maintenance and repairs, as well as any other direct expenses related to the day-to-day maintenance of tangible assets. This includes:

- Building renovation expenses recognized as an expense during the period,
- The volume of short-term leases was determined in accordance with IFRS 16 and includes expenses related to short-term and low-value leases,
- Expenses for maintenance, repairs, upkeep, and other direct expenses related to the day-to-day upkeep of property, plant, and equipment were determined based on the costs of upkeep, repairs, and maintenance allocated to internal cost centers. The corresponding cost elements are found in various financial statement items, including production costs (operations maintenance), sales and distribution costs (logistics maintenance), and administrative costs (such as IT system maintenance). This generally includes the costs of services and materials for day-to-day maintenance, as well as for regular and unscheduled maintenance and repairs,
- Direct costs for training and other human resource adjustments are excluded from the calculation of the ratio in denominator, as per Annex I of Art. 8 of the delegated act only includes these costs in the numerator.

Reconciliation

In 2024, the total amount of expenses meeting the taxonomy definition amounts to €1.6 million, or 0.42% of Cnova total consolidated OpEx. Due to this low percentage, Cnova has chosen to use the materiality exemption option permitted by the texts and has not conducted any additional analysis on the eligibility and alignment of OpEx.

1.7.2.6.4 Results

Data reported for activities are based on actual data as of the end of December 2024. The indicators include turnover and CapEx. For the 2024 reporting period, the indicators are published in relation to economic activities eligible and aligned with the Taxonomy and economic activities not eligible and not aligned with the Taxonomy (Article 10(2) of Article 8 of the delegated act).

Multi-objective tables

	Share of turnover/total turnover	
	Eligible for taxonomy	Aligned with taxonomy
CCM	0,38%	0,03%
CCA	0,00%	0,00%
WTR	0,00%	0,00%
CE	0,33%	0,02%
PPC	0,00%	0,00%
BIO	0,00%	0,00%
	Share of CapEx/Total CapEx	
	Eligible for taxonomy	Aligned with taxonomy
CCM	0,01%	0,00%
CCA	0,00%	0,00%
WTR	0%	0%
CE	0,04%	0,00%
PPC	0%	0%
BIO	0%	0%
	Share of opex/total opex	
	Eligible for taxonomy	Aligned with taxonomy
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

1.7.2.6.5 Regulatory tables

Share of turnover from products or services associated with economic activities aligned with the taxonomy — Information for year N

Exercise N	2024			Substantial contribution criteria						Do Not Significant Harm Criteria ("DNSH Criteria") (h)									
Economic activities (1)	Code (a) (2)	Turnover (3)	Share of turnover, year N (4)	Climate change mitigation (5)	Adaptation to climate change (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)	Share of turnover aligned with the taxonomy (A.1.) or eligible for the taxonomy (A.2.), year N-1 (18)	Enabling activity category (19)	Transitional activity category (20)
Text		M€	%	YES; NO; N/EL (b) (c)	YES; NO; N/EL (b) (c)	YES; NO; N/EL (b) (c)	YES; NO; N/EL (b) (c)	YES; NO; N/EL (b) (c)	YES; NO; N/EL (b) (c)	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	%	E	T
A. ACTIVITIES ELIGIBLE FOR TAXINOMY																			
A.1. Environmentally sustainable activities (aligned with the taxonomy)																			
Collection and transport of non-hazardous waste sorted at source	**CCM 5.5 /** CE 2.3	0,19	0,02%	YES	N/EL	N/EL	N/EL	YES	N/EL	YES	YES	YES	YES	YES	YES	YES	0,02%		
Acquisition and ownership of buildings	CCM 7.7	0,10	0,01%	YES	N/EL	N/EL	N/EL	N/EL	N/EL	YES	YES	YES	YES	YES	YES	YES	0,01%		
Revenue from environmentally sustainable activities (aligned with the taxonomy) (A.1)		**0,30**	**0,03%**														0,03%		
Of which enabling		-	-																
Of which transitional		-	-																
A.2. Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Operation of personal mobility devices, cycle logistics	CCM 6.4	3,62	0,35%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Sale of second-hand products	CE 5.4	3,19	0,31%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Turnover from activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)		**6,81**	**0,66%**	0,66%	-%	-%	-%	0,31%	-%								0%		
A. Turnover of activities eligible for the taxonomy		**7,11**	**0,68%**	0,66%	-%	-%	-%	0,31%	-%								0%		
B. ACTIVITIES NOT ELIGIBLE FOR TAXINOMY																			
Turnover from activities not eligible for the		**1 031,89**	99,32%																
TOTAL		**1 039,00**	**100,00%**																

Share of CapEx expenditure from products or services associated with economic activities aligned with the taxonomy — Information for year N

Exercise N	2024			Substantial contribution criteria						Do Not Significant Harm Criteria ("DNSH Criteria") (h)									
Activité économiques (1)	**Code (a) (2)**	**CapEx (3)**	**Part des CapEx, année N (4)**	**Climate change mitigation (5)**	**Adaptation to climate change (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)**	**Share of CapEx aligned with the taxonomy (A.1.) or eligible (A.2.) for the taxonomy, year N-1 (18)**	**Enabling activity category (19)**	**Transitional activity category (20)**
Text		M€	%	*YES; NO; N/EL (b) (c)*	*YES; NO; N/EL (b) (c)*	*YES; NO; N/EL (b) (c)*	*YES; NO; N/EL (b) (c)*	*YES; NO; N/EL (b) (c)*	*YES; NO; N/EL (b) (c)*	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	%	*E*	*T*
A. ACTIVITIES ELIGIBLE FOR TAXINOMY																			
A.1. Environmentally sustainable activities (aligned with the taxonomy)																			
CapEx from environmentally sustainable activities (aligned with the taxonomy) (A.1)		0																	
Of which enabling		0	0,0%	0,00%														*E*	
Of which transitional		0	0,00%	0,00%															*T*
A.2. Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (g)																			
				EL; N/EL (f)	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*										
Installation, maintenance and repair of equipment increasing energy efficiency	CCM 7.3	0,01	0,01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1,17%		
Sale of second-hand products	CE 5.4	0,02	0,04%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0,00%		
CapEx of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)		0,03	0,05%	0,0%	-%	-%	-%	-%	-%										
A. CapEx of activities eligible for the taxonomy (A.1		0,03	0,05%	0,01%	-%	-%	-%	-%	-%										
B. ACTIVITIES NOT ELIGIBLE FOR TAXINOMY																			
CapEx of activities not eligible for the taxonomy		56	99,95%																
TOTAL		57	**100,00%**																

Share of OpEx expenditure from products or services associated with economic activities aligned with the taxonomy — Information for year N

Exercise N		2024		Substantial contribution criteria						Do Not Significant Harm Criteria ("DNSH Criteria") (h)									
Activité économiques (1)	Code (a) (2)	OpEx (3)	Part des OpEx, année N (4)	Climate change mitigation (5)	Adaptation to climate change (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)	Share of OpEx aligned with the taxonomy (A.1.) or eligible (A.2.) for the taxonomy, year N-1 (18)	Enabling activity category (19)	Transitional activity category (20)
Text		M€	%	*YES; NO; N/EL (b) (c)*	*YES; NO; N/EL (b) (c)*	*YES; NO; N/EL (b) (c)*	*YES; NO; N/EL (b) (c)*	*YES; NO; N/EL (b) (c)*	*YES; NO; N/EL (b) (c)*	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	%	*E*	*T*
A. ACTIVITIES ELIGIBLE FOR TAXINOMY																			
A.1. Environmentally sustainable activities (aligned with the taxonomy)																			
OpEx from environmentally sustainable activities (aligned with the taxonomy) (A.1)		0																	
Of which enabling		0	0,0%	0,00%														*E*	
Of which transitional		0	0,00%	0,00%															*T*
A.2. Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (g)																			
				EL; N/EL (f)	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*										
OpEx of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)		-%	-%	-%	-%	-%	-%	-%	-%										
A. OpEx of activities eligible for the taxonomy		-%	-%	-%	-%	-%	-%	-%	-%										
B. ACTIVITIES NOT ELIGIBLE FOR TAXINOMY																			
OpEx of activities not eligible for the taxonomy		382	100,00%																
TOTAL		382	**100,00%**																

Line	Activities related to nuclear energy	
1.	The company carries out, finances or is exposed to research, development, demonstration and deployment activities of innovative installations for the production of electricity from nuclear processes with minimal waste from the fuel cycle.	**NO**
2.	The company carries out, finances or is exposed to activities of construction and safe operation of new nuclear installations for the production of electricity or industrial heat, in particular for district heating purposes or for industrial processes such as hydrogen production, including their safety upgrades, using the best available technologies.	**NO**
3.	The company operates, finances or is exposed to activities for the safe operation of existing nuclear installations for the production of electricity or industrial heat, in particular for district heating purposes or for industrial processes such as the production of hydrogen, from nuclear energy, including their safety upgrades.	**NO**
	Fossil gas related activities	
4.	The company carries out, finances or is exposed to activities of construction or operation of electricity production facilities from gaseous fossil fuels.	**NO**
5.	The company carries out, finances or is exposed to activities of construction, refurbishment and operation of combined heat/cold and electricity production facilities from gaseous fossil fuels.	**NO**
6.	The company carries out, finances or is exposed to activities of construction, refurbishment or operation of heat production facilities which produce heat/cold from gaseous fossil fuels	**NO**

1.7.3 Social information

1.7.3.1 Own workforce (ESRS S1)

For this section, all information and metrics are related to the own workforce based in France, which represents all employees of Cnova except for one located in the Netherlands (see Section “Strategy, business model and value chain (SBM-1)” of ESRS2).

1.7.3.1.1 Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

- ***Interest and views of stakeholders***

Cnova ensures that the interests, views, and rights of its workforce contribute to shaping its strategy and business model. Our workforce, as a key group of stakeholders, is actively engaged through regular dialogue, feedback mechanisms, and surveys to understand their perspectives and needs. This includes:

- **Quarterly meetings with the CEO**, including a presentation of major results and overall company strategy and Q&A sessions
- **Frequent employees’ surveys**
- **Regular meetings with representatives of employees and unions.** Staff representatives are consulted and / or informed about decisions that impact own workforce and Cnova strategy
- **Lean management** which is used within the company. This working approach enables the management to identify and address issues, based both on customers and employees’ feedback, reinforcing the discussions between all operational levels. This increases thus own workforce contribution to strategy and business model, commitment and sense of belonging.

See section “Interest and view of stakeholders” in ESRS2 for more details.

These insights directly influence our decision-making processes, operational strategies, and long-term objectives, ensuring alignment with our values and reinforcing our dedication to sustainable and ethical business practices.

- ***Actual and potential impacts on Cnova own workforce and relationships with strategy and business model***

Cnova materiality assessment led to identify seven material items, as presented in the following table.

# of IRO	Description of the IRO	Actual or potential	Originate from/connected to Cnova BM or strategy	Inform and contribute to adapting the BM
1	Negative impact on social dialogue and collective bargaining (including rate of workers covered by collective agreements) in case it is not properly ensured by the undertaking	Actual	Yes	Yes
2	Negative impact on health and safety in case of accidents and illnesses due to work	Actual	Yes	Yes
3	Positive impact to foster gender equality and equal pay for work of equal value	Actual	Yes	Yes
4	Positive impact on training and skills development	Actual	Yes	Yes
5	Positive impact to foster employment and inclusion of persons with disabilities	Actual	Yes	Yes
6	Positive impact to foster diversity	Actual	Yes	Yes

- ***Social dialogue and collective bargaining, including rate of workers covered by collective agreements.***

E-commerce platforms and related activities rapidly evolve. Cnova must be reactive and promptly react to a changing environment. Fluid and good-quality dialog between its own workforce and management fosters quick operational feedback, effective execution of decisions and strong commitment of employees. Therefore, business model can promptly adapt.

- ***Health and Safety***

A safe and healthy workplace reduces absenteeism and workplace accidents, enabling employees to focus without disruptions on the execution of Cnova business and strategy. It also reduces costs and delays in an ultra-competitive and fast-changing environment.

A company that prioritizes health and safety is more likely to attract and retain valuable employees who value a supportive and secure work environment in a competitive labour market.

A culture of safety promotes long-term business sustainability and resilience in the face of potential crises, such as covid-19.

- ***Gender equality and equal pay for work of equal value, employment of persons with disabilities and diversity***

Diverse teams bring a broader range of perspectives and ideas, fostering creativity and innovation.

A strong commitment to equality attracts a wider talent pool, including highly qualified candidates who prioritize diversity and inclusion. It enhances talent acquisition and retention in a competitive e-commerce labour market (e.g.: IT workers).

Diverse teams also are more likely at understanding and meeting the needs of diverse customer bases, as it is the case for major actor like Cdiscount.com having a large customers hip. Moreover, companies that prioritize gender equality promote employment of people with disabilities and more generally diversity can resonate with socially conscious consumers who prefer to support equitable and inclusive businesses.

- ***Training***

Training the workforce directly impacts the organization's efficiency, customer satisfaction, and overall growth as Cnova activities require advanced and up-to-date skills:

- Technology-Driven environment
    - E-commerce platforms rely heavily on rapidly evolving technologies like AI, machine learning, automation, analytics and data science. Employees, especially IT workforce, need regular training to stay updated and effectively use these tools.
    - Skills in software systems, content management, digital marketing, and cybersecurity are essential for day-to-day operations.
- Customer Experience and Support
    - Customer satisfaction is critical for repeat business. A well-trained workforce ensures high-quality customer support and seamless service, such as smooth order processing and complaint resolution.
    - Employees who are knowledgeable can better handle customer inquiries and build trust.
- Dynamic Market Changes
    - The e-commerce landscape is competitive and rapidly changing, with frequent shifts in technologies, consumer behavior, business models, regulation and market trends. Training ensures employees can adapt quickly to these changes
- Operational Efficiency
    - A well-trained workforce reduces errors, delays, and associated costs.
- Employee Retention and Satisfaction
    - Providing training opportunities demonstrates that the company values its employees' growth, which boosts morale and loyalty.
    - A skilled workforce is less likely to feel overwhelmed by job demands and will increase its self-esteem, leading to higher job satisfaction and lower turnover rates.
- Security and Compliance
    - Cnova handle sensitive customer data. Employees must be trained on data protection, fraud prevention, and compliance with regulations like GDPR or PCI-DSS.
    - Regular training minimizes risks of breaches and ensures adherence to legal requirements.
- Enhanced Innovation and Growth
    - A skilled workforce contributes to innovation by leveraging new technologies and developing creative solutions.
    - Training fosters a culture of continuous improvement and positions the company for long-term growth.

The workforce considered in this report are the employees of the companies included in the scope of the report and described in the section "General basis for preparation of the sustainability statement" of ESRS 2.

Cnova own workforce subject to material impacts is composed of:

- Cnova head office workforce, which is composed of employees (office workers, supervisors and executives) and people from service providers companies who are part of Cnova tech and product management teams.
- Workforce from warehouses which is composed of employees (workers, supervisors and executives) and people under temporary contract whose number vary depending on seasonality of activities (our activity is based on some cyclic variation ; the level of people under temporary contract varies depending on the months, but is regular from year to year, in line with recurring sales highlights such as the Black Friday or Christmas.

As described previously, Cnova double materiality assessment led to identify following negative impacts:

# of IRO	Description of the IRO	Widespread or systemic	Related to individual incidents
1	Negative impact on social dialogue and collective bargaining (including rate of workers covered by collective agreements) in case it is not properly ensured by the undertaking	x	
2	Negative impact on health and safety in case of accidents and illnesses due to work	x	x

Cnova double materiality assessment led to identify following positive impacts:

- **Gender equality and equal pay for work of equal value:** E-commerce sector, and more generally digital and tech sectors, are really dynamic sectors. By promoting gender equality, Cnova contributes to giving their chances both to men and women to become experienced in challenging and dynamic sectors of activity, reinforcing their attractivity when considering their whole career path. By implementing inclusive hiring practices, Cnova can address systemic disparities and create equitable workplaces. This reinforces the competitiveness of the whole organization. Gender parity is an opportunity for women but also for men to evolute in a wider-open work environment.
- **Training and skills development:** As an e-commerce company, Cnova relies on continuous innovation, requiring a skilled workforce. Therefore, Cnova invests in training programs to upskill employees. This enhances all employees adaptability and ensures long-term career growth opportunities for employees.
- **Employment and inclusion of people with disabilities:** As an e-commerce company, Cnova provides adaptable and inclusive employment options for persons with disabilities (including remote work). Cnova can actively contribute to greater social inclusion by prioritizing accessibility and tailored accommodations.
- **Diversity:** By fostering multicultural teams and embracing diverse perspectives, Cnova can enhance innovation, customer satisfaction, and employee engagement. Actively promoting diversity across all levels of the organization also strengthens their role as leaders in inclusion and equity. Diversity issues involve notably employees from ethnic minorities, women, people with disabilities.

Cnova Double Materiality assessment did not identify material risks and opportunities on its own workforce.

Cnova and its subsidiaries operate only in France, where risk of forced or child labour incident is low due to strong regulation and supervision by the authorities. Therefore, Cnova has no operations at significant risk.

Based on the materiality assessment conducted and based on its knowledge of activities, Cnova has identified the main types of workforce which may be negatively affected, particularly:

- Warehouse workers: Due to the physical demands of their roles, including heavy lifting, manipulation of products stored and repetitive tasks
- Individuals with disabilities, who may encounter barriers or discrimination in the workplace or require specific adaptations of their workstation and working conditions.
- Women, especially in tech professions where the gender equality remain difficult to reach. Many structural obstacles persist (low proportion of female graduates in digital education, lack of attractiveness of these professions and more generally cultural biases).

This analysis is made in a general approach, not considering the policies and actions of Cnova which promotes diversity and equal opportunities for all.

1.7.3.1.2 Policies, actions and targets related to own workforce (S1-1, S1-4, S1-5)

Cnova has long been developing policies and actions to manage impacts, risks and opportunities related to its own workforce, since employees are at the heart of the creation value of the company.

The Human Resources department is committed to fostering a diverse and inclusive workforce as well as a safe, adequate and stimulating environment for all. To achieve this, HR defines key KPIs that align with our organizational values and strategic objectives that encompass various dimensions.

HR continuously monitors these indicators through data-driven analysis, employee feedback, and periodic reporting to ensure progress and identify areas for improvement. By leveraging insights gained from this monitoring process, the company implements targeted initiatives to enhance all issues related to own workforce across the organization.

- ***Social dialogue and collective bargaining, including rate of workers covered by collective agreements***

See S1-2: "Processes for engaging with own workforce and workers' representatives about impacts".

- ***Health and Safety***

Although the French Labour Code and collective bargaining are strongly protective, Cnova has developed additional initiatives aiming at guaranteeing the Health and Safety of its own workforce.

First, as part of Casino group, the company applies the general approach fostered by Casino. For several years, the Casino Group has implemented a professional risk prevention approach. This one is defined, in France, with trade union organizations and within the framework of agreements specifying the objectives, means of actions and the expected results, particularly regarding the prevention of Musculo-Skeletal Disorders (MSD), Psychosocial Risks (RPS), and arduousness at work. Annual professional risk assessment campaigns are carried out in all Casino Group entities, including Cnova. Training courses are given to prevent professional risks on gestures and postures, rules safety, fire risk, management of incivility, prevention of road risks, etc.

In addition, all major subsidiaries in terms of number of employees within Cnova (Cdiscount, Peaksys, Octopia and C-Logistics [19] have multi-years Health and Safety Agreements that are negotiated with staff representatives. They define strategy, goals, commitments to mitigate health and safety risks (e.g. training program for new employees).

Health and Safety is an important topic, to which all employees are sensitized to, through trainings, conferences or the rules of procedure which contains multiples provisions on Health and Safety:

- Employees are reminded they must comply with legal requirements and the company's procedures on Health and Safety,
- They are required to ensure the conservation of the safety devices provided by the company and must wear protective equipment when they are necessary in accordance with the procedures in force,
- Serious and imminent danger situations must be promptly reported to the management, such as any incident,
- Fire safety procedures are reminded,
- Sanctions are likely to apply in case of uncompliant or endangering behavior.

To manage these topics, Cnova has a team dedicated to own workforce health and safety, that is composed of 6 people and relays within the logistics teams. They report to the HR director, a member

19 C-Logistics agreement expired 31/10/2024 and was under renegociation on 31/12/2024

of the Direction Committee.

Cnova measures the performance of its Health policies, Safety and well-being at work by monitoring indicators (frequency and severity rate of workplace accidents and the rate of absenteeism due to work accidents and professional illnesses).

No fatalities occurred in 2024. Cnova targets to keep having no fatalities over year 2025.

- ***Training and skills development***

Cnova training centre supports all employees throughout the year to discuss their development and learning wishes. The training and skills development policy contributes to achieving the objectives of the company.

Several topics are covered by the skills development plan, like for instance:

- Sense of teamwork and intra-team cohesion
- Managerial training
- Employee loyalty programs
- Business expertise

Plan is designed each year, jointly with the managers and with approval of the Deputy CEO in charge of the General Secretariat. It is then applied to each of our subsidiaries and renewed every year. The training team identifies training organizations of excellence and with innovative and disruptive pedagogical approaches.

At the same time, Cnova offers a catalogue of training courses. Each employee can register independently to develop their skills about their choice. For 2024, it covered 51 training courses divided into 4 themes:

- Cnova Ecosystem
- Communication
- Professional balance
- Professional efficiency

These themes cover all the skills required at Cnova and allow employees to go further on these subjects while meeting employees from different functions or entities, contributing to corporate culture.

These training courses are available to internal employees (permanent contracts, fixed-term contracts and work-study students) allow continuous learning on behavioural or technical skills. In addition, office automation training (Excel, Outlook, PowerPoint, SQL) is also accessible to all trainees to facilitate their skills development as soon as they take up their position. It allows every employee to develop during their working hours, thus expanding their possibilities within Cnova.

The training team also supports the implementation of individual training projects daily or during dedicated training sessions.

Cnova dedicates 0.99% of its payroll to training. The target is to maintain the same level of investment each year.

- ***Diversity, gender equality and equal pay for work of equal value and employment and inclusion of people with disabilities***

Cnova is convinced that the diversity of teams and the inclusion of all contributes to the economic and social performance of the company. Diversity makes it possible to analyse opportunities and risks with complementary perspectives, to have a more detailed understanding of the issues, to bring more creativity in the search for solutions to use collective intelligence to make better choices. Inclusion makes it possible daily to ensure a better quality of life at work, to ensure better social cohesion, while respecting the uniqueness of each person for the sake of living well together.

Tech players have a major societal impact because they create the uses, behaviours and professions of tomorrow. Ensuring diversity and inclusion for all in our companies makes it possible to design more inclusive products and services, without stereotypes, to promote talent and to strengthen competitiveness.

Cnova has developed multiples policies and initiatives aimed at the elimination of discrimination. They are summarized on a dedicated corporate page (https://emploi.cdiscount.com/nos-engagements/garantir-egalite-des-chances).

Cnova published on its intranet site topical managerial guides designed by Casino group and dedicated to the following issues:

- Gender equality,
- Disability,
- Age,
- Religious diversity,
- Physical appearance.

Cnova also organizes corporate events to promote diversity and inclusion (e.g.: Diversity and inclusion week in October 2024, that aimed at making employees aware of cognitive biases as a major issue for diversity and inclusion).

Cnova is committed in promoting the employment of people with disabilities and ensure their continued employment. It is structured around the following major axes:

- Recruitment of people with recognized disabilities (permanent contract, fixed-term contract of at least 3 months, and work-study contract).
- Disability prevention is aimed at preventing the risks of occurrence and/or worsening of employee disability.
- Maintaining the employment of employees recognized as disabled workers.
- Integration and training aimed at welcoming work-study students and trainees with disabilities each year.
- Awareness and communication aimed at all company staff (management committee, management, staff representatives, employees).
- Partnership with adapted companies and work support service establishments.
- Support for employees helping a loved one with a disability (spouse, ascendant, descendant),
- Welcoming job seekers with disabilities for internships as part of immersions so that they can validate their professional retraining project,
- Support for associative projects promoting:
    - Social innovation linked to invisible disabilities and employment
    - Deconstructing stereotypes linked to disabilities in the world of work
    - Employability, access to employment and continued employment of people with invisible disabilities.

Cnova, across the group Casino, signed, in October 2015, the Global Network Charter “Business and Disability” from the ILO (International Organization of Labor). In France, Cnova is also a signatory of the manifesto for the inclusion of people in situations of disability in economic life, with the Secretariat of State to the Prime Minister responsible for disabled people.

Cnova and its parent company, Casino Group, are firmly committed to promoting diversity and inclusion within their workforce, with a particular focus on increasing the representation of employees with disabilities. As part of this commitment, Cnova has set an ambitious target to achieve a direct employment rate of 3.70% for disabled workers to the end of 2025, reinforcing its dedication to creating an inclusive work environment that provides equal opportunities for all.

Cnova is also strongly committed to gender equality. Company agreement for Cdiscount, C-Technology, C-Logistics, and Ocptopia have been signed by management and staff representatives. It includes various commitments to address topics such as sexism, gender stereotypes, domestic and intra-family violence, gender gap, work-life balance, recruitment and promotion inequalities.

Cnova acts to guarantee professional equality between women and men, to encourage diversity in the company and fight against sexism. Our main actions in this area are:

- Raising awareness among our employees through training and events,
- The development of diversity in our professions and in management in collaboration with the Corporate Diversity Network,
- Reducing unjustified pay gaps between women and men through a careful review of salaries and dedicated remuneration envelope,
- Support for parenthood and life balance (preparation for departure on maternity leave and return, breastfeeding rooms, workshops dedicated to parents),
- Fight against violence against women through the relay of national mechanisms and our participation to events organized by charities (for instance the UN Women France's Orange Day),
- Promoting inspiring women career paths at Cnova through the video talks program "L se réalisent". Videos are broadcast internally on all our sites, in order to inspire our employees and to promote women and their successes in the company. External distribution on our social networks also makes it possible to reach all women, and in particular future recruits.

In France, the government introduced the Egapro Index in 2019, a mandatory gender equality scoring system for companies with more than 50 employees. Cnova's initial Egapro Index score was 88 (2018), and the company has since set a target to maintain a score above 92 out of 100 by 2025. This objective was initially set at 90/100 but was revised upward in response to strong performance and continuous improvement efforts. Notably, in 2024, Cnova surpassed expectations by achieving a score of 94, reflecting the company's ongoing efforts to enhance gender parity and equal opportunities within the organization.

In addition, Cnova recognizes the importance of gender diversity in the technology sector and has established a clear objective to increase the proportion of women in technical roles to 30% by the end of 2028 (vs 27% in the end of 2024). This target represents a 3-percentage point increase compared to 2024, demonstrating the company's proactive approach to fostering a more balanced and representative workforce within traditionally unbalanced jobs.

Regarding the share of women at executive level, Cnova target is 42,50% by the end of 2025 (vs 42,30% in the end of 2024). This KPIs is part of Cnova employees' quarterly bonuses.

Through these commitments, Cnova continues to implement concrete actions and policies aimed at fostering a more diverse and inclusive workplace, ensuring that progress is sustained and further enhanced over time.

♦ *Human rights*

Cnova and its subsidiaries are fully committed to upholding the principles outlined in the United Nations Guiding Principles on Business and Human Rights (UNGPs). As a company based entirely in France, Cnova applies the French Labor Code which lays down clear rules on social dialogue, prevention of discrimination, gender equality, harassment, corruption, working hours, wages, young workers, and so on.

We ensure compliance with French labour laws and international standards, offering equitable wages, safe working conditions, and opportunities for professional growth for 100% of our employees. Cnova also fosters a workplace that values diversity and ensures equal treatment for all employees, irrespective of gender, race, religion, disability, or other personal characteristics.

Cnova own workforce is based in France and has no significant risk of trafficking in human beings, forced labour and child labour.

- ***Workplace accident***

See above section "Health and safety".

- ***Discrimination***

See above section "Diversity, gender equality and equal pay for work of equal value and employment and inclusion of persons with disabilities".

1.7.3.1.3 Processes for engaging with own workforce and workers' representatives about impacts (S1-2)

Different bodies and policies exist in Cnova subsidiaries to take the perspective of the workforce into account. It may include information, consultation or participation.

- ***Relations with staff representatives***

The social and economic committee (CSE) is the legal staff representation in France. The CSE includes the employer and a staff delegation elected by employees. Each subsidiary has its own CSE, which meets periodically to discuss structuring business issues (projects, strategy, etc.) and its general operation (financial situation, social reports, etc.) as well as working conditions (training, work organization, etc.):

- Monthly meetings for Cdiscount, Peaksys, C-Logistics, and Cnovapay.
- Bi-monthly meetings for Octopia and CLR.

Health, Safety, and Environment issues are discussed in dedicated meetings:

- Quarterly discussions within the CSE for Octopia and CLR.
- Dedicated Health, Safety, and Working Conditions Committees for Cdiscount, Peaksys, and C-Logistics.

Moreover, regular stages dedicated to negotiations are held throughout the year with union representatives and annual monitoring committees are held on existing agreements (e.g., gender equality, profit-sharing).

- ***Relations with employees***

Several actions are implemented by Cnova and its subsidiaries to share information, manage careers and address employee concerns:

- Monthly/quarterly surveys depending on the entity to collect employee perceptions, offer a way to express themselves freely, highlight areas for improvement, share good practices,
- Quarterly management speech to all employees, including Q&A sessions,
- Breakfast with members of the Direction Committees,
- Regular career interviews with HR
- HR and payroll support at the warehouses every month (on registration, dedicated time for discussion with the employee to answer their questions) and more occasionally on training and mobility
- More generally, Cnova HR department is available to collaborators to respond to their requests and concerns.

Social dialogue effectiveness is notably assessed through the finalization of agreement on topics such as health & safety or gender equality (see above), minutes of agreement/disagreement, presence or absence of strikes. CSE are informed about the way in which workforce feedback has influenced decisions.

Cnova HR director, a member of the Direction Committee, is responsible for ensuring that this engagement happens and centralizes worker engagement activities. She reports to the Deputy CEO in charge of the General Secretariat and the Transformation, member of the Executive Committee. Her direction is divided in 7 departments, including a department in charge of dialogue with employees and workforce representatives (other departments include one dedicated to Health and Safety, or another to Diversity and Inclusion).

Cnova has developed multiple initiatives to gain insight into the perspectives of people in its own workforce (online surveys, HR permanence, etc.). Although they are aimed at all employees, they also make it possible to collect views of women or people with disabilities on their specific issues.

1.7.3.1.4 Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)

Cnova and its subsidiaries offer multiple channels to raise concerns for its own workforce, whereas they are related to working conditions, equal treatment for all and privacy. Information about these channels is accessible to all employees, notably through Cnova intranet, display on company premises and reminded through e-mail campaigns from Cnova HR.

- ***Rules of procedure***

The rules of procedure contain specific provisions relating to the fight against harassment and discrimination. Any behaviour of an employee considered to be at fault may, depending on its nature and its seriousness, be subject to a sanction which could possibly affect its presence in the company, their position, their career or their remuneration.

This channel is linked to Health and Safety, Gender equality, Inclusion of people with disability and Diversity IROs.

- ***Staff representatives***

Following French regulation, Cnova main subsidiaries have a social economic committee (CSE) that is the body representing staff. It allows the interests of employees to be permanently considered in decisions relating to the management and development of the company.

This channel is linked to social dialogue IRO.

- ***Bienveilleurs***

Cnova also deployed the “Bienveilleurs” initiative from Casino group. A network of volunteer employees, whose list is accessible via the group intranet, has the role of helping employees in difficulty (mostly related to mental health and well-being) by listening to them and directing them towards the good interlocutor (HR, occupational service, etc.).

This channel is linked to Health and Safety IRO.

- ***Listening cells***

The company has set up a listining cell that allows all employees of Cdiscount, Peaksys, Octopia, C-Logistics and Cnovapay to report, in complete confidentiality, complaints of alleged or proven discrimination of which they and/or they are victims or witnesses. Real or supposed discriminatory facts can be contacted for the 25 criteria defined by the Law (origin, beliefs, gender, etc.) (20). It can be contacted by telephone or email.

This channel is linked to Health and Safety, Gender equality, Inclusion of people with disability and Diversity IROs.

20 https://www.education.gouv.fr/media/98390/download

- ***Prevention of sexist behavior and sexual harassment***

The company is committed to guaranteeing, as a responsible employer, working conditions governed by principles of respect for the individual and living well together in the company. As such, actions to prevent any sexist behaviour and sexual harassment are put in place so that employees do not suffer any sexist or sexual violence at work.

Among these actions, and in application of the "Freedom to choose one's professional future" law, sexual harassment and sexist behavior point of contact have been appointed in the company (one point of contact in the company HR service, one in each social economic committee (CSE)). Their role is:

- To receive and process information communicated under the seal of confidentiality as part of the system for preventing sexual harassment and sexist behavior,
- To guide, inform and support employees in the fight against sexual harassment and sexist behavior.

This channel is linked to Gender equality and Health and Safety IROs.

The effectiveness of these channel and processes is assessed and continuously improved by Cnova HR dedicated teams under the supervision of HR Director.

Protection of whistleblowers is explained in the dedicated section "Business conduct policies and corporate culture" (G1-1).

1.7.3.1.5 Characteristics of Cnova employees (S1-6)

- ***Overview***

On 31/12/2024, the number of Cnova employees was 1 918 (head count). The average end of month number of employees was 1 961. This excludes one employee based in the Netherlands. Employees with suspended contracts and people leaving the company at the end of the month are not included.

- ***Breakdown by gender***

Gender	Number of employees (head count - 31/12/2024)
Male	1 089
Female	829
Other	
Not reported	
Total employees	**1918**

- ***Breakdown by country***

Country	Number of employees (head count)
France	1918

- ***Breakdown by contract***

31/12/2024				
FEMALE	MALE	OTHER (*1)	NOT DISCLOSED	TOTAL
Number of employees (head count)				
829	1 089			**1 918**
Number of permanent employees (head count)				
757	1 018			**1 775**
Number of temporary employees (head count)				
72	71			**143**
Number of full-time employees (head count)				
790	1 084			**1 874**
Number of part-time employées (head count)				
39	5			**44**
Number of non-guaranteed hours employées (head count)				
				0

♦ ***Turnover***

231 Cnova employees under permanent contract have left Cnova in 2024. Turnover rate is 12,64%, following the formula below:

$$\frac{Departures\ in\ the\ year\ (people\ on\ permanent\ contracts\ only)}{Average\ number\ of\ permanent\ employees}$$

Due to the high seasonality of activity and therefore of people under temporary contracts, only employees under permanent contracts were considered to calculate turnover.

♦ ***Methodology***

The above data is head count data at the end of 2024 (unless otherwise stated). It is either extracted directly from Cnova HR tools or calculated from Cnova HR tools data. No estimation was used.

1.7.3.1.6 Collective bargaining coverage and social dialogue (S1-8)

French collective bargaining agreements, known as "conventions collectives", are agreements negotiated between employers' organizations and trade unions to establish the terms and conditions of employment for workers in specific sectors or industries. These agreements cover a wide range of topics, including wages, working hours, vacation time, health and safety conditions, and other benefits.

For instance, the collective bargaining agreement for distance selling, identified by IDCC 2198, governs the relationship between Cdiscount and its employees. It contains:

- Minimum Wage: It sets minimum wages by professional category.
- Trial Period: It defines the duration of the trial period for new employees.
- Notice Period: It specifies the notice periods in case of termination of the employment contract.
- Severance Pay: It establishes the amounts of severance pay, often more favorable than those provided by the Labor Code.
- Supplementary Social Protection: It includes provisions relating to supplementary social protection, such as insurance schemes for executives and non-executives.
- Working Conditions: It includes specific provisions for women and young people under 18, as well as rules concerning night work.
- Social Dialogue: It frames the modalities of social dialogue within companies, including mandatory annual negotiations.
- Vocational Training: It provides for continuing education and skills development schemes for

employees.

- This collective agreement is applicable throughout the national territory, including in the overseas departments and territories. It must be mentioned on the employees' payslips and displayed in the workplace

100% of Cnova employees are covered by a French collective agreement.

Company	Code	Collective bargaining agreement
CDISCOUNT	**4791 A - Vente à distance sur catalogue général**	**2198 - Convention collective nationale des entreprises du commerce à distance du 6 février 2001**
C-LOGISTICS	**5210 B - Entreposage et stockage non frigorifique**	**16 - Convention collective nationale des transports routiers et activités auxiliaires du transport du 21 décembre 1950**
C-LOGISTICS REAU	**5210 B - Entreposage et stockage non frigorifique**	**16 - Convention collective nationale des transports routiers et activités auxiliaires du transport du 21 décembre 1950**
C-LOGISTICS VEMARS	**5210 B - Entreposage et stockage non frigorifique**	**16 - Convention collective nationale des transports routiers et activités auxiliaires du transport du 21 décembre 1950**
CNOVAPAY	**6419Z - Autres intermédiations monétaires**	**478 - Convention collective nationale des sociétés financières du 22 novembre 1968**
PEAKSYS	**6201Z - Programmation informatique**	**1486 - Convention collective nationale des bureaux d'études techniques, des cabinets d'ingénieurs-conseils et des sociétés de conseils du 16 juillet 2021**
OCTOPIA	**6201Z - Programmation informatique**	**1486 - Convention collective nationale des bureaux d'études techniques, des cabinets d'ingénieurs-conseils et des sociétés de conseils du 16 juillet 2021**

Based on the number of employees of 31/12/2024, 97% of employees are covered by workers representative (head count). All subsidiaries have social and economic committees apart from C-logistics Vemars (expected in 2025). Therefore, Cnova targets 100% of employees covered by workers representative by the end of 2025.

1.7.3.1.6 Diversity metrics (S1-9)

Cnova top management level is composed of 45% of women (9 out of 20) and 55% of men (11 out of 20).

Distribution of employees by age group		
Age group	**Head count**	**%**
< 30 years	317	16,53%
30-50 years	1 313	68,46%
>50 years	288	15,02%

1.7.3.1.7 Health and safety metrics (S1-14)

All major subsidiaries (Cdiscount, Peaksys, Octopia and C-Logistics [21]) have multi-year Health and Safety Agreements that are negotiated with staff representatives. They define strategy, goals, commitments to mitigate health and safety risks (e.g. training program for new employees). These

21 C-Logistics agreement expired 31/10/2024 and was under renegociation on 31/12/2024

agreements cover 88,6% of Cnova own workforce (employees head count).

No fatalities resulted from work-related injuries and work-related ill health in 2024.

In 2024, concerning Cnova employees:

Cnova had 76 recordable work-related accidents, including 45 accidents with leave of at least 1 day. Rate of recordable work-related accidents is 20,46 (12,12 for accidents with leave of at least 1 day following the below formula:

$$\frac{Work\ related\ accidents}{Actual\ hours\ worked}\ x\ 1\ 000\ 000$$

Recognition of workplace accidents can be long. The number of workplace accidents over the year, as well as the resulting indicators, may change after the publication of the report. Above KPIs are not based on the number of recognized work accidents, but recorded work accidents over the period.

1.7.3.1.8 Remuneration metrics (pay gap and total remuneration) (S1-16)

Cnova gender pay gap is 12,82% following this formula (all employees gross hourly pay has been included):

$$\frac{Average\ gross\ hourly\ pay\ level\ of\ male\ employees - average\ gross\ hourly\ pay\ level\ of\ female\ employees}{Average\ gross\ hourly\ pay\ level\ of\ male\ employees}\ x\ 100$$

Cnova is strongly committed in reducing unjustified pay gaps between women and men (See S1-1 – “Diversity”).

Annual total remuneration ration is 20,73 following this formula:

$$\frac{Annual\ total\ remuneration\ for\ the\ undertaking's highest\ paid\ individual}{Median\ employee\ annual\ total\ remuneration\ (excluding\ the\ highest\ paid\ individual}$$

Gender pay gap and remuneration ratio were calculated including all permanent, fixed term and apprenticeship employees who worked for Cnova during the year.

The remuneration retained is composed of:

- basic contractual salary in FTE,
- cash benefits, i.e. the sum of basic salary and cash allowances, bonuses and commissions, cash profit-sharing and other forms of variable cash remuneration,
- benefits in kind, such as cars, private health insurance, life insurance, wellness programs,
- direct compensation, i.e. the sum of cash benefits, benefits in kind and the total fair value of all annual long-term incentives.

1.7.3.2 Workers in the value chain (ESRS S2)

1.7.3.2.1 Material impacts, risks and opportunities and their interaction with strategy and business model (S2.SBM-3)

See section “Interests and views of stakeholders (SBM-2)” of ESRS 2 for information related to workers in the value chain.

- ***Description of IROs related to workers in the value chain***

The information related to IROs related to workers in the value chain and whether and how they originate from or are connected to Cnova's strategy and business model (BM) and inform and contribute to adapting the strategy and business model are presented hereafter in the table and following paragraphs.

# of IRO	Description of the IRO	Actual or potential	Originate from/connected to Cnova BM or strategy	Inform and contribute to adapting the BM
1	Negative impact on secure employment, in case of unfair dismissal practices	Actual	Yes	Yes
2	Negative impact on working time, in case of non-compliance with legal working hours or ILO conventions	Actual	Yes	Yes
3	Negative impact on wages, in case companies in the value chain does not ensure a decent salary and requires excessive working time	Actual	Yes	Yes
4	Negative impact on social dialogue and collective bargaining in case freedom for association and rights to collective bargaining are not ensured	Actual	Yes	Yes
5	Negative impact on freedom of association in case it is not ensured	Actual	Yes	Yes
6	Negative impact on work-life balance, in case of excessive working hours	Actual	Yes	Yes
7	Negative impact on health and safety, in case of excessive working hours, in case value chain companies dos not ensure convenient quality and safety standards in ordrer to avoid costs and efforts	Actual	Yes	Yes
8	Negative impact on violence and harassement issues, in case of absence or inaccurate policies from value chain companies	Actual	Yes	Yes
9	Negative impact on child and forced labor, in case companies in the value chain does not respect fundamental human rights	Actual	Yes	Yes
10	Negative impact on housing, water and sanitation in case salaries of benefits from companies in the value chain does not ensure decent living conditions	Actual	Yes	Yes

As described in ESRS2, the following workers need to be considered when discussing topics related to workers in the value chain:

	Workers working on Cnova site but not being part of Cnova own workforce	Workers working for entities of Cnova upstream value chain	Workers working for entities of Cnova downstream value chain
Product manufacturers		x	
Marketplace sellers		x	
Transportation company		x	x
Providers of tech solutions	x	x	
Other suppliers (assurance, banking services...)		x	x

However, because of the kind of activities of these workers and the countries where they operate, we consider the major stakes are in the upstream value chain, related to the manufacturing of products. Cnova business model is based on the online sale of mass market products (private label and national brand products sold by Cdiscount, and products offered by third-party sellers on Cdiscount Marketplace).

Cnova's strategy is particularly focused on the sale of high-tech, home appliances, home and family & leisure products. The production areas are widespread around the world. Differences in legislation, including working conditions, employees representation and social dialogue, health and safety, equality of treatment and so on, as well as competitive pressure and high demand of labour may increase the risk of unfair practices or unbalanced relationships between workers and companies. Cnova has put in place policies and actions to ensure a proper management of the identified IROs.

- ***Secure employment***

Some sourcing areas are in countries where employers are not required to provide reasons for dismissal. Deadlines and notice periods may be low or non-existent and short-term contracts can be widespread. The unemployment insurance system is likely to be less developed than in countries that benefit from well-established welfare states. Moreover, some sectors may face high seasonality or sudden fluctuations in activity that increase employment insecurity.

- ***Working time***

Working time practices in the value chain must comply with international standards. Some sourcing areas may have very flexible legal working hours systems. Overtime culture may be particularly developed. It may increase the risk of excessive working time compared to ILO conventions, especially in manufacturing sectors that may face high seasonality or sudden fluctuations in activity. Excessive working hours can increase the risk of accidents, reduce work-life balance and pose problems for well-being and mental health.

- ***Wages***

In some areas, legal minimum wages are below the thresholds considered decent in relation to the cost of living. If employees are not paid satisfactorily by their employers, they could compensate with excessive overtime. It could compromise work-life balance and cause health troubles and greater safety risks.

- ***Social dialogue and collective bargaining***

In certain areas, workers representative or trade unions can be poorly developed, leading to potentially limited ability for workers to advocate their rights and defend fair working conditions.

- ***Work-life balance***

Working time and overtime may be important in manufacturing plants. Long working hours leave less time for personal activities which are essential for physical health and mental well-being. It can also strain relationships with relatives and family.

- ***Health and safety***

Workers in manufacturing plants may face different risks, such as chemical exposure, ergonomic risks, noise, electrical or mechanical risks and heat exposure. Degraded working conditions, such as excessive hours, are likely to aggravate these risks as well as posing mental health issues.

- ***Violence and harassment issues***

Hierarchical structure in factories can create power imbalances, where supervisors or managers could exploit their positions to harass or abuse workers. This is exacerbated in environments where workers have limited recourse or fear retaliation for reporting incidents. Cultural gender biases can contribute to a higher incidence of such issues. Workers may tolerate harsh conditions due to economic necessity, fearing that speaking out could lead to job loss or other reprisals.

- ***Child and forced labour***

Whereas many countries have laws to fight violation of human rights, enforcement can be inconsistent. The demand for low-cost labour in manufacturing can lead some rogue factories to employ children or force workers to work under exploitative conditions to keep costs down. Poverty and limited access to education can also contribute to the acceptance of child labour. Rogue factories may use coercive practices, such as withholding wages, confiscating identity documents, or threatening workers with penalties if they leave, to maintain a captive workforce. These practices are more likely to occur in industries with a high demand for labour and where workers have limited bargaining power.

- ***Housing, water and sanitation***

Workers in the value chain can be at risk of poor housing, water and sanitation conditions, especially if their wages do not allow them to benefit from decent housing.

Moreover, in some countries, many workers come from rural areas seeking better economic opportunities. Influx of workers into cities and rapid pace of urbanization can outpace the development of adequate infrastructure, leading to overcrowded and substandard housing conditions. Housing costs can be high. Furthermore, rural migrants or migrant workers often prioritize sending money back to their families over improving their own living conditions. Employers sometimes provide dormitories or shared apartments to workers. These accommodations must not lack basic amenities or be overcrowded.

Workers from manufacturing plants and their value chain that operates in countries at risk of unfair labour practices are particularly vulnerable.

For the material negative impacts, the following table presents if they are widespread or systemic or related to individual incidents.

# of IRO	Description of the IRO	Widespread or systemic	Related to individual incidents
1	Negative impact on secure employment, in case of unfair dismissal practices	x	x
2	Negative impact on working time, in case of non-compliance with legal working hours or ILO conventions	x	x
3	Negative impact on wages, in case companies in the value chain does not ensure a decent salary and requires excessive working time	x	x
4	Negative impact on social dialogue and collective bargaining in case freedom for association and rights to collective bargaining are not ensured	x	x
5	Negative impact on freedom of association in case it is not ensured	x	x
6	Negative impact on work-life balance, in case of excessive working hours	x	x
7	Negative impact on health and safety, in case of excessive working hours, in case value chain companies dos not ensure convenient quality and safety standards in ordrer to avoid costs and efforts	x	x
8	Negative impact on violence and harassement issues, in case of absence or inaccurate policies from value chain companies		x
9	Negative impact on child and forced labor, in case companies in the value chain does not respect fundamental human rights		x
10	Negative impact on housing, water and sanitation in case salaries of benefits from companies in the value chain does not ensure decent living conditions		x

1.7.3.2.1 Policies, actions and targets related to value chain workers (S2-1, S2-4, S2-5)

To address the identified IROs related to workers in the value chain, Cnova has since several years deployed a combination of policies and actions based on 5 pillars:

- A general framework to address the topics within the whole value chain,
- Mechanisms to ensure suppliers and sellers commitment,
- A risk assessment carried out for private-labels products,
- Controls mechanisms,
- Raising employee awareness.

These policies and actions are managed by the Cnova CSR and Quality Director and the Legal Director, both members of the Direction Committee, under the supervision of the Deputy CEO in charge of the General Secretariat, member of the Executive Committee.

- ***General framework***

In its value chain, Cnova works with different type of commercial partners:

- Suppliers of its private-label brands,
- Suppliers which manufacture products of well-known brands,
- Sellers of the marketplace.

The same requirements regarding social risks that may impact workers in its value chain (including the fight against forced or child labour, respect for labour rights, respect for fundamental rights, or respect for workers' health and safety) apply within Cnova value chain.

Cnova policy related to workers in the value chain consists then of:

- The Vigilance Plan in response to Law No. 2017-399 of March 27, 2017, on the duty of vigilance, as defined at the level of the Casino group,
- The Code of Business Conduct,
- The Ethics Charter, which reaffirms, through nine commitments, its respect for the values and principles defined in: The Universal Declaration of Human Rights; The International Covenant on Civil and Political Rights; The International Covenant on Economic and Social Rights; The eight fundamental Conventions of the International Labour Organization (ILO),
- The ethics clause included in 100% of supplier's contracts and part of General Conditions for Making Available the Cdiscount Marketplace via the Hosting Site on www.cdiscount.com

- ***Mechanisms to ensure suppliers and sellers commitment***

All the contracts with direct suppliers include an ethics clause, which notably recalls the commitment of Casino group and its subsidiaries to promote responsible commerce ensuring respect human rights (prohibition of child and forced labour, fight against discrimination and abuse, freedom of association, salary in compliance with legal minimums, etc.) and health and safety at work. The contractual package attached to supplier contracts includes also the Casino group Supplier Ethics Charter. The Supplier Ethics Charter, applicable within the chain of supply of the Group. Supplier Ethics Charter has parts dedicated to children and forced labour. Suppliers commit themselves to comply with ILO Convention 182 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour and ILO Convention 29 on Forced Labour, and various conventions related to precarious work and mistreatment of employees

By signing this Charter, the supplier thus recognizes the pre-eminence of principles set out in the following texts:

- The Universal Declaration of Human Rights,
- International conventions relating to Human Rights,
- International labor standards as defined by the ILO Declaration,
- other applicable international labor standards (ILO conventions).

The same ethics clause is part of the General of General Conditions for Making Available the Cdiscount Marketplace via the Hosting Site on www.cdiscount.com that all sellers must accept for selling products on the website.

For suppliers of private-label brands, signing the Supplier Ethics Charter is a key step in the factory referencing. This membership also implies the acceptance that verifications can be made on respect of these commitments according to the conditions detailed in the Program Supplier Manual for Social and Environmental Compliance of suppliers Casino group (SCOP) that has been updated and enriched in 2019 and 2023, in order to integrate the latest developments, particularly concerning the evolution of levels risks of sourcing countries. Cnova and Casino Legal Teams adapt Supplier Ethics Charter on a yearly basis.

- ***Risk assessment carried out for private-label brands***

Particular attention is paid to workers in the value chain in so-called at-risk countries, due to the working conditions in certain production countries, for which Cnova, as part of Casino Group, deploys specific assessment procedures through the SCOP program (Suppliers' Social and Environmental Compliance Program) to prevent and mitigate potential and proven impacts in these at-risk countries where private-label products are manufactured. The methodology for identifying the most at risk countries in terms of social ethics, and by extension the workers most at risk, considers:

- The number of fundamental ILO conventions ratified by the country,
- United Nations Development Program (UNDP) Human Development Index (HDI),
- The percentage of child labour in the country, according to Unicef,
- Prevalence of forced labour according to the ILO,
- World Governance Indicators (WGI) from the World Bank,
- Yale and Columbia Universities' Environmental Performance Index (EPI),
- United Nations Sustainable Development Solutions Network (UNSDSN) SDG Index,
- International Trade Union Confederation (ITUC) Global Rights Index,
- Freedom House's World Freedom Index,
- The U.S. State Department's Trafficking in Persons Report,
- The results of ICS social audits carried out in each country.

This yearly country risk analysis enables us to define a list of countries where Cnova sourcing is either 1) authorized, 2) subject to mandatory control procedures, 3) subject to mandatory reinforced control procedures, or 4) prohibited.

- ***Control mechanisms***

Cnova is a member of the Initiative for Compliance and Sustainability (ICS), a France-based initiative created in 1998 by the FCD, Fédération Française du Commerce et de la Distribution.

ICS member brands and retailers work together since its foundation to sustainably improve conditions for people at work and responsibly support their supplying factories to implement progress and compliance. ICS enables its member companies to collaborate with common tools and standards, to mutualize audits, contributing to the reduction of the ‘audit fatigue’ and share knowledge and best practices. This joint approach is guided by the framework defined by the International Labour Organization (ILO) conventions, the universal Human rights principles and local social regulations. Audits results are shared with all ICS members. This ensures a better coverage of the sourcing areas but also improves the impact of the decisions and action plans taken, since they impact not only the commercial relationship between Cnova and the plants manufacturing its private label products but involve all the ICS members. Progress for workers in the value chain is thus easier to achieve.

ICS members verify the actual working conditions in the plants where their private-label products are manufactured, by mandating ICS-accredited audit companies to conduct social audits. After the assessment, ICS members engage with the audited factories to implement the defined corrective action plans. In case of breaches, Cnova cooperates with involved suppliers and factories to define action plans with corrective measures and anticipated re-audits to evaluate corrective actions. For example, if the factory is unable to provide satisfactory documentation on certain subjects (personnel register, overtime monitoring), it will be asked to quickly adapt its processes and documentation. Serious breaches, such as child or forced labor, lead to the termination of the partnership. The audits must be renewed at least every 2 years, or less in case of identified issues.

- ***Raising awareness of our employees***

Cnova employees are aware of these topics, policies and actions thanks to:

The Ethics Charter and the Code of Ethics and Business Conduct

The CSR strategy, which is shared across presentations, webinars, newsletters, or on the intranet

Through awareness-raising and training initiatives such as online courses dedicated to purchasing teams, aimed at reminding them of the procedures to be followed in terms of social ethics, particularly when selecting new suppliers. Training participation rate is assessed by HR teams.

- ***Resources allocated to the policies and action plans***

Audit planification, supervision and monitoring of action plans is ensured by CSR and Quality Direction. Resources allocated to manage these negative impacts are:

Cnova CSR and Quality Direction (12 employees)

With the support of the Legal Direction, especially the team in charge of managing relationships with suppliers,

Audit services carried by third-party firms (re-invoiced to the supplier or covered by dedicated OPEX from Cnova in the event of refusal or if additional audits are required),

ICS database and tools.

As policies and actions described above are perennial, allocated resources are relatively constant and are not planned to significantly change in the future.

- ***Targets and results***

ICS audits coverage rate is assessed on a quarterly basis and reported to Casino CSR Direction. The objective, as defined by Casino Group, is to keep 100% of active factories manufacturing private-label products in countries at risk covered by a valid ICS social audit to make sure none of the material impact above exists. Target has been set considering that business in countries at risk systematically require that Cnova makes sure it complies with fundamental human rights.

In 2024, 57 factories of private-label products manufactured for Cnova were covered by a valid ICS social audit. It represents 100% of the plants manufacturing private-label products in countries at risk, in line with Cnova target. At the end of 2024, all active factories in countries at risk are covered by an acceptable social audit (no severe issues leading to probationary or termination of commercial relationships). Overall audit quality is improving in 2024, as 98% (+3pts) of valid audits have no issues or minor issues.

In 2024, no severe human rights issues and incidents connected to upstream and downstream value chain have been reported (forced labour, human trafficking or child labour).

Workers in the value chain were not engaged to set, track and improve above targets, even though they are interviewed within the frame of ICS audits to ensure a fine understanding of their working conditions.

Aggregate results of the ICS audits and duty of vigilance policies & actions for the Casino scope are published in the group annual report.

1.7.3.2.2 Processes for engaging with value chain workers about impacts (S2-2)

Framework of the ICS social audits include interviews with factories workforce. Depending on the number of workers and staff at the factory profile, 8 to 32 workers representing the main functions and levels should be interviewed. Out of the workers interviewed, approx. 2/3 should be interviewed in focus groups and 1/3 of workers should be interviewed individually. Interviews are conducted privately and confidentiality of the information obtained is ensured. The auditor can increase the number of interviews conducted during the audit if he/she detects an alert or sensitive topic that should be further investigated.

Interviews cover topics related to working conditions, including remuneration, working hours, type of contract, wage deductions and social benefits.ICS audits qualitative and quantitative indicators are monitored and shared with Casino ESG teams on a quarterly basis. It is used to assess the effectiveness of actions and adapt the strategy if necessary.

1.7.3.2.3 Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)

Cnova has not adopted yet a specific channel for raising concerns for workers in the value chain. However, the mechanisms described in section G1 can be used for that purpose. Alerts detection and treatment are presented in the dedicated section "Business conduct policies and corporate culture" of G1.

1.7.3.3 Consumers and end users (ESRS S4)

1.7.3.3.1 Material impacts, risks and opportunities and their interaction with strategy and business model (S4.SBM-3)

See section "Interests and views of stakeholders (SBM-2)" of ESRS 2 for information related to customers and/or end-users.

- ***Description of IROs related to customers and/or end-users***

The information related to IROs related to consumers and/or end-users and whether and how they originate from or are connected to Cnova's strategy and business model (BM) and inform and contribute to adapting the strategy and business model are presented hereafter in the following paragraphs.

# of IRO	Description of the IRO	Actual or potential	Originate from/connected to Cnova BM or strategy	Inform and contribute to adapting the BM
1	Negative impact on consumers' privacy protection, in case of misuse or poor protection of their information	Actual	Yes	Yes
2	Negative impact on consumers in case of lack of information or inaccurate information related to products provided to them	Actual	Yes	Yes
3	Negative impact on consumers' health and safety in case of a lack uncompliance of the products with quality and safety requirements	Actual	Yes	Yes
4	Negative impact on children in case of sell of unsuitable products or promotion of inappropriate behavior	Actual	Yes	Yes
5	Negative impact on consumers in case of unclear or misleading marketing practices	Actual	Yes	Yes
6	Positive impact on consumers by providing them support in favour of a more sustainable consumption	Actual	Yes	Yes
7	Opportunity of increasing the company turnover by answering to the consumers expectations related to sustainable consumption	Actual	Yes	Yes

- ***Privacy***

As part of its business model and strategy, Cnova, as other ecommerce actors, collects personal data either to process orders and customer care or for commercial purposes (e.g. customised offers). The misuse or poor protection of information could affect negatively the consumers' privacy. The ability to manage properly data privacy is thus essential, for legal, commercial and reputational purposes.

- ***Access to qualitative information***

The strategy and business model of Cnova rely on the sale of various categories of products, either directly by Cdiscount or through sellers on its marketplace. Allowing consumers to access qualitative information related to products has a direct impact on the sales, because it gives more confidence to consumers, and is a legal requirement.

Indeed, numerous regulations which define mandatory information to be provided to consumers, to allow an informed choice, a proper use of products and consumers safety are targeting the ecommerce market. The regulatory framework is gradually strengthening and requires an increasing amount of information linked to product and supply chain. Suppliers and marketplace sellers are therefore increasingly asked to produce this information, which must be available and up to date.

The lack of information or inaccurate information could have negative effects on Cnova, under legal, reputational and commercial perspectives while the increasing need for information towards its upstream value chain can also impact negatively the commercial relations.

- ***Health and safety***

Current consumer health and safety regulations impose different obligations on e-commerce players, depending on whether they market their private-labelled or national-brand products, offer a product storage and shipping service, or allow sellers to sell their products on a marketplace. It is also important to consider the type of products marketed, which implies specific control requirements.

Through its various activities, Cnova is concerned by these demanding and rapidly evolving regulations, as well as by reputational aspects.

- ***Protection of children***

E-commerce sector markets products specifically aimed at children or, conversely, not intended for this audience. Expose children to unsuitable products can lead to physical and psychological risks. An unproper management of these products can have a negative impact, both on legal and reputational level. E-commerce actors also market products and contribute to promoting social behaviors, including potential negative ones. Cnova being a leader on the French market has a role to play.

- ***Responsible marketing practices***

E-commerce players must guarantee access to reliable and complete information to their customers and consumers. Information must not be misleading (vague and unverifiable claim, misleading visual, etc.) just as commercial practices (e.g. forced subscription to membership, etc.). The impact for users and consumers is a lack of information or deception. This topic is thus linked to Cnova's business model and strategy and can have legal and reputational consequences.

- ***Raising customer awareness of more sustainable consumption***

The constantly growing e-commerce sector plays an increasingly important role in the daily lives of consumers. Marketed products have an environmental and social impact. These issues are not easy to understand, and the large amount of available information can lead consumers to be misinformed. E-commerce players therefore have a strong responsibility in supporting customers towards more sustainable consumption. This represents also a business opportunity, by being able to respond to a growing demand for more sustainable products.

Consumers considered within this report are the citizens which consult Cdiscount.com. With 16 million unique visitors a month, Cdiscount.com has a broad customer base. The male/female profile of our customers is balanced. The most represented age group is 35-49, followed by 50-64. According to Kantar categorization, most of our customers belong to the lower middle class and are most often part of a household of 4 or more people. Families with children or teenagers/young adults represent more than 50% of Cdiscount's consumer typologies. Finally, while nearly half of our customers live in urban areas, more than 1 out of 5 live in predominantly rural areas. Thus, Cnova is in contact with consumers and end-user's representatives of society, including children, persons not familiar with digital and financially vulnerable persons.

For the material negative impacts, the following table presents if they are widespread or systemic or related to individual incidents.

# of IRO	Description of the IRO	Widespread or systemic	Related to individual incidents
1	Negative impact on consumers' privacy protection, in case of misuse or poor protection of their information		x
2	Negative impact on consumers in case of lack of information or inaccurate information related to products provided to them	x	x
3	Negative impact on consumers' health and safety in case of a lack uncompliance of the products with quality and safety requirements		x
4	Negative impact on children in case of sell of unsuitable products or promotion of inappropriate behavior	x	x
5	Negative impact on consumers in case of unclear or misleading marketing practices	x	x

Cnova provides consumers support in favour of a more sustainable consumption (see ESRS E1 for more information). It has a positive effect on all the consumers because:

- It gives consumers the opportunity to better choose what they consume, based on accurate and robust information
- It raises their awareness in a more general way, not only when consumers are buying on cdiscount.com, giving them the ability to be actors of their daily consumption
- It contributes to reducing the GHG emissions related to products and deliveries, contributing to the common objective of climate change mitigation

Arising from this impact, Cnova has the opportunity of increasing its turnover by answering to the consumers expectations related to sustainable consumption, enhancing brand image and creating new bonds with its business partners.

1.7.3.3.2 Policies, actions and targets related to consumers and end-users (S4-1, S4-4, S4-5)

The policies and action plans presented below target all consumers and/or end-users, unless specific mention is made.

Targets were defined depending on the topic either internally, in relation to expectations of authorities (European Commission for instance when voluntary initiatives are mentioned) or the market.

♦ ***Data protection***

Protecting the personal data of its customers is a priority for Cnova. Cnova has therefore defined the main pillars of its GDPR compliance, which applies to all its subsidiaries: Cdiscount (B2C relations), C-Logistics or Octopia (B2B relations). This compliance is based on the following main pillars:

- A high-level governance
- Training
- Transparency
- IT project management:
- Relations with partners, data subjects and the Commission Nationale Informatique et Libertés (22)
- Control

<u>High-level governance</u>

The GDPR governance implemented within Cnova ensures that the parties involved in data

22 Independent French administrative regulatory body whose mission is to ensure that data privacy law is applied

processing maintain a high level of knowledge and that the decisions taken (validated procedure, analysis carried out, etc.) are always traced and accessible.

Cnova's GDPR governance serves a dual purpose:

- To lead the community of stakeholders involved in the processing of the company's personal data.
- To guarantee the quality and completeness of the GDPR documentation required under the accountability principle.

As part of its corporate governance, Cnova has set up delegations of authority to make Comex members accountable for compliance with all obligations under the French Data Protection Law and the GDPR. Cnova has also appointed a Data Protection Officer for each entity who (i) has the required skills, (ii) relies on GDPR referents specially trained for this task and (iii) regularly exchanges with stakeholders within the company. In accordance with CNIL recommendations, the Data Protection Officer is independent and reports to the highest level of management. The Data Protection Officer works daily with Cnova’s Director of Information System Security, who is the entity's deputy Data Protection Officer. Together, they coordinate the actions of stakeholders within various committees. A network of GDPR referents completes the system. Present within each entity, they act as points of contact in the field. Employees can call on them to find documentary resources on Cnova GDPR policy, to be put in touch with the Data Protection Officer, to report training needs, etc.

Training

To ensure the implementation of a corporate culture that integrates the imperative of respecting privacy and protecting personal data (for both consumer and business customers), the Data Protection Officer department has set up (i) training courses and (ii) documentary resources.

Every Cnova employee must follow a compulsory e-learning module on the GDPR when they take up their duties, and then every 2 years. A Data Protection Officer of the rules to be respected in terms of personal data within the company is also open to all employees, making a large amount of explanatory content, procedures and policies available to Cnova resources. Specific face-to-face training is provided for certain professions requiring expertise or whose activities require a particularly detailed understanding of data protection issues.

Transparency

The GDPR obligation of transparency helps to ensure that data subjects have a thorough understanding of the processing operations carried out.

To this end, the Data Protection Officer ensures that the elements of transparency are regularly updated and continuously improved.

These elements of transparency include in particular:

- A confidentiality policy accessible on the website of the companies concerned (in particular www.cdiscount.com) for users of its services.
- Information banners relating to the use of cookies on sites that comply with the guidelines and recommendations of the CNIL (French Data Protection Authority).

Particular care is taken when drafting these documents. The language used and the sentence structure used contribute to Cnova's educational objective.

IT project management

The ‘security and compliance’ procedure implemented at Cnova guarantees compliance with the processing principles set out in Article 5 of the GDPR right from the design stage of IT projects. This procedure is applied in collaboration with the Information Systems Security Department (‘DSSI’) and is held in an architecture committee, a technical body that provides a framework for IT developments and the IT architecture of these projects.

A map of processing operations likely to be subject to an impact analysis (“AIPD”) has also been drawn up.

Relations with partners, data subjects and the CNIL

Cnova aims to facilitate requests from individuals and the work of the CNIL.

As part of the relationship with its partners and subcontractors, Cnova has drawn up a qualification methodology based on the EDPB guidelines on the concepts of controller, subcontractor and joint controller. GDPR annexes are systematically negotiated and attached to contracts with subcontractors. As part of our processes, any data transfers outside the European Economic Area are mapped and framed using appropriate guarantee tools.

Control

The DPO department has put in place an annual control plan comprising both operational and documentary controls. The control matrix applied at Cnova is based on the risk mapping carried out each year and the annual DPO action plan. This annual action plan takes up the Data Protection Officer 's main missions (Document, Advise, Control, Train) and consists of identifying points of non-compliance as well as risks and acting, where necessary, as part of Cnova's ongoing compliance process.

The data protection policy and actions plans are managed by the Data Protection Officer who refers to the Deputy CEO in charge of General Secretary and Transformation and member of the Executive Committee. Important technical, human and financial resources enable to carry out the action plans (e.g. 1 DPO, 1 Information Systems Security Director, the network of GDPR referents, support by external experts, IT assets and team…).

The targets for 2024 are:

- 100% of controls are performed each year
- More than 95% of employees are trained in data protection topics
- More than 95% of IT projects follow privacy by design process

♦ *Access to qualitative information*

Cnova has put in place the conditions to ensure access to qualitative information for consumers throughout its platform www.cdiscount.com.

Considering its activity and business model, Cnova must:

- Ensure that sellers can communicate to consumers the required by law information related to their products
- Ensure that the required by law information related to the products sold directly by Cdiscount is available
- Ensure that the consumers have enough information to have qualitative buying experience on the website

Our targets are clear:

- Ensure that 100% of the sellers and suppliers can give qualitative information to consumers
- Ensure that 100% of our customers can access qualitative information during their buying experience.

The resources and mechanisms detailed below enable us to achieve the targets. They involve Cnova teams but also suppliers and sellers and consumers/end-users.

A team is in charge of defining the structure of the products files, enabling either suppliers or sellers to share information related to their products with consumers. The structure is defined according to legal requirements and marketing needs.

Regarding the products sold by Cdiscount, a team works with the suppliers to provide the different information required for selling the products. Regarding the private-labels products especially, the Quality team also contributes to this work. Indeed, the team oversees product compliance issues, including providing qualitative information to consumers. The team manages the compilation of compliance files, drafting of notices and management of compliance issues throughout the life cycle.

Regarding the products sold by sellers, dedicated teams work with sellers daily to help them develop their business. Fulfilling the product files contributes to commercial performance. They can explain to them how to complete the product file, what are the legal requirements to be met and so on. If the liability lies on sellers on many topics, Cnova provides them with comprehensive information to help applying properly the rules (consumer law, recalls, compliance of products files…). Cdiscount Marketplace has thus been the first French marketplace to create a "charter of good practices" intended to sensitize sellers to the main major issues to be aware as distributor of products in France. The Charter of Good Practice appended to Cdiscount Marketplace Terms of Use was drawn up to provide an educational summary of the essential rules for sellers' legal compliance and for ensuring a high-quality commercial relationship with customers. The charter covers good practice in various subject matters such as relation with customers, prohibited products and products subject to sales restrictions, safety requirements for consumer health products, fighting IP breaches or fighting social security and tax fraud. Therefore, Cnova's teams communicate in a very comprehensive approach towards the sellers. Information is regularly shared by email to explain new regulations or evolutions to the sellers (with a special effort to clearly explain the specificities of French or European laws to foreign sellers). A very rich documentation is also available in the Seller Zone (the online space dedicated to the sellers where they can manage their business, contact Cdiscount or find pedagogical resources). Webinars are also organised to complete the mechanism as well as Q&A sessions.

Cnova has also within its Legal department a team in charge of all the topics related to consumer law. Its main responsibilities are notably:

- To perform a legal watch to anticipate changes in or new regulations related to Cnova's activities
- To share information with the operational teams, to ensure their proper comprehension of the legal requirements to satisfy and contribute to defining the operational framework enabling them to meet these requirements
- To perform regular audits to control the compliance of Cdiscount.com (at least on a quarterly basis)
- To ensure operational teams have all the required information to ensure compliance with consumer law, notes, presentations and training sessions are shared and organised all through the year on these topics. Training support and documentations related to consumer law are also shared by mail or available on the intranet.

Consumers can also find information on buying guides, tutorials and FAQs. To date more than 2.200 pages are available on the website to help them find the products which will meet their expectations.

To better anticipate new regulations and contribute with our experience in drafting the future regulatory framework, Cnova is also committed to a constant process of collaboration with national and European public authorities. This results in regular dialogue with the administrations in charge of drafting the regulatory texts and/or the formalisation of commitment charters, carried out by the Public Affair Director with the support of involved Directors. This is notably the case regarding regulations related to consumer information. For instance, Cnova was actively involved both in the consultations that preceded the adoption and that followed the promulgation of 2 major laws: «AGEC» and «Climate and Resilience». These laws strengthen consumer information on topics such as the environmental footprint of products, or their repairability or the management of used products (including a strengthened role of marketplaces which must replace the sellers if they do not respect their obligations related to products collection and recycling). This enables us to be at the forefront of new regulations.

Finally, Cnova ensures that potential inappropriate contents are identified and treated promptly, to ensure product transparency and customer protection. A team oversees the moderation of illicit/dangerous/offensive/counterfeit products, processes alerts from customers, brands and authorities, takes required sanctions on rogue traders, and contributes to sellers' education on product regulations. Within the frame of the Digital Services Act, Cnova will publish a dedicated report presenting the results of the moderation activity.

In addition, Cnova provides its customers with specific tools to ensure product transparency and customer protection:

- Users can report possible illegal offerings of goods. A notification form is available on the footer of each page of the website, which enables users to specify the reasons of their report (dangerous or illegal product, inappropriate content, etc). The sending of a notification also entails the processing of notified URLs to easily identify possible multiple illegal offerings. Under our policy, notified products are removed as a precaution in less than 2 working days.
- If a customer rating or customer contact raises safety/legal issues on a product, then it is removed as a precaution within two working days.
- Our social media teams also warn the Moderation direction about illegal contents that could be reported on external social networks.
- The customers can also contact the company to signal any problem related to previous purchases, through the customer zone.

Clear information is shared to stakeholders on these topics. For instance, for consumers in the general conditions of sale, for sellers within the General Conditions for Making Available the Cdiscount Marketplace via the Hosting Site on www.cdiscount.com, for suppliers within the contracts.

These topics are managed by several members of the Direction Committee and/or Executive Committee, including the Director of Products and Operations, the Director of the Assortment, the Director of Marketing, the Legal Director, the CSR and Quality Director.

Important technical, financial and human resources are used to implement these action plans and achieve the objectives set out. The general framework remains constant, but improvements are deployed each year, based on feedback collected either from suppliers or sellers (gather across the relationship), or from consumers/end-users (based on customers feedback) or even the authorities who work on regulations related to these topics. It may result in new processes for collecting products data, or evolutions in moderation assets for instance. CAPEX and OPEX are used each year to perform those evolutions.

♦ ***Health and safety of consumers or/and end-users***

To ensure the health and safety of consumers or/and end-users, Cnova policy rely on 5 pillars:

- Managing HSE issues prior to product sales
- Ensuring consumers access to qualitative information related to health and safety issues
- Managing the products recalls
- Monitoring customers' feedback related to health and safety issues
- Working with the ecosystem on these topics

Cnova policies related to product safety are formalized in different documents:

- Contracts with the suppliers for 1P products
- Contracts with the sellers subscribing to the Fulfilment Service provided by C-logistics for 3P-FFM products
- General Conditions of Provision of the Marketplace (CGMAD) for 3P products

- The “charter of good practices” created by Cdiscount marketplace to sensitize sellers to the main major issues to be aware as distributor of products in France

The targets are clear:

- 100% of suppliers and sellers are aware of legal requirements regarding this topic
- 100% of suppliers and sellers have the means to be compliant with these requirements
- Product recalls are managed within 2 working days

Managing HSE issues prior to product sales

Regarding the manufacturing of the products, Cnova approach varies depending on the type of products.

For its private-label brands, Cnova designs at first the specifications. The Quality Direction compiles technical information for each product. It controls their compliance with regulations. The Quality Direction also defines control plans proportionate to the level of inherent risk of the products, implying technical audits of the production sites, inspections, and tests of the products. These processes are prerequisite for the products to be sold.

For the 1P-national brands products, contracts define the ban practices and remind them of the regulations which apply. Suppliers commit to respect these rules as a prerequisite for the commercial relation. A screening of the products is performed when they arrive in Cnova warehouses. Controls are performed to ensure compliance with existing regulations (CE marking for instance). In case of non-compliance, the products are not integrated within the stocks. If possible, corrective actions are taken immediately (for instance by adding information on the packaging thanks to stickers). If not, the products are returned to their supplier. The Quality Direction is informed of all non-compliance and ensures the follow-up of the action plans. Cdiscount also ensures that the products are in good condition for the sale (for instance no visible damage of the sales unit). The company both monitors products and supply quality indicators. In case the supplier is at the origin of the non-quality (e.g.: breakage due to poor packaging), it is asked for improvements and a financial contribution.

The same controls are performed in Cnova warehouses products sold on the marketplace but stored and shipped by Cnova.

For products sold on the marketplace, before beginning the commercial relation, sellers must accept the General Conditions for Making Available the Cdiscount Marketplace via the Hosting Site on www.cdiscount.com which governs the commercial relations with sellers. By aggreging on these conditions, they commit to strictly comply with existing rules. Cnova has created in addition a “charter of good practices” intended to sensitize sellers to the main major issues to be aware as distributor of products in France (and was the first French marketplace to do that).

Ensuring consumers access to qualitative information related to health and safety issues

The information related to safety warnings, CE marking, responsible economic operator and so on are gathered and provided to consumers according to the processes explained before.

In addition, regarding the commercial relation with sellers, Cnova combines several mechanisms to ensure products compliance and safety:

Contents related to illegal/dangerous products are shared through the Seller Zone (the interface between Cnova and the sellers helping them to manage their business and to access to a wide range of information including those related to regulations or management of relations with customers). It provides information about Cnova policies, links to main regulatory texts for each category, posts about specific/trend issues (such as Covid-19), etc.

Cnova also sends regularly informational e-mails to all sellers for the most important regulatory changes.

Cnova organizes webinars and trainings with its sellers and Q&A sessions in several languages

(French, English, Chinese at least).

Managing the products recalls

The management of product recalls is operated by the Moderation team, attached to the CSR and Quality Director, managed by the General Secretary. They are thus totally independent from business teams.

The first step is to ensure the detection of alerts. Cnova relies on different detection mechanisms:

- Alerts reported through public databases checked by the Moderation team to identify products that may be subjected to safety issues (e.g. safetygate.eu, rappel.conso.fr)
- Alerts reported by National Authorities of any EU-member state: a dedicated mailbox allows any Authority to notify to Cnova the need of a product recall
- Alerts reported by suppliers: Cnova created a dedicated mailbox to collect product recall demands from suppliers
- Alerts reported by sellers: sellers can signal the need of a product recall through the Seller Zone (the online tool enabling them to manage their business on Cdiscount marketplace)

These combines detection mechanisms ensure the reactivity of Cnova, a prerequisite to ensure a proper protection of consumer.

When an alert is detected, and whatever if the product is sold by Cnova or by sellers on the marketplace, the first two measures are taken immediately to ensure consumer protection:

- Withdrawing and blocking of the identified products to prevent new sales
- Alerting the customers who bought these products by email. Additional communication measures may be taken, such as the display of an alert message on the website or phoning campaigns, depending on the criticality of the recall.

The next steps of the product recall vary depending on the type of products:

- If the products are sold by sellers
  - Cnova notifies the involved sellers to inform them that products of their assortment are targeted by a safety alert.
  - The sellers are then responsible for processing the recall (i.e., managing the reimbursement of customers who bought the targeted products or sharing with them the required information to proceed to returns).
  - If the seller does not properly manage the recall, customers can alert Cnova which will warn the seller.
- If the products are sold by Cnova through national brands" products:
  - Cnova contacts its suppliers or the manufacturers to know the terms of the recall (customers reimbursement, logistics of returns…)
  - Cnova uses its direct communication channels with the customers to inform them of the terms of recall as defined by the suppliers, and share information disclosed by authorities such as the DDPP if needed to reinforce consumer protection
- If the products are private-label products: product recalls are processed as described above, with Cnova being considered as a supplier.

The current process allows the withdrawal of any product targeted by a safety alert in less than 48 hours, no matter if they are 1P or 3P products. This is top-class performance when considering the practices of the market.

This process is formalized through a dedicated procedure, distributed to all departments involved (legal, commercial, warehouses, sellers' management, communication teams…) and reviewed periodically.

Monitoring customers' feedback related to health and safety issues

Users can also report possible illegal offerings of goods or products raising security issues. A notification form is available on the footer of each page of the website, which enables users to specify the reasons of their report among a list of different grounds (dangerous or illegal product, inappropriate content, etc). The sending of a notification also entails the processing of notified URLs to easily identify possible multiple illegal offerings. Under Cnova policy, notified products are removed as a precaution in less than 2 working days. If the notification targets a security issue, it is 1 working day.

Customer ratings and customer contacts raising safety issues are also reported to Moderation Direction. In this case, products are removed as a precaution within two working days.

Cdiscount social media teams can raise alert towards the Moderation Direction about illegal or dangerous contents that could have been reported on external social networks.

The customers can also contact the company to signal any problem related to previous purchases, through the customer zone.

Since 2019, the digital platform "Signal conso" allows consumers to contact the actors of e-commerce to report any problem with products on sale on their websites. The authorities are informed of each report and check the responses made by e-actors, including Cnova, and pay a particular attention to the problems of dangerous / defective products. Cnova has a mediation team that, with the support of the Legal department, handles each potential report and works with the operational teams to process requests, ensuring a response within an average of 15 days.

Rogue traders and repeated offenders may be subject to penalties up to and including definitive termination of their seller account.

Working with the ecosystem on these topics

The company is involved in its ecosystem to contribute to the definition and implementation of efficient practices in the e-commerce sector and more broadly in the digital sector in order to protect the consumer.

For instance, at the European level, Cnova is a signatory to the Product Safety Pledge and Pledge +, co-regulation agreements signed between e-commerce platforms and the European Commission to strengthen the fight against dangerous products online. This commitment framework implies good practices in terms of the speed with which notifications are processed, the fight against the reoccurrence of dangerous products, cooperation with consumer protection authorities and transparency with the regulator. The signatories of the Product Safety Pledge and the European Commission work on those topics before the Consumer Law Pledge.

This policy is managed by the CSR and Quality Director, who refers to the Deputy CEO in charge of General Secretary and Transformation and member of the Executive Committee. Important technical, human and financial resources enable us to carry out the action plans (e.g. 12 employees in the CSR and Quality direction, support from the Direction of Assortment, the Operations Direction in charge of sellers relationships, data scientists support, IT assets and so on).

- ***Protection of children***

Children are most exposed end-users. One might ensure their protection, regarding either products which are designed for use by children (e.g. toys), or products which should not be accessible to children.

On the first point, the policies, actions and targets by Cnova regarding the health and safety and access to qualitative information cover the specific requirements related to toys (CE marking, safety warnings…). In addition, Cnova applies additional measures on its marketplace related to the sale of toys. Quality criteria to be met are defined for all sellers wanting to sell toys on the marketplace.

On the second point, Cnova takes specific measures on two categories: alcohol and erotic shops.

- The sale of alcohol is legal in France, except for minors, e.g., under 18 years. Since the homepage of Cdiscount.com, the following message is displayed to customers "Prohibition on the sale of alcoholic beverages to minors under 18 years. Proof of the buyer majority is requested for online sale". When customers add alcoholic beverages to their basket, another message is displayed both on the delivery page and in the payment page. "Prohibition on the sale of alcoholic beverages to minors under 18 years. Proof of the buyer majority is requested for online sale. Breath alcohol measurement for sale on this website" (message of the Road Safety Agency).
- Regarding the erotic shop, it does not benefit from a high visibility on the website (no link in the main website menu which leads to this shop, no newsletter mentions these products, not included in the retargeting). To access this shop, customers need to confirm they are full age persons (over 18 years in France).

Some products are prohibited within this shop, like pornographic videos or sexual stimulants. These conditions are clearly explained to the sellers on the marketplace. Cnova moderation team monitors these products as well based on semantic analysis or picture detection, to anticipate any health or security risk.

Finally, none of Cdiscount's commercial communications target minors.

This policy and action plan is managed by the Legal Director and the CSR and Quality Director, members of the Direction Committee, who both refer to the Deputy CEO in charge of General Secretary and Transformation and member of the Executive Committee. Technical and human resources enable to carry out the action plans (e.g. 12 employees in the Legal Direction, 12 employees in the CSR and Quality direction, support from the Direction of Assortment, the Operations Direction in charge of sellers relationships, IT assets and so on).

- ***Responsible marketing practices***

Cnova legal department has a team in charge of all the topics related to consumer law. Its main responsibilities are notably:

- To perform a legal watch to anticipate changes in or new regulations related to Cnova activities
- To share information with the operational teams, to ensure their proper comprehension of the legal requirements to satisfy
- To perform regular audits to control the compliance of Cdiscount.com and related websites operated by Cdiscount's partners (for instance Cdiscount Voyage)

To ensure operational teams have all the required information to ensure compliance with consumer law, notes, presentations and training sessions are shared and organized all along the year on these topics. For instance, before each intense commercial period, a session dedicated to the rules related to commercial operations is organized, including the way prices are displayed, or the rules related to the sale of specific product categories. We can also quote a training session dedicated to responsible communication, organized by the legal and CSR departments. Training support and documentations related to consumer law are also shared by mail or available on the intranet.

In addition, Cnova commercializes some products for which specific measures are taken regarding the advertising, to prevent the promotion of risky behaviors. Cnova purchasing, brand and marketing teams are aware of good practices, for instance in advertising around alcoholic beverages and in particular prohibition of:

- Encouraging excessive alcohol consumption or criticism of sobriety or abstinence
- Creating confusion about nature or degree of alcohol in a beverage
- Suggesting that alcoholic beverages have therapeutic properties, stimulating effects, or that

they can improve physical, mental, or intellectual performance.

- Suggesting that the consumption of alcoholic beverages as an aid in overcoming individual or collective problems or illustrating or mentioning successes achieved through alcohol consumption
- Wanting to demonstrate that the consumption of alcoholic beverages contributes to sentimental, athletic, sexual success, is a sign of maturity, an attribute of virility or is indispensable to the social success

In addition, Cnova is a signatory of the Consumer Protection Pledge. The first report will be published in 2025 and will cover the following topics:

- Measures to facilitate the exercise of certain EU consumer rights
- Measures to make consumer reviews more transparent and reliable
- Measures to promote transparent influencer marketing
- Measures to inform and train the Sellers on EU consumer protection law

The target is that 100% of suppliers and sellers are aware of the good practices and legal requirements regarding this topic.

This policy and action plan is managed by the Legal Director and the Public Affair Director, who both refer to the Deputy CEO in charge of General Secretary and Transformation and member of the Executive Committee. Human resources enable us to carry out the action plans (e.g. 12 employees in the Legal Direction, support from the Direction of Assortment, the Operations Direction in charge of sellers relationships and so on).

♦ ***Raising customer awareness of more sustainable consumption***

The rise in e-commerce, and more generally of digital technology, has changed the way people consume. They provide easier access to millions of products, available at any time, without leaving home. Advertisement target people through their mobile phone that people use 24h/24h.

These new trends are a source of fabulous opportunities, but also present environmental, social and societal challenges: how can the carbon footprint of products sold, of deliveries, of numeric tools be reduced? How can the waste generated by parcel shipping be reduced? What kind of uses and behaviors are created by players in the tech and mass-market sectors?

Aware of its responsibility, Cnova has designed its CSR strategy with the objective to involve the millions of consumers the company is in contact with, with the aim of enabling them to make their own choices and become aware of the impact of their practices.

For example, as part of the program dedicated to the more sustainable products, consumers are informed of the responsibility criteria of a product in a highly educational manner. By explaining the factual criteria (e.g., energy class A or B product), and the expected benefits (e.g., this product no longer consumes energy compared to other appliances in the same family, you can contribute to reducing energy consumption and actual gas emissions by making this choice), Cnova informs consumers. The objective is to create new consumptions reflexes that will influence the way consumers choose their products. By enabling them to repare or give a second life to their products, the target is the same. Modify the way consumers interact with their products to reduce the impact of consumption. We can also quote the possibility to choose reusable packaging (a customer journey where Cnova indicates the impact of this packaging in comparison to classical packaging, to enable customers to understand their impact).

The target is that 100% of Cnova customers are exposed to these initiatives in favor of a more sustainable consumption.

This policy and action plan is managed by the CSR and Quality Director, a member of the

Direction Committee, who refers to the Deputy CEO in charge of General Secretary and Transformation and member of the Executive Committee. Technical, human and financial resources enable us to carry out the action plans (e.g. 12 employees in the CSR and Quality Direction, support from the Direction of Assortment, the Operations Direction in charge of sellers relationships and so on).

1.7.3.3.3 Policies, actions and targets related to consumers and end-users (S4-2, S4-4, S4-5)

Cnova engages with consumers and end-users across a series of measures, channels and teams:

- The customer zone on the website, which enables customers to follow orders, to contact with Cdiscount teams (by mail or phone or letter), to find help through numerous articles, to manage the loyalty program, and which is managed by the customer service and customer experience teams
- Focus group led by the Brand direction, which allow Cnova to understand customers' expectations and perceptions of the current service, based on small but representative customers groups,
- Information gathered through customer questionnaires, either directly on the website through the notifbox or by email or by phone,
- Satisfaction measurement via the "Net Promotion Score"
- Product reviews or sellers review which enable Cnova team to detect any abnormal issue,
- The notification form which enables third parties to signal possible illegal offerings of goods, and which is managed by the moderation team,
- Tools managed by national authorities such as the digital platform "Signal conso" which allows consumers to contact the actors of e-commerce to report any problem with products on sale on their websites. The authorities are informed of each report and check the responses made by e-actors.

This engagement occurs before, during and after purchases. It is a long-term and daily process. The information gathered contributes to the evolution of the day-to-day business and the strategy (What kind of products? Which delivery type? What quality process? What loyalty program? What customer journey? A long list of questions for which customers' feedback is essential). Evolution of the number of customers, reviews related to the products, the website or the company, and evolution of the Net Promoter Score demonstrate the effectiveness of the process.

Engagement with consumers and/or end-users is managed by the Customer & Marketing Director, member of the Executive Committed, with the involvement of other members of the Direction Committee (Legal Director, Communication Director, CSR and Quality Direction…).

1.7.3.3.4 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns are described in the previous section.

1.7.4 Governance information (ESRS G1)

1.7.4.1 The role of the administrative, management and supervisory bodies (G1.GOV-1)

See section "General information - The role of the administrative, management and supervisory bodies (GOV-1)" for that information.

1.7.4.2 Description of the processes to identify and assess business conduct related impacts, risks and opportunities

Process and methodologies to identify and assess material impacts, risks and opportunities is described in ESRS 2 "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)".

See section "Interests and views of stakeholders (SBM-2)" of ESRS 2 for information related to relevant stakeholders regarding business conduct.

Cnova's assets and activities were taken into consideration, actual and potential IROs were assessed, including own operations and the upstream and downstream value chain.

Cnova double materiality assessment led to identify four material items, as presented in the following table.

# of IRO	Description of the IRO	Actual or potential
1	Positive impact of corporate culture	Actual
2	Positive impact of protection of whistleblowers mechanisms	Actual
3	Negative impact of management of suppliers relationships, including payment practices	Actual
4	Negative impact of corruption and bribery	Actual

1.7.4.3 Business conduct policies and corporate culture (G1-1), prevention and detection of corruption and bribery (G1-3), and incidents of corruption and bribery (G1-4).

Corporate culture (G1-I4) refers to the values, norms and behaviors that determine the way employees interact with each other, with business partners and with customers. It plays a role in attracting and retaining talent, creating an attachment to the company and implementing a robust, efficient and facilitating work organization. It enables us to create a stronger common culture and harmonized practices, as well as sharing a common comprehension of the company impacts, risks and opportunities. It guarantees the knowledge of the business model, its interaction with the stakeholders, the values and behaviors that apply to everyone, the internal processes …

Work has been performed in 2019 around employer brand (based on employee's interviews, collaboratives workshops, online surveys, a competitive benchmark and an external study) to reflect our corporate culture.

The pillars of our corporate culture, which reflect who we are, are the following:

- A collective moved by a taste for challenges and acting in an environment full of energy.
- Important responsibilities and possibilities for mobility
- A field of possibilities without equivalence
- The Silicon Valley in Bordeaux
- The French ecommerce Leader with high sense of ESG responsibility

Our base line (Invent everything, reveal yourself) is giving a clear sense to our employees and candidates. They can contribute to inventing the future of e-commerce and at the same time develop competitive competencies and their full potential.

The employee brand has been launched across a series of actions:

- Presentation to all employees across dedicated events
- Pictures and leaflets put in our buildings to ensure daily awareness and appropriation
- Use of the employee brand on all internal communications
- Training actions of HR recruiters and managers
- Use of the employer brand on all our communication on social media (LinkedIn, Insta, Glassdoor) and on job boards pages
- Dedicated recruitment website who embodies our employee brand through content (job descriptions, videos, …)

Regular events and initiatives also enable to feed the corporate culture such as quarterly presentation of results and strategy by the CEO, with Q&A sessions, monthly Q&A sessions with members of the Direction Committees and employees, annual events with all the managers of the company, ad hoc events (for instance presentation of the new brand of Cdiscount before its official launch in the summer 2024) or convivial events to bring all employees together. We can also quote the weekly newsletters enabling us to share the main actualities from different teams within the company or training sessions related to our commitments such as data privacy, CSR policy, diversity actions and so on.

Quarterly feedback is gathered from employees to evaluate the corporate culture (e.g.: Do I understand the strategy of the company? Do I think I'm recognized for my work? Do we make good decisions? Do we work in a collective approach? Do we deliver a good quality service for our customers?).

Cnova rule of procedures defines:

- health and safety rules,
- instructions on work organization, performance and discipline,
- Information about disciplinary sanctions and employee rights of defense,
- anti-corruption policies,
- prohibitions
- sanctions against harassment.

In addition, a Code of Ethics and Business Conduct, deployed throughout Cnova and Casino Group, sets out the rules of conduct and ethical obligations that all employees must observe in all circumstances in their day-to-day conduct of their activities. Each employee is expected to act in strict compliance with laws and regulations, to demonstrate loyalty and honesty, and to behave with exemplary professional ethics.

This Code, illustrated with case studies, covers the following topics: preventing and fighting corruption, ethics alert, gifts and entertainment policy, conflict of interest management, use of intermediaries, relations with public officials (including the prohibition of contributions to candidates, political parties, organizations or other political entities), free competition, confidentiality of information (including the protection of confidential information and prevention of insider trading), protection of personal data, protection of Cnova assets, accuracy and reliability of financial information.

These policies are managed by the HR director with the support of the Executive Committee.

A procedure for collecting and handling reports has been drawn up and submitted to the social dialogue bodies. It is available on the intranet and on information boards in each subsidiary. A "contact" section is also available on Cnova website as well as on the Casino Group's corporate website, enabling interested parties to communicate any incidents or requests for information.

Any employee who becomes aware of a situation or behavior that does not comply with the Code must inform the Compliance Officer as soon as possible, using the confidential e-mail address set up for this purpose, which is accessible 7 days a week, 24 hours a day.

The Compliance Officer will, in complete confidentiality, collect from the employee the precise information available to ensure that the allegations made are serious and in good faith. Confidentiality regarding the identity of the employee making the report will be always respected, except with the employee's prior written authorization. In handling alerts, the Compliance Officer must demonstrate independence, objectivity and impartiality. He/she is bound by strict confidentiality, which he/she must remind of the various people who may be called upon, if necessary, to take part in the processing and verification operations following a report. The Compliance Officer must, always, preserve the confidentiality of the identity of the author of the alert. To this end, a secure e-mail address is provided for employees to share their reports. In addition, the Compliance Officer must open a dedicated electronic file on a server secured by a password that is renewed regularly, and/or keep printed documents in a locked cabinet.

The code for Compliance Officers sets out the procedures for handling a report: (i) respect for the presumption of innocence and confidentiality (ii) preliminary assessment to determine whether or not it is necessary to carry out in-house verification operations and/or additional investigations (iii) conduct of verification operations (collection of relevant documents and evidence - interviewing the author of the report, witnesses or victims of the reported facts - critical analysis of the facts and evidence - assistance from third parties).

The Compliance Officer (30 years' experience in legal departments and law firms, including 15 with Casino group) manages all alerts related to ethical issues, especially those related to corruption and anti-bribery incidents. The processes and framework explained apply for these topics as well.

Statistics concerning the number of alerts received and handled, classified by type of case, are presented to the Governance and CSR Committee and to the Casino Group Audit Committee on a half-yearly basis. They are shared with the Audit Committee of Cnova as well.

Regarding the protection of whistleblowers, as explained earlier, ethical alerts are managed by the compliance officer. More generally speaking, the compliance officer ensures that employees have a clear understanding of Cnova ethical principles and values, answers questions, receives alerts, analyses and processes them, guarantees confidentiality and, depending on their seriousness, informs the Casino Group Compliance Officer and the Casino Group Ethics Committee, while respecting the anonymity and protection due to whistle-blowers and persons who are the subject of a report, in compliance with the requirements of the Sapin II law.

No retaliatory action, disciplinary or discriminatory, may be taken against an employee for having reported, in good faith, irregularities or misconduct and/or for having communicated information in the context of an internal or external investigation, a hearing, legal proceedings or a request for information of a judicial, administrative or regulatory nature concerning potential irregularities or misconduct. The whistleblower can thus benefit from the protection afforded to a whistleblower if he or she complies with the conditions and procedures set out in the above-mentioned procedure for collecting and processing whistleblower reports.

Good faith means transmitting a concern without malice or personal gain, by a person who has a plausible reason to believe it to be true.

On the other hand, an employee who, knowingly or through culpable negligence, makes allegations or communicates information that is not accurate or in good faith, or that he or she has not obtained in a lawful manner, may be subject to disciplinary action up to and including dismissal, and may also be subject to legal proceedings in the event of a false alarm.

Cnova anti-corruption policy are based on the following measures:

- A code of ethics and business conduct that includes a section on the fight against corruption and influence peddling.
- The Supplier Ethics Charter defines which defines the standards to be applied in all circumstances within the supply chain of Groupe Casino and its subsidiaries, to guarantee that the commercial relations maintained by the Supplier are free from any manipulation, active or passive corruption, extortion or misappropriation of funds, and more generally from illicit practices. A whistleblowing system that enables alerts to be anonymously forwarded to the ethics officer by e-mail.
- A risk map dedicated to corruption and influence peddling, updated every 2 years and presented to the Executive Committee
- A third-party assessment of the situation of customers, 1-Tier suppliers and intermediaries regarding risk mapping.
- Internal control procedures (third-party referencing, accounting controls, etc.).
- A training program for all employees, supplemented by dedicated training for those most exposed to risk.
- Clear sanctions in the event of non-compliance
- A system for evaluating the system to enable continuous improvement.

All these elements are regularly communicated to the company's employees and top management.

Regarding the training of employees, it is based on:

- A digital training program for all employees: 4 modules to be completed at least once every 2 years on the following topics: Preventing and combating corruption, Reporting procedures, Gifts and Invitations policy, Monitoring conflicts of interest.
- Annual extended physical training sessions for the most exposed populations
- Annual survey to evaluate the level of knowledge of employees on these topics
- Annual presentation to the top management and the most exposed populations
- Information available on the internet, including all procedures related

Cnova condemns corruption in all its forms and ensures that its employees are committed to upholding this principle. It is resolutely committed to complying strictly with anti-corruption regulations, implementing training and awareness-raising initiatives, pursuing a continuous improvement approach to detecting and preventing corruption risks, and sanctioning reprehensible or non-compliant practices.

The Compliance Officer receives alerts and treats it confidentially. He can rely on experts (internal or external) to carry out investigations, after having asked them to sign a confidentiality agreement. At the end of the investigations, the Compliance Officer drew up a report and made its recommendations for action (Dismissal, Disciplinary action, Legal proceedings) and share them with the HR direction and/or the Legal director, both members of the Direction Committee and reporting directly to the Executive Committee. An update is presented i) each year in the compliance officer's report, ii) each semester to the Group's Governance and CSR Committee, on an anonymous basis, and iii) a quantitative status is included in the various ESG reports disclosed by Casino group.

As a signatory of the United Nations Global Compact in 2009, through Casino group, and through its policy, Cnova confirms its commitment to preventing and combating corruption and bribery, to the principles of transparency and good governance, and more generally to compliance with national and international laws and regulations.

The policy on preventing and combating corruption is aimed at both internal and external stakeholders.

When considering the internal stakeholders, some employees are considered as the most exposed to corruption and bribery risks and benefit from specific training programs. They are composed by the top management, but also the employees from the commercial departments, including the one working with suppliers and sellers. 100% of our employees are covered by a training program, and 100% of more sensitive employees benefit from physical training sessions.

Figures related to incidents of corruption and bribery within the reporting period are presented in the following table. No assumptions are made. They are based on Compliance Officer reporting.

Cnova N.V.	Full Year
Number of convictions for violation of anti-corruption and anti-bribery laws	0
Amount of fines for violation of anti-corruption and anti-bribery laws	0
Number of conformed incidents of corruption abd bribery	1
Nature of these incidents	Private corruption
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	1
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption and bribery	0
Public legal cases regarding corruption or bribery brought against the undertaking and/or its own workers	1

The incident which occurred in 2024 was a case of private corruption, involving one own worker and commercial partners of Cnova.

The general framework related to those topics is currently evaluated under a continuous improvement approach to ensure it remains efficient.

1.7.4.4 Management of relationships with suppliers and payment practices (G1-2 and G1-6)

The policy of Cnova aims to establish fair and lasting relationships with suppliers and sellers, and to ensure compliance with legal regulations and the company's values (e.g. French commercial Code or Platform to Business Regulation). It is steered by the Purchasing and Legal Directions, represented on the company's COMEX.

The management of the relationships with Cnova's suppliers and sellers relies on several mechanisms and teams:

- A constant dialogue with the suppliers and sellers, as described in the stakeholders' engagement section (SMB-2)
- Contracts negotiated annually by commercial teams with the support of the legal team dedicated to relations with suppliers (whose mission is to ensure compliance with the legal framework governing supplier-distributor relations. It is for instance responsible for validating the catalogue of supplier counterparties each year and trains employees in the rules to be respected when negotiating and formalizing supplier contracts).
- General Terms and Conditions for the marketplace that all sellers must sign, as the basis for the commercial relationship. These terms and conditions are managed by the legal team dedicated to the marketplace (whose mission is to ensure compliance with the legal framework governing seller-marketplace relations).
- Compliance controls, related to the products, the ESG practices, prevention of economic dependence and so on.

Cdiscount particularly ensures fair business regarding smaller companies by (i) monitoring the economic dependence of suppliers, and (ii) signing the e-commerce charter for SMEs using the marketplace.

First of all, and since 2014, Cnova has been monitoring economic dependence of suppliers. In particular, the company makes sure to identify those situations in two ways: each product supplier is requested to declare on a yearly basis whether its company depends on our purchases. We also verify through external data information available of supplier's turnover.

A product supplier being identified as economically dependent is followed by the legal team and the purchase department to ensure not to aggravate such dependence, premium treatment of any dispute as well as sufficient period notice longer than the contractual terms in case of partial or total termination of the relationship is systematically applied.

Cnova, across Cdiscount, also participated to the elaboration of the e-commerce charter, initiated by the Secretary of State in charge of digital Mounir Mahjoubi with the aim of improving the relationships between SMEs and platforms, especially regarding confidence and transparency.

This charter defines a set of best practices. Cdiscount was the unique major e-commerce actor to sign this charter at its launch in 2019. This emphasizes Cdiscount commitment to balanced relationships with SMEs, a prerequisite to accelerate the digitalization of small and medium enterprises.

More generally speaking, and in accordance with Platform to Business Regulation, sellers have the possibility of contesting, at any time, the decisions taken by Cdiscount pursuant to its general terms and conditions by means of an internal system for handling complaints. To this end, sellers may open a request to the support center accessible via their Sellers' Space.

In accordance with Platform to Business Regulation, Cdiscount publishes an annual report on the functioning and effectiveness of its internal system for handling complaints. This report includes the total number of complaints lodged, the main types of complaints, the average time period needed to process the complaints and aggregated information regarding the outcome of the complaints.

Sellers may, at any time and prior to any referral to the competent courts, request mediation from the following two mediation bodies: the Médiateur des Entreprises (Ministry of the Economy) and the Centre de Médiation de Bordeaux (Bordeaux Gironde Chamber of Commerce and Industry).

Regarding payment and invoicing terms, Cnova refers to the French Commercial Code (L. 441-10), which defines payment terms and conditions to protect suppliers, including SMEs, as well as penalties for late payment. These terms are stipulated contractually.

Furthermore, in line with its regulatory obligations, Cnova has launched an internal project concerning the transmission of invoices and their lifecycle as of 2026, which will facilitate and reduce invoice processing times. Large and medium-sized suppliers will have to submit their invoices by digital means only. It will be forbidden to send invoices via any other channel. For smaller suppliers (TPE/PME), digitization will take place in 2027.

Cnova has also migrated its old supplier invoice dematerialization tool to a new, more efficient solution in 2024.

To answer all suppliers' questions concerning their relationship with Cnova and the payment of invoices, several mechanisms exist:

- One exchange portal available to all suppliers
- A CRM is accessible across the portal for goods suppliers with which they can query Cnova
- For the other suppliers a mailbox which also enables exchanges

Regarding payment practices, the following table presents the main metrics:

Cnova N.V.	All suppliers	Goods	Other suppliers
Standard payments terms in number of days	47	44	53
Average number of days to pay invoice from date from the date when contractual or statutory term of payment starts to be calculated	-2	-9	12
Percentage of payments aligned (or in advance) with standard payment terms	82%	8%	64%
Number of outstanding legal proceedings for late payments	1	1	0

Standard payments terms in number of days are calculated by determining the effective payment dates versus the invoice date for all invoices billed and paid in 2024. The calculation is performed by using a weighted average for the entire group. Average number of days versus contractual terms are calculated by determining the theorical payment date (due date versus invoice date) for all invoices billed and paid in 2024 and then compare the results for each invoice with the standard payment terms in number of days.

Cnova policy on managing social and environmental risks linked to its value chain notably meets its obligation under French law no. 2017-399 of March 27, 2017, on Duty of Vigilance. The aim of this policy is to identify and control social and environmental risks linked to Cnova supply chain. It is based on a combination of policies and actions based on 5 pillars:

- A general framework to address the topics within the whole value chain,
- Mechanisms to ensure suppliers and sellers commitment,
- A risk assessment carried out for private-labels products,
- Controls mechanisms,
- Raising employee awareness.

Cnova includes in 100% of its contracts with suppliers an ethics clause, also part of our General Terms and Conditions for the marketplace (for sellers). It implies compliance with Human Rights principles, or with UN Global Compact principles, including freedom of association and the absence of forced labor, child labor, and discrimination. It also recalls the commitment of the company to fight against climate change and for the protection of the environment; or the commitment to fight against fraud, corruption, influence peddling, money laundering and terrorist financing; or the commitment to promote diversity and inclusion.

Our business partners are committed to respect these principles within their company and their own value chain.

For products suppliers, it also sets up the terms and conditions under which third-party social and environmental audits may be mandated (to ensure compliance with International Labour Organisation's rules for instance: no child labour or forced labour, freedom of association, working hours…).

See section "Workers in the value chain" for more details.

In addition to these audits, Cnova launched in 2021 an initiative enabling us to evaluate the practices of our major commercial partners, accounting for 55% of our Gross Merchandise Volume in 2024.

Cnova has also launched in 2021 a program dedicated to "more sustainable" products, aiming at promoting local products or certified products for instance. See section "Climate Change" for more details on that program.

Purchasing teams are trained each year in these topics, based on an annual presentation organised by the Legal team, the CSR and Quality Director and the Compliance Officer. E-learning sessions also present topics to the employees.

1.8 CAPITAL EXPENDITURES AND RESEARCH & DEVELOPMENT

Our strategy is focused on developing Cdiscount.com technical platform, enhancing customers & sellers experience and improving brands & sellers' monetization, whilst continuously reinforcing our Marketplace assets.

We incurred approximately €63 million and €56 million of capital expenditures in 2023 and 2024, respectively, including research and development expenses.

1.9 OUTLOOK

In 2025, Cnova will pursue the development of its profitable activities, notably with Marketplace, Retail Media and B2B activities, supported by dedicated investments aiming to:

- Improve customer acquisition and loyalty, notably through the strengthening of Cdiscount's value proposition for French consumers
- Reinforce Cdiscount's notoriety and brand identity
- Enhance sellers and customers experience, while leveraging on Generative Artificial Intelligence to meet their needs
- For B2B activities, support marketplaces growth and develop strong B2B logistic activities
- Maintain thorough monitoring on its cost-base

Financing

Cnova has secured the overall financing until 2026 (refer to Note 1.1.2(e) and 21 of the Consolidated Financial Statements).

On January 20, 2025, the Term Loan and Current Account Agreement between Casino Finance and Cnova NV was amended. The Term Loan amount was revised from €300 million to €450 million (+€150 million) and related interest rate from 3,90% to 7,65%. The Current Account remained capped at €400 million and related interest rate was revised from STR+1,50% to STR+1,75%. The maturity of such agreement remained unchanged, as the earliest of July 2027 and the maturity of Casino senior facility agreement, being at least March 2027.

In addition, Casino Guichard-Perrachon confirmed through a letter dated January 20, 2025 that it will provide financial support to Cnova N.V. to assist the company in meeting its liabilities as and when they fall due up to a maximum of €100 million in addition to the abovementioned amount of €850 million and only to the extent that funds are not otherwise available to Cnova N.V. to meet such liabilities until at least June 30, 2026.

Headcount

Cnova expects no significant changes in headcount in 2025.

2. RISK MANAGEMENT AND RISK FACTORS

2.1 APPROACH TO RISK MANAGEMENT AND BUSINESS CONTROLS

The Board of Directors (the "Board") is responsible for reviewing the Company's risk assessments and risk management policies, including financial risks, internal controls, its Code of Business Conduct and Ethics as well as related policies. The Board has in turn mandated the Audit Committee with the periodic oversight of the Company's risk management program and providing periodic reports to the Board. As such, the Audit Committee assists the Board in monitoring (i) the Company's systems of disclosure controls and procedures as well as its internal controls over financial reporting; (ii) policies relating to risk assessment and risk management; (iii) compliance with recommendations and observations of internal and external auditors; (iv) the role and functioning of the internal audit function; (v) relations with the external independent auditor, including, in particular, the appointment and retention of the auditor and the auditor's independence, qualifications, remuneration and any non-audit services provided to the Company; and (vi) the Company's compliance with legal and regulatory requirements as well as ethical standards adopted by the Company.

In addition, the Company maintains disclosure controls and procedures designed to ensure that information required to be disclosed in reports is recorded, processed, summarized, and reported within the specified time periods.

2.2 RISK FACTORS

The Corporate Sustainability Reporting Directive (CSRD) entered in law in 2024. One of the main principles of this regulation is to assess the impacts, risks and opportunities which are material for companies subjected to the CSRD, based on the double materiality assessment. This methodology differs from the approach used as far by Cnova to establish the risk factors section.

To facilitate the understanding by stakeholders consulting the current report, the risk factors section has been updated according to the methodology used in the past, and specific information required by the CSRD are presented in the sustainability statement integrated within the Directors Report of this present document.

i) Risks related to our business and industry

We may experience significant fluctuations in our operating results and rates of growth, and may be unable to maintain our growth, meet our expectations or achieve our targeted financial results.

We are not always able to accurately forecast our growth rate. Our sales and operating results may fluctuate for several reasons. We base our expense levels and investment plans on sales estimates. A significant portion of our expenses and investments is fixed, and we are not always able to adjust our spending quickly enough if our sales are less than expected. Therefore, our performance over time may be adversely affected and, in the short- to medium-term, we may be unable to achieve our projected GMV, revenue, EBITDA and capital expenditure targets. Our forward-looking performance targets are targets only and should not be relied upon to predict or forecast actual results or future events. Such targets are unaudited and reflect several assumptions that may not be borne out. Such targets, and the underlying assumptions, carry an inherent degree of uncertainty. If the assumptions upon which our targets are based prove to be inaccurate, growth rates may not be achieved and/or our performance may be less favorable than expected, which, in turn could have a material adverse effect on our business, financial condition and results of operations. The factors that could cause performance to fluctuate or cause us to fail to achieve our forward-looking performance targets include, among others:

- our ability to retain and increase sales, attract, and retain new customers as well as attract and retain marketplace merchants and clients for turnkey marketplace solutions, and satisfy their demands;
- our ability to offer products on favorable terms, manage inventory for our B2C business, and fulfill orders;
- existing competition and the introduction of competitive stores, marketplaces, websites, products, services, or improvements;
- changes in usage of the internet, e-commerce and electronic devices in the markets in which we operate or plan to operate;
- the success of our expansion, particularly of our B2B business and the success of the marketplace solutions offered by Octopia;
- the timing, cost and effectiveness of expansion and upgrades of our platform infrastructure;
- the extent to which we are able to finance our operations and planned growth;
- the outcomes of legal proceedings and claims, which may include significant monetary damages or injunctive relief;
- variations in our level of merchandise and vendor returns;
- the extent to which we are able to offer competitive prices and provide other attractive benefits to our customers and maintain competitive levels of customer service;
- our ability to deliver goods quickly and free of charge or on the basis of fees that are attractive to customers, including in comparison to our competitors;
- factors affecting our reputation and/or the image of our brands;
- the extent to which we invest in technology, fulfillment, and other expense categories and any increases in costs;
- our ability to collect amounts owed to us when they become due;
- the extent to which new and existing technologies, or industry trends, restrict advertising services or affect our ability to customize our advertising services efforts and service offerings;
- the extent to which use of our platform is affected by spyware, viruses, phishing and other spam emails, data theft, computer intrusions, outages, and similar events;
- the potential loss of an administrative authorization or license to operate one or several activities;
- disruptions due to future pandemics, or from natural or man-made disasters, extreme weather, geopolitical events and security issues (including terrorist attacks and hostilities), labor or trade disputes, and similar events and
- the other risk factors described in this annual report.

If we are unable to manage our growth or execute our growth strategies effectively, our business and prospects may be materially and adversely affected.

We have expanded our overall business, consumer traffic, employee headcount and operations in past years. Our numbers of active customers over the last twelve months and average unique monthly visitors reached 7 million and 16 million in Full Year 2024.

We have developed an ambitious set of strategic goals to grow our business, which efforts will include expanding our B2C operations and growing our B2B operations. We intend to maintain our footprint in the B2B market with our Octopia offering that we launched in 2021 and which consists of a platform that provides e-commerce websites with integrated and seamless access to technology, merchants, and products at an international level. As a part of these efforts, we will also seek to become a leader in Europe in logistics with C-Logistics external offer. However, these developments represent relatively new services and/or expansion into additional geographic areas and market segments, such as B2B, in which, historically, we have limited experience.

We anticipate that these efforts will require expanding significant time and resources on marketing for our B2C business, pre-sales, and sales resources for our B2B business, supply chain management, fulfillment infrastructure and information technology ("**IT**"), capabilities, among others, as well as a strong focus from management and potential diversion of resources, which could impact our core activities and our operating results. We may be unable to expand our operations in a cost effective or timely manner and reach operational excellence expected by our marketplace merchants, suppliers, and customers. We may have limited experience in our newer B2B market segments and geographies, and our customers may not adopt our product or service offerings. In addition, profitability, in our newer B2B activities may not meet our expectations, and we may not be successful enough in these newer activities to recoup our investments in them.

As a technology driven business, expansion could require adding new hardware and software, improving, and maintaining our technology, systems, and network infrastructure, and hiring additional qualified IT personnel in order to improve and maintain our technology and properly manage our growth. As an e-commerce business that is diversifying to being a B2B digital technology-driven business, we are susceptible to various risks related to difficulties in managing systems and technology partners, differing technology standards and complexity involved with developing a standard marketplace solution that would require consistent efforts to improve and enhance the functionality, performance, reliability, design, security and scalability of out platform consistent with our merchants' and clients' evolving needs. We have made and are continuing to make investments in optimizing and localizing our customer experience, our fulfillment and IT infrastructure and the development of mobile applications. Our IT investment costs were €59 million for 2023 and €55 million for 2024. However, there is no assurance that these efforts will be sufficient to grow our business or revenues in relation to the costs we incur or at all. Failure to effectively upgrade our technology or network infrastructure to support our expected increases in traffic volume could result in unanticipated system disruptions, slow response times or poor experiences for customers. Failure to realize the benefits of amounts we invest in new technologies, products, or services could result in the value of those investments being written down or written off.

If we are unable to manage our growth successfully, our business, financial condition and results of operations may be materially and adversely affected.

We face intense competition and could fail to gain, or could lose, market share if we are unable to compete effectively.

The e-commerce sector is highly competitive, and new entrants into the market may be attracted by the relative under-penetration of the online retail space in France and elsewhere in Europe compared to other markets. Customers have a broad range of retail choices online and offline, and we expect competition in e-commerce to continue to increase because the internet facilitates competitive entry, thereby enhancing the ability of smaller, new, or lesser-known entrants to compete.

We currently compete and expect to increasingly compete with our main competitor Amazon, but also with:

- Asian pure generalist marketplaces with very low prices, high marketing and financial means that allow them to quickly develop their market acquisition strategy;

- French historic physical retailers benefitting from strong brands and developing their marketplace, with respect to some of our product categories, in particular small consumer electronics, such as mobile phones, cameras, and computers; cultural products, such as books and music, home appliances and home furnishings;
- French and European online specialist players and C2C (customer-to-customer) platforms with strong user experience.

In addition to competition from established market participants, we could face competition from new e-commerce players that enter the French market or the other markets in which we operate, or seek to operate, as well as from consolidation of existing competitors or entrants spun off from larger competitors.

We believe that our ability to compete depends upon many factors both within and beyond our control, including, but not limited to:

- the price and quality of products and services we offer relative to our competitors;
- the size, composition, and purchase frequency of our customer base;
- our ability to offer a convenient, efficient, and reliable e-commerce shopping experience and retain customers through the quality of our website design, as well as our responsiveness and customer service;
- the composition of our base of merchants, which also affects the price, quality, and selection of products available on our marketplace;
- our speed and cost to deliver goods as well as the convenience of our delivery options relative to our competitors;
- the number of products we feature on our sites;
- our ability to anticipate or adapt to changing consumer preferences, in terms of product range as well as online user preferences in terms of technology;
- our ability to source and distribute our products efficiently as well as manage our operations in a cost-effective manner;
- our fulfillment operations and our ability to source and distribute our products efficiently;
- our reputation and brand strength relative to our competitors;
- our ability to provide convenient and appealing payment options, including installment payments;
- our customer-friendly return policy and general terms and conditions;
- the legal framework governing e-commerce activities, including provisions governing liability, data protection, payment regulation and supervisory oversight; and
- the effectiveness of our advertising and marketing efforts to acquire new marketplace merchants and clients, suppliers, and customers.

Some of our current competitors have, and potential competitors may have, greater resources, longer operating history, larger fulfillment infrastructures, physical store presence, greater technical, financial, and marketing capabilities, greater brand recognition, larger customer bases and wider reach or better economies of scale than we do. These factors may allow our competitors to derive greater net sales and profits from their existing customer base, acquire new customers at lower costs or respond more quickly than us to new or emerging technologies and changes in consumer preferences. For example, greater financial resources may allow some of our competitors to enter markets in which we currently operate or may operate in the future and gain market share by acquiring and consolidating local competitors or by supporting a high level of net results and free cash flow losses. In addition, our competitors may engage in more extensive site development efforts and undertake more far-reaching marketing campaigns, which may allow them to build larger customer bases or generate net sales from their customer bases more effectively than we do. New market entrants may appear and some of our current smaller competitors may be acquired by, receive investment from or enter strategic relationships with well-established and well-financed companies or investors who would enhance their competitive positions. To compete more effectively, we may need to increase spending and/or lower our margins. However, slowdown in fund raising in 2022-2024 could lead to less favorable market conditions for our competitors.

With the development of B2B activities, we face new competitors with more experience in providing technological marketplace solutions and logistics solutions. We may have to compete with more specialized companies on each of Octopia's and C-Logistics value propositions. Furthermore, Octopia, C-Logistics and Cdiscount Advertising's growths depend in part on our ability to continue generating strong e-commerce activity through Cdiscount. As a result, any risk with a material impact on Cdiscount, such as those described in this section, could impact the prospects of Octopia, C-Logistics and Cdiscount Advertising or the confidence of its clients in its solutions and thus adversely affect the growth of our B2B activities.

New and enhanced technologies, including search, web and infrastructure computing services, digital content, mobile applications, and generative artificial intelligence (GenAI) could increase the intensity of the competition we face. Emerging technologies, such as the use of cloud computing to replace or supplement physical infrastructure, could also make it easier for competitors to enter our markets due to lower up front technology costs.

We may not be able to compete successfully against current and future competitors, and these competitive pressures may materially and adversely affect our business, financial condition, and results of operations.

Our failure to quickly identify and adapt to changing industry conditions may have a material and adverse effect on us.

Online and offline retail businesses are subject to changing consumer preferences and industry conditions. This is particularly true with respect to products such as electronics or, for example, video games that are increasingly sold directly online by publishers, making our intermediary position between suppliers and customers unnecessary. We must remain ahead of emerging fashion, lifestyle, design, technological and other industry, and consumer trends and extend our activity in non-technical products such as home and furniture, sports and outdoors or home improvement. This requires timely collection of market feedback, accurate assessments of market trends and an understanding of industry dynamics. We depend on the merchants and other clients that use our marketplace and other B2B solutions, and in particular on their ability to make decisions regarding product selection, pricing, supplier selection, image and presentation and other factors that appeal to consumers, and we have limited influence over their choices. We must also maintain relationships with suppliers who are able to quickly adapt to changes in consumer preferences. See also "*Risks related to our business and industry – We are dependent on the merchants and suppliers we select for our e-commerce business*". If we or our merchants cannot offer appealing products, our customers may purchase fewer products or stop purchasing products from us or on our marketplace, visit our websites or our mobile applications less frequently or stop visiting our websites or our mobile apps altogether. If we do not anticipate, identify, and respond effectively to consumer preferences or changes in consumer trends at an early stage, we may not be able to generate our desired level of product sales. Our reputation may also be negatively impacted. Failure to properly address these challenges may materially and adversely affect our business, financial condition, and results of operations.

We are dependent on the merchants and suppliers we select for our e-commerce business.

We seek to maintain good relations with our business partners, especially marketplace merchants and the suppliers for our direct sales business. As of December 31, 2024, we had approximately 580 active suppliers for our Cdiscount direct sales business. In 2024, we had around 17,000 merchants that made at least 1 sale on our marketplace platform, out of which around 9,000 are still active at year-end (at least one active offer).

As we seek to grow our business, we will need to increase our ability to source quality products on reasonable terms. In doing so, we face risks that our merchants and suppliers may:

- cease selling products on terms acceptable to us. This risk may be heightened by our stock optimization strategy and by the decrease in guaranteed outstanding by credit insurers, impacting long-term negotiating power with suppliers；
- terminate our relationships or enter into agreements with our competitors. This risk applies both to suppliers and merchants, as the latter may become less dependent on our platform as the number of alternative platforms available to sell marketplace products is growing;
- fail to deliver goods that meet customer demands；
- have economic or business interests or goals that are inconsistent with ours and take actions contrary to our objectives；
- be unable or unwilling to fulfill their obligations, including their obligations to meet our production deadlines, quality standards and product specifications；
- fail to expand their production capacities to meet our demands；
- encounter raw material or labor shortages or increases in raw material or labor costs, which may impact our procurement costs； or
- engage in other activities or employment practices that harm our reputation.

We continuously work on merchants' onboarding and experience to improve their satisfaction in order to attract and retain merchants with attractive product offerings. The success of our marketplace depends on continued demand for products that merchants are prepared to offer, which demand may shift over time due to perceived availability, subjective value, and consumer trends. We do not control the pricing and marketing strategies of our merchants. We also focus on maintaining key historical suppliers and trade terms; our growing marketplace may generate tension between our direct business and the marketplace, which could damage our relations and trade terms with our historical suppliers and major brands. Failure to maintain good relations with merchants and suppliers could negatively affect our ability to offer a quality customer experience, offer new products and attract other reliable business partners, which could have a material adverse effect on our business, financial condition, and results of operations.

Due to French law, we do not have long term arrangements with most of our suppliers or merchants to guarantee availability of merchandise, particular payment terms, or the extension of credit limits. If our key suppliers or merchants were to stop selling or licensing products or services to us on acceptable terms, or to delay delivery, including as a result of bankruptcies, poor economic conditions, natural disasters, pandemics, disagreement on economic terms or for other reasons, we may lose customers and we may not have sufficient existing inventory to fulfill completed orders to our customers in a timely manner, or at all. In addition, in such circumstances we may be unable to procure alternatives from other suppliers in a timely and efficient manner and on acceptable terms, or at all.

Certain suppliers may have us as their sole customer and marketplace merchants may depend solely or predominantly on their sales on our marketplace platform. Their respective businesses may be highly dependent on our commercial relationship. If a supplier is dependent on us, abusive termination of our commercial relationship may subject us to financial sanctions. For example, under French law, abuses of economic dependency are strictly prohibited and the French Competition Authority (*Autorité de la Concurrence*) and/or French courts may impose financial penalties on concerned companies or entities. These events could negatively affect our reputation and our relationships with other suppliers. We may become subject to formal and informal reviews and investigations by governments and regulatory authorities in this respect to assess whether aspects of our operations violate competition rules. See also "*Risks related to legal, regulatory and tax matters – Our operations are subject to a variety of laws and regulations, and we expect that the extent of regulation applicable to us and our operations will increase over time and that we will be subject to new laws and new regulations*" and "*Risks related to legal, regulatory and tax matters – We may become subject to additional laws or regulations or changes to existing laws or regulations, or changes in the interpretation of existing or new laws or regulations, any of which could impact the way we conduct our business*".

Furthermore, in the event of bankruptcy of a supplier or merchant, we may not be able to recover any outstanding amounts such third parties owe us for rebates or for services rendered, such as preferred placement of their offers on our sites. These events could harm our reputation and have a material and adverse effect on our business, financial condition, and results of operations. We may also, as matter of policy, elect to reimburse customers in the event of a merchant bankruptcy. As our marketplace business grows, the cost of this program will increase and could negatively affect out operating results.

If we fail to retain existing customers or acquire new customers, our sales may suffer and our marketplace or B2B business may not grow as expected.

The e-commerce sector is highly competitive, and to increase net sales and profitability, we must retain existing customers and continue to acquire new customers for our B2C and B2B offerings, both of which we aim to accomplish by offering a quality customer experience. To attract new B2C customers, we must appeal to, and acquire, customers who historically have used other channels of commerce to purchase products and may prefer alternatives to our offerings, such as in store shopping, retailer'' own sites or sites of our e-commerce competitors.

We believe that many of our new B2C customers originate from word of mouth and other non-paid referrals from existing customers, which is complemented by the awareness we seek to create through radio and television advertising and use of social media, including advertising using influencers. We must ensure that our existing customers remain loyal to continue to grow our business.

Our ability to retain existing customers is supported by our B2C customer loyalty program. For example, we offer our customers free next-day shipping on items other than heavy or bulky items at the address or pick-up point of their choice on our direct sales orders for an annual fee, through our *Cdiscount à Volonté* loyalty program (CDAV). However, if our efforts to create a quality customer experience and/or our customer loyalty programs are not successful, we may not be able to retain existing customers or acquire new customers to continue to grow our business.

Retaining existing customers or acquiring new B2C customers may become more difficult and costly than it has been in the past. Increased customer service may include, among other things, faster delivery times, which could require additional or expanded distribution centers, increased level of assortment, increased efficiency of our sites and enhanced level of service provided by our customer care call centers, all of which could result in increased costs. Similarly, increased marketing efforts can be more costly. Customers' loyalty also depends on prices, and we may lose customers to competitors on highly comparable products, such as technical goods from renowned brands.

Our ability to retain and attract the best merchants is key to retaining and attracting Octopia clients, who expect to have the best offers in their market at best price and the best quality of service.

Failing to acquire sufficient new B2C or B2B customers, or failing to do so in a cost-effective manner, could adversely affect our financial results. Moreover, failing to retain existing customers, or not maintaining average order value levels, could result in pressure on our revenue base and margin, our net income may stagnate or decrease, and our business, financial condition and operating results may be materially and adversely affected.

Nevertheless, this risk is mitigated by the significant reinvestment plan Cnova launched in Q3 2024, which is centered on enhancing customer experience and strengthening Cdiscount's brand identity. This plan includes a proactive media strategy with television, outdoor, and radio campaigns, as well as targeted initiatives to improve our product offering and customer journey.

The success of our business depends on strong brands, which we may be unable to maintain or enhance, and which could be adversely affected by customer complaints or negative publicity.

We believe that our *Cdiscount*, *Octopia*, *Cdiscount Advertising*, *C-Logistics, Peaksys, Baleen* and *Cdiscount Voyages* brands contribute significantly to the success of our business. We also believe that the new Cdiscount brand and platform launched mid-2024 is critical to maintain and expand our base of customers, suppliers, and marketplace merchants and clients.

Maintaining and enhancing our brands depends in large part on our ability to:

- create and maintain a convenient and reliable customer experience as preferences evolve and as we expand into new products and new business lines;
- increase repeat purchases by customers;
- increase purchases by mobile application users;
- provide high-quality customer services, including maintaining dedicated customer service teams;
- provide a reliable, trustworthy, and profitable market to our suppliers, and marketplace merchants and clients;
- offer products of sufficient quality at competitive prices;
- manage new and existing technologies and sales channels;
- increase website awareness among existing and potential customers through marketing and promotional activities;
- assure our customers of the security of our websites and mobile applications for online purchases;
- provide efficient and reliable delivery options through our logistics offerings; and
- provide secure and comprehensive payment services.

Increasingly, customer views of our brands also depend on public perception of our platform as contributing to sustainability. See also "*Risks related to legal, regulatory and tax matters – We are subject to increasingly stringent environmental regulations*."

Maintaining and enhancing our brands may require making substantial investments, adapting our strategy to new trends in the market, lowering the prices of our product offerings and shipping charges, and these efforts may not be successful. If we fail to promote and maintain our brands or if we incur excessive expenses in this effort, our business, financial condition, and results of operations may be materially and adversely affected.

Furthermore, our brand may be adversely affected if our public image or reputation is tarnished by negative publicity. Customer complaints or negative publicity about our sites, product offerings, services, delivery times, customer data handling, commercial pressure, security practices, the working conditions of our employees (or those of the employees of any of our subcontractors or suppliers) or customer support could harm our reputation and diminish consumer use of our sites, and consumer, vendor, and marketplace merchant confidence in us. In addition, despite our monitoring efforts and action plan, the level of customer service perceived by our customers for marketplace products is significantly lower compared to products in our direct sales business, which we believe is due to longer delivery times or lower quality of service associated with marketplace sales and which could adversely impact the perception of our brands generally.

In particular, with respect to Octopia, being able to maintain a high level of quality in our product catalogue is key for expanding Octopia's operations by retaining and attracting new clients. Lower quality of service or a less attractive product catalogue will diminish Octopia's value proposition to its clients, which is based on the combination of technology and product offering. Poorly adapted technology, technical difficulties, or merchants' dissatisfaction could have a negative impact on Octopia's brand perception from merchants and from future clients. We also may face challenges to impose Octopia brand at an international level, as it will not be supported by a well-known brand as it is in France with the Cdiscount brand.

Furthermore, certain brands are important in driving traffic to websites. Although we believe we have good relationships with these brands' owners, any deterioration in these relationships or in consumers' perceptions of the brand image or the quality of the products associated with them could be negative for us, particularly if we or our marketplace merchants are unable to offer these brands to our customers or can only offer them on less favorable terms.

If we are unable to maintain or enhance our brand image, if our brand image is damaged by negative publicity, if our brand is not accepted by consumers or if we are unable to improve customer perceptions of our marketplace products, our overall reputation may be negatively affected. A diminution in the strength of our brands and reputation could have a material adverse effect on our business, financial condition, and results of operations.

Dissatisfaction with our customer service could prevent us from retaining customers.

A satisfied and loyal customer base is crucial to our continued growth. As an e-commerce retailer, we do not have face-to-face contact with our customers, so our ability to maintain continuous customer relationships depends on the quality of the online customer experience we are able to offer, from browsing the product catalogue to checkout and after-sale service. Strong customer service is required to ensure that customer questions and complaints are addressed in a timely manner and to the customer's satisfaction. We respond to customer requests and inquiries through e-mail and our toll-free hotline. Any actual or perceived failure or unsatisfactory response by our customer service personnel could negatively affect customer satisfaction and loyalty. Our inability to retain customers due to a lack of satisfactory customer service could have a material adverse effect on our business, financial condition, and results of operations.

Restrictions on, or an inability to timely deliver, marketing communications or changes in the processes of search engines could adversely affect our business.

Our business partly depends upon email, SMS messages, in-app push notifications and direct phone calls for promoting our sites, product offerings and services, and we also send promotional emails to consumers in our customer database. Actions by third parties to block, impose restrictions on or charge for the delivery of emails or other messages could materially and adversely impact our business. From time to time, internet service providers or other third parties may block bulk email transmissions or otherwise experience technical difficulties that result in our inability to successfully deliver emails or other messages to customers. Changes in laws or regulations that limit our ability to send such communications or impose additional requirements upon us in connection with sending such communications could also materially and adversely impact our business. See also "*Risks related to legal, regulatory and tax matters – Our operations are subject to a variety of laws and regulations, and we expect that the extent of regulation applicable to us and our operations will increase over time and that we will be subject to new laws and new regulations.*"

Our use of email and other messaging services to send communications about our sites, product offerings and services or other matters may also result in legal claims against us, which may cause us increased expenses and, if successful, might result in fines and orders with costly reporting and compliance obligations or could limit or prohibit our ability to send emails or other messages. In addition, changes in how webmail applications organize and prioritize email may reduce the number of our emails being opened, including if our email messages are delivered to "spam" or similar folders. We also use social media services to send communications and create a community of customers around our brands. Changes in the terms of use of social media services that would limit our ability to send promotional communications or our customers' ability to receive communications, disruptions or downtime experienced by these services or decline in the use of or engagement with social media by customers and potential customers could harm our business.

In addition, a portion of the organic traffic to our sites is generated through search engine optimization ("**SEO**"). Our SEO techniques have been developed to work with existing search algorithms used by the major search engines. However, major search engines may modify their search algorithms, and changes in these algorithms could cause our sites to receive less favorable placements, which could reduce the number of users who visit our sites. In addition, sites must comply with search engine guidelines and policies. These guidelines and policies are complex and may change at any time. If we fail to follow such guidelines and policies properly, search engines may rank our content lower in search results or could remove our content altogether from their results. If we are listed less prominently or fail to appear in search result listings for any reason, the number of visitors to our sites could decline.

Furthermore, customer preferences are evolving, and we may face the need to alter our engagement tools to ensure better customer experiences, which may result in the expenditure of significant financial, managerial, and operational resources. Any decrease in the number of visitors to our sites, or failure to quickly adapt to customers' changing demands may adversely impact our reputation, business, financial condition, and results of operations.

We may face reputational and other risks related to the widespread use of social media.

The considerable expansion in the use of social media has led to a corresponding significant increase in image and reputational risks. Social media constitutes a powerful tool for e-commerce platforms such as ours as it encourages customers to share their experiences, their opinions and other commentary to form a sense of community. In December 2024, we reached approximately 6 million subscribers on our commercial social media accounts (Facebook, Pinterest, Twitter, Instagram & TikTok), including 0.5 million subscribers on the "Cdiscount Maison" accounts, 0.8 million subscribers on the "Cdiscount Gaming" accounts and 0.6 million subscribers on the "Cdiscount Voyages" accounts.

The speed with which social media communications can be shared and commented upon poses risks, and even communications that we have initiated may spread or evolve in ways that are beyond our intention or control. Our messages, and our reputation more broadly, may be compromised by complaints, negative messages, or false claims, anonymous or otherwise, or may be coopted by individuals or organizations whose views we do not support or condone, all of which could diminish the effectiveness of our communications and damage our reputation. Additionally, allegations, directly or indirectly against us, may be posted in internet chatrooms or on blogs or websites by anyone, whether or not related to us, on an anonymous basis. Consumers value readily available information concerning retailers, manufacturers, and their goods and services and often act on such information without further investigation or authentication and without regard to its accuracy. Although we have put in place policies and tools to monitor our social media presence, these policies and tools may be ineffective at limiting the impact of negative messages or false claims about us, and we may be unsuccessful in having such messages removed by the operators of social media sites, in a timely manner or at all.

If we are unable to adequately monitor our social media presence and communications, or if we are the subject of unfavorable campaigns or messages, our reputation and brands may be harmed and our business, financial condition and operating results may be adversely affected.

We may not live up to the expectations of merchants, clients, suppliers, customers, and other stakeholders in respect of corporate responsibility and sustainability.

See the sustainability report for more information.

Adverse geopolitical and macroeconomic conditions in France and EMEA, as well as their impact on supply and consumer spending patterns could adversely impact our operating results.

Our business is highly dependent on our operations in France, and to a lesser extent on other countries in EMEA where Cnova operates or plans to operate. For 2024, approximately 95% of our net sales were generated from our operations in France.

In France, Europe and globally, unfavorable economic conditions such as high inflation, increase in interest rates, including their impact on the availability of consumer credit and levels of consumer spending, particularly spending on home appliances, consumer electronics, mobile phones, computers, and home furnishings, may negatively impact our business. Given the nature of our business (consumer non-food spending, which can be viewed as discretionary items), our e-commerce activity is particularly affected by macroeconomic downturns. Some of the factors adversely affecting consumer spending include levels of unemployment, consumer debt levels, changes in net worth based on market changes, changes in home values, fluctuating interest rates, credit availability, government actions and regulations, fluctuating fuel and other energy costs, fluctuating commodity prices, consumer confidence and general uncertainty regarding the overall future economic environment. Reductions in credit availability and/or more stringent credit policies practiced by us and/or companies offering consumer credit may significantly reduce consumer expenditure and available financing, particularly in the lower income classes that may have relatively less access to credit compared to higher income classes, which may negatively affect our sales. These same factors may also impact the financial condition of merchants and their ability or continued willingness to use our marketplace and, going forward, our marketplace clients.

The ongoing geopolitical tensions with China, developments of the war in Ukraine and Israeli-Palestinian conflict may heighten worldwide tensions on supply chain, extend shipping lead time between China and the EU, and increase our transportation and last mile delivery costs as freight transport and oil prices have already surged. International geopolitical and economic repercussions of international tensions and conflicts may have negative consequences on our supply capacities and costs, and affect our customers' buying power, as fuel prices increase, which may negatively affect our sales. Although we have little exposure in these war zones, these crisis situations may impact neighbor countries where some of our suppliers' manufacturing sites are located, as eastern European countries and Turkey.

Other unfavorable geopolitical and economic conditions in markets in which we currently operate or may operate in the future could reduce consumer spending, negatively affect net sales, have a material adverse effect on our business, financial condition, and results of operations, and negatively affect our ability to implement our growth strategies in France and at an international level.

Any future pandemic, or other public health emergency, could materially affect our business, liquidity, financial condition, and operating results.

The outbreak of a pandemic or other public health emergency can lead to significant disruptions in global supply chains, workforce availability, and consumer behavior. Measures implemented by authorities, such as travel restrictions, lockdowns, and business shutdowns, can impact our workforce, marketplace merchants, direct business suppliers, and customer demand. Supply chain disruptions, including manufacturing slowdowns, container shipping delays, and increased consumer demand for specific products, may negatively affect our inventory levels and operational efficiency.

In the event of a future pandemic or public health crisis, we may face increased shipping costs, logistical disruptions, and additional costs related to workforce protection measures, such as enhanced hygiene protocols and health testing in our warehouses. Furthermore, economic uncertainty resulting from such an event could lead to volatility in global credit and capital markets, potentially increasing the cost of and access to capital. A prolonged economic slowdown, higher unemployment rates, and reduced consumer spending could also negatively impact demand for our products and services.

As an e-commerce operator, our business model depends on continued consumer engagement with online shopping. While past health crises have contributed to an acceleration of e-commerce adoption, there is no guarantee that future events will have similar effects. Changes in demand patterns could be unpredictable, and any future pandemic or public health emergency could materially affect the operations of our suppliers, logistics providers, and customers, ultimately leading to adverse effects on our business, financial condition, and results of operations

Any significant event that would interrupt our IT systems and/or our logistics network could have material negative impacts on our processing time and our quality of service, may lead to loss of customers, suppliers or marketplace merchants and may potentially reduce our ability to sell during this period.

Partial or total interruptions in continuous operation of our IT systems and/or our logistics network (including our warehouses and our upstream and downstream carriers) may occur as a result of circumstances outside of our control, including natural disasters as flood, storm, earthquake, fire but also power loss, telecommunications failure, acts of war, terrorism, computer disasters, physical or electronic break-ins, judicial injunctions, sabotage, work stoppage or similar events. Any interruptions in continuous operation of our IT systems and/or our logistics network (even interruption of the activity our main IT service providers, merchandise suppliers, carriers and marketplace merchants) may have a material adverse effect on our business and revenues. In particular, if such interruptions were to occur at a time when our warehouses are expected to have a high activity, such as during Black Friday sales or other highly promoted sales events that significantly contribute to our annual GMV and net sales, the impact on our results of operations could be exacerbated.

Interruption in our IT service and systems is more detailed in the next paragraph.

Any significant interruptions or delays in IT service or any undetected errors or design faults in IT systems could result in limited capacity, reduced demand, processing delays and loss of customers, suppliers or marketplace merchants and a reduction of commercial activity.

Our reputation and ability to acquire, retain and serve our customers depend upon the reliable uninterrupted performance of our sites and the underlying infrastructure of the internet, including availability of our own systems as well as fixed line and mobile communications networks operated by third parties over which we have no control. Any interruptions in continuous operation of our sites may have a material adverse effect on our business and revenues. In particular, if such interruptions were to occur at a time when our sites are expected to receive heavy traffic, such as during Black Friday sales or other highly promoted sales events that significantly contribute to our annual GMV and net sales, the impact on our results of operations could be exacerbated. We are also dependent on the maintenance of reliable internet and communications networks with the sufficient speed, data capacity and security, as well as on the timely development of complementary products, to provide customers with reliable access to our sites. We also rely on third party email service providers, internet service providers, cloud computing service providers, and mobile networks to deliver our email and "push" communications to customers and our sites. We do not have control over these providers or networks.

We currently use two main data center hosting facilities, one in Paris and one in Bordeaux, France. The data centers simultaneously handle our global information systems and are substantially similar to one another in internal structure, such that in case of a system failure at one of our French data centers, we expect to be able to rely on the other. However, a failure may occur at both of our main data centers, and our back-up systems may not function properly. Any damage to, or failure of third-party communication networks or our data centers, whether due to system failures, computer viruses, physical or electronic break ins or other unexpected events or disruptions, could cause system interruption, delays, and loss of critical data, prevent us from providing our services on a timely basis or limit or prevent access to our sites and cause partial or complete shutdowns of our sites. In addition, we are expanding the use of Microsoft Azure for some new activities, such as our Cdiscount Advertising solution, and any disruption or failure of Microsoft's solutions may negatively impact this activity. Failures to adequately optimize our data centers may result in excess or insufficient data center capacity, increased costs, and impairment charges, any of which could adversely affect our business. As we continue to add data center capability or add new businesses with different requirements, our data center networks will become increasingly complex and operating them will become more challenging. There can be no assurance that we will be able to operate our networks effectively.

Similarly, the ability of our customers to access our sites and platforms depends upon the performance and reliability of the telecommunications and internet infrastructure in France and in other countries in EMEA. Our ability to provide a reliable and secured technological platform to potential Marketplace-as-a-Service clients will also depend on third-party partners, providers, and infrastructure worldwide. Any deficiencies, including a significant disruption in internet access or telecommunications networks may cause slow response times or otherwise impair our customers' experience, which may in turn reduce traffic to our sites and significantly harm our business, financial condition, and results of operations. Similarly, persistent interruptions or delays in IT service or any undetected errors or design faults in our IT systems could damage our reputation.

In addition, with our Baleen offer, which provides IT security solutions for websites, any interruption in our IT systems impacting Baleen clients like French institutions may have significant negative impact on our clients' trust and relationship and our reputation.

Our failure or the failure of third-party service providers to protect our sites, networks, and systems against security breaches or otherwise to protect our confidential information and that of our customers could damage our reputation and brands as well as substantially harm our business and operating results.

As an e-commerce and B2B business, we depend on digital technologies, including information systems, infrastructure and cloud applications and services, including those of third parties to run the platform. We therefore count on the efficient and uninterrupted operation of numerous systems, including our computer systems and software, as well as the data centers through which we collect, maintain, transmit and store data on our customers, suppliers, marketplace merchants and clients, and others, including payment information and personally identifiable information, as well as other confidential and proprietary information. Because our technology systems are highly complex, they may be subject to failure. Moreover, because we collect, process, store and transmit large amounts of data, including confidential, sensitive, proprietary, and business and personal information, failure to prevent or mitigate data loss, theft, misuse, or other security breaches or vulnerabilities affecting our or our merchants', clients' and/or customers' technology, products, and systems, could expose us and/or our merchants, clients, or customers to a risk of loss, disclosure, or misuse of such information. While we have developed systems and processes designed to protect the availability, integrity, confidentiality, and security of our and our customers', suppliers', merchants', employees' and others' data, our security measures or those of our third-party service providers or vendors could fail and result in unauthorized access to, or disclosure, acquisition, encryption, modification, misuse, loss, destruction, or other compromise of, such data. If a compromise of such data were to occur, we may become liable under contracts with other parties and under applicable law for damages and incur penalties and other costs to respond to, investigate and remedy such an incident.

Sophisticated and deliberate attacks on, or security breaches in, our systems or infrastructure, or the systems or infrastructure of third parties or the cloud, could lead to unauthorized access to our systems, significant service disruptions, a partial or complete shutdown of our sites for a short or extended period, and corruption or misappropriation of assets, proprietary information and sensitive or confidential data. Such attacks could occur for the purpose of sabotage and financial blackmail (e.g., through spyware, ransomware, or spear phishing attacks) or to slow connection or make access to platform unavailable (e.g., via use of distributed denial-of-service attacks). We also are exposed to the risk of having infrastructure in our cloud platform hacked or attacked, which could cause significant service disruptions. Our cybersecurity measures may not detect or prevent all attempts to compromise our systems. As techniques used to obtain unauthorized access to or sabotage systems change frequently and may not be known until launched against us or our third-party service providers, we may be unable to anticipate or implement adequate measures to protect against these attacks.

We have often been, and are likely again in the future to be, subject to these types of attacks. Moreover, our technology infrastructure may be subject to employee error, malfeasance or other unauthorized access to our systems and data. Our key employees and officers have access to sensitive confidential information relating to our clients and our business, such as insights about strategic developments and core technology. We have implemented various measures to protect such confidential data. However, in the event that competitors, third parties or the general public gain access to such confidential information in spite of our protective measures, whether intentionally or by accident, our market position and reputation could be materially weakened. Additionally, third parties may attempt to fraudulently induce, with social engineering techniques, employees or customers into disclosing sensitive information such as usernames, passwords, or other information in order to gain access to our or our customers' data.

If we are unable to avert future attacks or security breaches, we could be subject to significant legal liability and exposure to financial losses. We might, for example, be subject to:

- operational disruptions;
- increased costs to identify and remediate vulnerabilities or reconstruct lost data;
- damage to reputation and commercial relationships;
- ransom demands;
- claims from customers, suppliers, financial institutions, payment card associations, employees, and others; and
- claims or other sanctions from regulators.

We may not have the resources or technical sophistication to anticipate or prevent various types of cyber-attacks. Cyber-attacks may target us, merchants on our marketplace, customers or other participants, or the telecommunications infrastructure on which we depend. A data breach or cyberattack could especially have a material effect on Cdiscount Advertising, which is based on trusted and secured data. Any compromise or breach of our security measures, or those of our third-party service providers, could result in us violating applicable privacy, data security and other laws, and cause significant legal and financial exposure, adverse publicity, and a loss of confidence by suppliers, merchants, or customers in our security measures, which could have an adverse and material effect on our business, financial condition, and results of operations.

Even if we are successful in preventing security breaches, any perception by the public that online commercial transactions, or the privacy of user information, are increasingly unsafe or vulnerable to attack could inhibit the growth of online retailers and other online services generally, which, in turn, may have a material adverse effect on our business, reputation, financial condition and results of operations.

Any failure to adapt to technological developments or industry technological trends could harm our business.

We must continuously improve and upgrade our technology systems and infrastructure in order to rapidly meet evolving consumer trends and demands as well as to improve the performance, features and reliability of our sites in response to competitive product offerings and services. The Company's offerings, which can present new and difficult technology challenges, may subject us to claims if customers experience service disruptions or failures or other quality issues.

In addition, the increasing use of mobile platforms in e-commerce, as well as the emergence of niche competitors who may be able to optimize product offerings, services, or strategies for such platforms, will require us to make new investments in technology. Any platform, apps, or other new technology we invest in, may not be successful, and we may face operational difficulties in the migration of systems, platforms, or technologies. Furthermore, user behavior in response to technological developments is rapidly evolving and we may lose customers if we are not able to continue to meet their mobile and multi-screen experience expectations. The variety of technical and other configurations across different mobile devices and platforms increases the challenges associated with the rapidly evolving mobile and technological environment. We have also implemented new automation and robotics technologies in our fulfillment centers.

In addition, recent emergence of GenAI is currently redefining ways of working, ways to interact with our customers, and will eventually significantly transform the web and marketplace platforms. Challenges to quickly adapt our internal activities and customer experience to GenAI are key to maintain our position within the market.

New and enhanced technologies, including search, web and infrastructure computing services, digital content, mobile applications, and generative artificial intelligence (GenAI) could increase the intensity of the competition we face. Emerging technologies, such as the use of cloud computing to replace or supplement physical infrastructure, could also make it easier for competitors to enter our markets due to lower up-front technology costs.

If we are unable to keep up with technological developments or industrial technological trends and successfully implement them, our business, financial condition, and results of operations could be materially and adversely affected.

Some of our software and systems contain open-source software, which may pose particular risks to our proprietary software and solutions.

We use, and plan to continue using, open-source software in our software and systems. The licenses applicable to open-source software typically require that the source code subject to the license be made available to the public and that any modifications or derivative works to open-source software continue to be licensed under open-source licenses. From time to time, we may face intellectual property infringement claims from third parties, demands for the release or license of the open-source software or derivative works that we develop using such software (which could include our proprietary source code) or claims that otherwise seek to enforce the terms of the applicable open-source license. These claims could result in litigation and could require us to purchase a costly license, to publicly release the affected portions of our source code, to be limited in the licensing of our technologies or to cease offering the implicated solutions unless and until we can re-engineer them to avoid infringement or change the use of the implicated open-source software. In addition to risks related to license requirements, use of certain open-source software can lead to greater risks than use of third-party commercial software, as open-source licensors generally do not provide warranties, indemnities, or other contractual protections with respect to the software (for example, non-infringement or functionality). Our use of open-source software may also present additional security risks because the source code for open-source software is publicly available, which may make it easier for hackers and other third parties to determine how to breach our sites and systems that rely on open-source software.

Any of these risks could be difficult to eliminate or manage and could have a material and adverse effect on our business, financial condition, and results of operations.

Our business would be adversely affected if we fail to operate our fulfillment centers effectively and efficiently.

Fulfillment is essential to our ability to provide a high-quality service to our customers. At year-end 2024, our fulfillment infrastructure consisted of a network of 7 warehouses (distribution centers) in France, with a combined total of 298 000 square meters, spread around three main regions (Paris, Lyon and Bordeaux), after a rationalization of -111 000 square meters during 2024. If we did not operate, manage and/or control our fulfillment centers effectively and efficiently, we could experience excess or insufficient fulfillment capacity, delivery delays, poor customer satisfaction or image perception, inventory shortages or high levels of out-of-stock products, an increase in costs or impairment charges and a reduction in our gross profit margin, excluding shipping cost. If we do not have sufficient fulfillment capacity or experience problems fulfilling orders in a timely manner, for example due to failure of mechanized equipment at a fulfillment center, or inefficiencies in the supply chain, or if certain products are out of stock, our customers may experience delays in receiving their purchases, which could harm our reputation and our relationship with our customers. In addition, processing customer returns and cancelled orders adds complexity to our logistics operations, which increases our costs and may adversely affect customer response times. An increase in customer requests to return products or cancel orders could materially impact our results of operations.

We seek to improve our fulfillment and warehouse capabilities on an ongoing basis in order to support our activities in a cost-effective manner. From time to time, our commercial strategy may evolve, and we may change the mix of products that we offer, which may necessitate different fulfillment requirements.

We must obtain or from time-to-time review licenses, authorizations and permits necessary to operate certain of our fulfillment centers in France. In the event that we are unable to obtain or renew these licenses, authorizations and permits or face the need to allocate time and resources needed to obtain any additional permits or licenses as may be introduced under applicable laws and regulations to maintain, operate and expand warehouse space, including in other countries where we may in the future expand our operations, our operations may be adversely affected. Moreover, we may be adversely affected to the extent government restrictions are imposed on the construction of warehouse space. Such restrictions were considered in France in 2020 and could again be considered and implemented. See also "*Risks related to legal, regulatory and tax matters – We are subject to increasingly stringent environmental regulations.*"

In our operational activity, we are faced with a multitude of risks associated with the maintenance and operation of our warehouse space, including increasing costs of maintaining, obtaining insurance coverage, renovating and making improvements to our properties or potential access blockage, all of which could affect our ability to efficiently maintain and operate our fulfillment centers, which may adversely impact our B2B and B2C strategies and our business, financial condition and results of operations.

We use third party couriers and postal services to deliver many of our orders. If these third-party providers fail to provide reliable delivery services, our business and reputation may be materially and adversely affected.

We deliver orders mainly in France and also in several European countries through Octopia's fulfillment solutions operated by C-Logistics, which relies on third party providers to procure transportation and last mile delivery and maintain agreements with several third-party courier and postal services to procure transportation and last mile delivery of smaller sized products to our customers in France and other countries. For transportation of large and bulky items more than 30kg, we use C Chez Vous. We may also use third party service providers to ship products from our fulfillment centers to our network of pick-up points and arrange for home delivery services. Marketplace merchants may also use third party couriers if they do not use our fulfillment and delivery ecosystem, to the extent offered. Partial or complete interruptions of these third-party delivery services could prevent the timely or proper delivery of our products to customers.

In addition, if our third-party delivery services fail to comply with applicable rules and regulations in the countries in which we operate, our delivery of orders may be materially and adversely affected. Delivery of orders could also be affected or interrupted by circumstances affecting individual delivery companies we hire, such as insolvencies or government action.

This dependency also applies to Octopia's fulfillment solution. This risk may increase in countries where we do not have as many couriers as in France or neighboring countries.

If we do not deliver products to our customers in a timely manner or deliver damaged products, our customers may refuse to accept our products and become less confident in us. Certain products, such as apparel, may be especially sensitive to delivery delays given that they are often purchased in anticipation of a specific date. Other products, such as electronics and fast fashion apparel, have a limited shelf-life and become quickly outdated. If our orders are not delivered in proper condition or on a timely basis, our business and reputation could suffer.

Our operations, and particularly our logistics and fulfillment infrastructure, may be subject to work stoppages or other labor disputes or disruptions.

Certain of our operations, as well as those of third parties on which we rely, notably our fulfillment centers, logistics platforms and call centers, are labor intensive. Although we have not been subject to any significant strikes and we believe that we have a good working relationship with our employees, if our workers were to engage in a significant strike, work stoppage or other slowdown in the future, we could experience a disruption of our operations. Moreover, in exceptional circumstances, we could be forced by a court or pressured by public opinion to halt certain operations. Such disruption could interfere with our ability to fulfill orders or respond to customers on a timely basis and could have other negative effects, including decreased productivity and increased labor costs. In addition, national strikes or strikes, work stoppages or slowdowns experienced by our suppliers, the shipping companies we use, and other service providers could cause a delay in delivering products to our customers or otherwise materially adversely affect our ability to provide services. To the extent any of these events occur, our business, financial condition and operating results could be materially and adversely affected. In addition, the terms of any future collective bargaining agreements or similar agreements implemented by us, or our suppliers or service providers may also affect our competitive position and results of operations.

We may face inventory risk in our direct sales business.

Our direct sales business carries a broad selection and significant inventory levels of certain products and consequently is exposed to inventory risks because of seasonality, new product launches, rapid changes in product cycles, technology and pricing, defective merchandise, changes in consumer demand and consumer spending patterns. We endeavor to accurately predict these trends and avoid overstocking or understocking products we sell. Demand for products, however, can change significantly between the time inventory is ordered and the date of sale for many reasons, including as a result of seasonality, promotions, product launches, or unforeseeable events, such as in response to natural or man-made disasters, extreme weather, or geopolitical events. The acquisition of certain types of inventories may require significant lead time and prepayment, and they may not be returnable. Moreover, we may be unable to sell products in sufficient quantities or during periods of elevated retail activity in November and December, especially if global supply chains are disrupted. When we overstock products, we may be required to take significant inventory markdowns or write-offs and incur commitment costs, which could materially reduce profitability. We may also be subject to employee misconduct related to inventory management. In the future, we may open additional warehouses and duplicate part of the inventory for our direct sales business that is stored at our current warehouses to increase our overall fulfillment efficiency as we grow our business. Failure to effectively manage our inventory risk, stock or restock popular products in sufficient amounts such that we fail to meet customer demand could have a material adverse effect on our business, financial condition, and results of operations.

Our success depends in large part on our ability to attract and retain high quality management and key employees, and if we are unable to attract, retain and motivate well qualified employees, our business could be negatively impacted.

Our success largely depends on the availability of and our ability to attract and retain high quality management and key employees. The continued and collaborative efforts of our senior management and key employees are crucial to our success and vision for the future, and any loss of senior management or key employees may materially and adversely affect our business, financial condition, and results of operations.

We may face employee disengagement and increasing staff turnover, including key personnel. Our business requires skilled marketing and technical profiles, such as, among others, developers, data scientists and engineers, who are in high demand and are often subject to competing offers. Retention of qualified employees, historically critical in our industry, may now be rendered even more difficult by the effects of the dynamic job market, as personnel affection towards the company and social links between coworkers may dissolve and competition for skilled personnel from other industry players intensifies.

In particular, the labor market for B2B digital solutions faces an inherently high turnover, which will most likely increase the tension in retaining key personnel and hiring the best talent. We believe our long-standing presence in Bordeaux, France is attracting other tech companies to the region, which increases competition for, and the risks of retaining, key personnel. The generalization of working from home due to the COVID-19 crisis has expanded competition for critical competencies throughout France, as tech companies based in Paris or other major French cities are now more likely to offer remote jobs, including to potential employees located in Bordeaux, where many of our highly skilled employees are based. The loss of even a few qualified employees, or an inability to attract, retain and motivate additional highly skilled employees required for the planned expansion of our business, could adversely affect our operating results, and impair our ability to grow.

Misappropriation of money or products of the company by an employee or a third party could involve loss of revenues, damage our reputation, and have other significant negative consequences.

In the ordinary course of business, we are exposed to the risk of theft of products during their transportation or while stored in warehouses. We carry insurance for theft of our products, but there can be no guarantee that the coverage limits of our insurance will be adequate to cover potential future claims. We may also from time to time experience a misappropriation of money at different levels of our business. Although we have put in place control mechanisms and systems to secure funds and merchandise, there can be no assurance that these controls and systems will be effective at discovering and preventing incidents of theft or fraud. Failure to handle thefts or misappropriation of funds effectively and efficiently could negatively affect our reputation and have a material adverse effect on our business, financial condition, and results of operations.

We may be unable to prevent unlawful, non-compliant or fraudulent activities by merchants or customers and we could be liable for such fraudulent or unlawful activities.

We may be unable to prevent merchants offering offensive or non-compliant products through our marketplace. Merchants may also send defective products, products of inferior quality or products that are materially different from what was ordered to customers. In certain instances, we may reimburse customers for payments in these situations and, as we expand our marketplace business, the cost of reimbursing customers could increase and could negatively affect our operating results. We also may be unable to prevent merchants on our marketplace from selling goods in an unlawful manner without applicable licenses or permits from selling counterfeit, pirated, or stolen products or products that infringe the intellectual proprietary rights of third parties, or from selling products whose sale is otherwise restricted or prohibited. Moreover, many of our marketplace merchants use their own facilities to store their products and use their own or third-party delivery systems to deliver their products to our customers, all of which makes it more difficult to ensure that our customers receive the same quality of service for all products sold on our website.

Our standard terms and conditions require suppliers to comply with applicable laws. Failure of our suppliers to comply with applicable laws and regulations and contractual requirements could lead to litigation against us. In addition, the failure of any such suppliers to provide safe and humane factory conditions and oversight at their facilities could damage our reputation with consumers or result in legal claims against us.

Regardless of the validity of allegations or claims that we may face due to products sold, we may experience lost product sales or incur significant costs and efforts in defending against or settling such allegations or claims. If there is a successful claim against us, we may be required to refrain from further sale of the relevant products or pay substantial damages, and we may be unable to recover our losses from our suppliers. Regardless of whether we successfully defend against such claims, our reputation could be damaged. In addition, we could face civil or criminal liability for unlawful activities by merchants on our marketplace, as well as criminal liability for the introduction of dangerous or defective products on our marketplace. Any of the foregoing could have a material adverse impact on our reputation and business.

We believe we have hosting status with respect to our French marketplace. As a result, we believe we would only be liable for unlawful activities by merchants on our marketplace after we have been notified of such activities and do not take any action to remedy the situation. See also "*Risks related to legal, regulatory and tax matters – We may be subject to product liability claims if people or property are harmed by the products we sell, or that are offered through our marketplaces*".

Furthermore, we face risks relating to customer claims that purchases or payments were not properly authorized or were transmitted in error, as well as risks that customers have insufficient funds and the risk of fraud. Our e-commerce operations may be subject to fraudulent activity by customers, including using stolen credit cards or other fraudulently obtained payment information. See also "*Risks related to our business and industry – We are subject to payment-related risks, including fraud and unpaid receivables from B2C customers*".

As we expand our Octopia merchant solution, accountability for product offerings and end-customer transactions will be allocated between Octopia and its B2B clients as provided for by applicable laws and regulations. While we do not expect to be liable or at risk for acts of fraud in respect of transactions that are made through our B2B clients, we may nonetheless face responsibility in our role as a service provider or as future laws and regulations may evolve.

Any of the foregoing could have a material adverse effect on our business, financial condition, and results of operations. As we grow our operations, the cost of remediating fraudulent activity could increase.

We are subject to risks related to our ability to offer instalment payments (CB4X) to our customers.

A substantial portion of our sales (around 44%) is paid for through instalment payments under arrangements with FLOA, formerly Banque Casino (known as CB4X), and a change to the terms of these agreements may adversely affect our operating results. In addition, instalment payments, such as CB4X, are subject to specific laws and relations with which we are required to comply, including respect to publicity and disclosure to consumers. If these requirements were to become more cumbersome, customers may decide not to use installment payments and as a result, may spend less money with us or our marketplace merchants. More precisely, the conditions of the transposition of the new European Directive on consumer credits, which will be specified in the upcoming months by French legislators, may have material and adverse effects on our instalment payment activity. See also "*Risks related to legal, regulatory and tax matters – Our operations are subject to a variety of laws and regulations, and we expect that the extent of regulation applicable to us and our operations will increase over time and that we will be subject to new laws and new regulations.*" If any of these events were to occur, our business, financial conditions and operating results could be materially and adversely affected.

We are subject to payment-related risks, including fraud and unpaid receivables from B2C customers.

We grant access to our B2C customers to 4-installment payment solution through Cnova Pay, a company within the group which is subject to the French Prudential Supervision and Resolution Authority (ACPR) supervision (French bank and financial institutions regulatory authority). Cnova Pay additionally offers payment services for other marketplaces which are Octopia's clients. Cnova Pay accepts customer payments using a variety of methods, including instalment payments, credit cards, debit cards, PayPal and similar services, wire transfers, our brand name cards and gift cards. As we offer new payment options to consumers, we may be subject to additional regulations, compliance requirements and incidents of fraud. For certain payment methods, including instalment payments and credit and debit cards, we pay interchange and other fees, which may increase over time and raise our operating costs and lower profitability. We are also subject to payment card association operating rules and certification requirements as well as rules governing electronic funds transfers, payment processing, including cross-border and domestic money transmission, anti-money laundering and counter-terrorist financing restrictions, which could change or be reinterpreted to make it difficult or impossible for us to comply with. If we fail to comply with the rules or requirements of any provider of a payment method we accept, among other things, we may be subject to fines or higher transaction fees and may lose, or face restrictions placed upon, our ability to accept instalment payments, credit and debit card payments or other types of online payments from customers.

We may also incur significant losses from fraud or unpaid receivables, from a customer who did not authorize the purchase, from merchant fraud, from erroneous transmissions and from customers who have closed bank accounts or have insufficient funds to satisfy payments instalment payment. In addition to the direct costs of such losses, if they are related to credit card transactions or installment payments and become excessive, they could potentially result in our losing the right to accept credit cards for payment or increase our fees for the installment payment program. In addition, under current credit card practices, we are liable for fraudulent credit card transactions because we do not obtain a cardholder's signature. We do not currently carry insurance against this risk. The implementation of the two-factor strong authentication in compliance with the EU Payment Services Directive could negatively impact our transformation rate, as issuing banks have the final say in the type of authentication they apply. To date, we have experienced minimal and decreasing losses from payment fraud, but we may face significant losses from other types of fraud. Our failure to adequately control fraudulent transactions could damage our reputation and brands and result in litigation or regulatory action, causing an increase in legal expenses and fees and substantial harm to our business, financial condition, and results of operations.

Depending on how our business and our other merchant solutions evolve, we may become subject to additional laws in other jurisdictions where the application or interpretation of such laws and regulations is not clear. Our efforts to comply with these laws and regulations could be costly and result in diversion of management time and effort and may still not guarantee compliance.

We may be subject to risks of unpaid receivables from B2B customers.

With the development of B2B activities such as for Octopia, C-Logistics, Peaksys, Cdiscount Advertising, we may incur significant losses from unpaid receivables from B2B clients. Developing such B2B activities requires reinforced credit management processes during initial discussion with prospects to carry out solvency checks, but also during the commercial relationships to follow billing progress, to monitor overdue receivables and initiate collection procedures. Failure to perform necessary credit management process with one or several B2B client(s) may negatively impact our cash positions and our operating results.

In addition, increased level of unpaid receivables could translate into higher costs, including higher interest rates to carry working capital.

We may from time to time pursue business acquisitions, sales, transfers, or enter into alliances, which could bring numerous risks and have an adverse impact on our business.

In the future, we may from time to time acquire other companies, sell businesses or create alliances with other companies. These operations involve numerous risks, any of which could harm our business, including:

- difficulties in integrating technologies, operations, existing contracts, and personnel of an acquired company;
- difficulties in supporting and transitioning suppliers, if any, of an acquired company;
- diversion of financial and management resources from existing operations or alternative acquisition opportunities; failure to realize the anticipated benefits or synergies of a transaction;
- failure to identify all the problems, liabilities or other shortcomings or challenges of an acquired company or technology, including issues related to intellectual property, regulatory compliance practices, revenue recognition or other accounting practices or employee or customer issues;
- risks of entering new markets in which we have limited or no experience;
- potential loss of key employees, customers, and suppliers from either our current business or an acquired company's business;
- inability to generate sufficient net sales to offset acquisition costs;
- additional costs or equity dilution associated with funding the acquisition; and
- possible write offs or impairment charges relating to acquired businesses.

If, in the context of any future acquisition, we fail to properly assess the merits of the acquisition target, incur costs that later prove to be unjustified, fail to integrate the acquisition into our business properly and in a cost-efficient manner, or incur liabilities that prove to be larger than anticipated, this could have a material adverse effect on our business, financial condition and results of operations. Moreover, merger control rules and antitrust limitations imposed by the EU, French, Dutch and other laws and regulations could negatively impact our business if such laws and regulations were to prevent us from expanding our growth through the consummation of mergers or acquisitions in certain categories. At the same time, if smaller players in our markets consolidate, this could increase the competitive pressure on our business due to an increase in such competitors' economies of scale and a reduction in their operating costs. These developments could cause our business, financial condition, and results of operations to be materially and adversely affected.

Exchange rate fluctuations may negatively affect our results of operations.

While most of our revenues and operating expenses are currently incurred and denominated in euro, to the extent our revenues derive from non-core markets outside the Eurozone. As we expand our operations in other countries, our results of operations could be adversely affected by a decrease in the value of the local currency relative to the euro.

ii) Risks related to legal, regulatory and tax matters

Our operations are subject to a variety of laws and regulations, and we expect that the extent of regulation applicable to us and our operations will increase over time and that we will be subject to new laws and new regulations.

Laws and regulations applicable to e-commerce, as well as laws and regulations of broader applicability (including business conduct laws and regulations), are evolving at a rapid pace, and although there are calls within the European Union to slow down on regulation to preserve competitiveness, we expect that the pace of change will continue. Also, as we broaden our geographic footprint beyond France, we will be subject to laws and regulations that could differ significantly from jurisdiction to jurisdiction. Legislative and regulatory bodies, or self-regulatory organizations, with legal or regulatory oversight in the jurisdictions in which we operate may extend the scope of current laws or regulations, enact new laws or regulations or issue revised rules or guidance, in each case that touch on areas of our business. We currently are subject to EU laws of direct application (Regulations), national laws that transpose EU Directives and other national and local laws and regulations.

Many of the initiatives in the European Union are focused on expanding and protecting the rights of consumers in the European Union. For example, we rely on the collection of personal data from our customers to effectively promote our sites, product offerings, services, and pricing practices (targeted vouchers). Through our advertising activities, we use customer data, including personally identifiable information, to sell targeted advertising space to third parties. A variety of European, French, Dutch and other laws and regulations govern the collection, use, retention, sharing and security of consumer data and digital advertising, including, in France, Law No.78 17 of 6 January 1978, as amended notably by Law No. 2004 801 dated 6 August 2004 and Law No. 2018-493 dated 21 June 2018, or the French Data Protection Act, and Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016, on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "**GDPR**").

Laws and regulations relating to privacy, data protection, consumer protection and the digital advertising business are evolving and subject to potentially differing interpretations from one jurisdiction to another. However, some directives have aimed to harmonize consumer law at a European Union level. For example, Directive 2019/771 on certain aspects of contracts for the sale of goods has fully harmonized certain aspects of consumer law relating to sales contracts and guarantees for consumers at a European Union level. Member States had until 1 July 2021 to transpose the Directive and until 1 January 2022 to apply its provisions.

Changes in these laws and regulations or their interpretation may force us to incur substantial costs or require us to change our business practices and may present challenges to our ability to collect customer data and promote our sites, product offerings and services through electronic communications and our online advertising sales agencies.

Compliance with these laws and regulations is a rigorous, expensive and time-intensive process, and we may be required to put in place additional mechanisms ensuring compliance with the new data protection rules. As for example, following the adoption in August 2024 of the AI Act, which will be phased in until 2/08/2026, the GDPR rules must be articulated with those of the AI Act for AI systems using personal data. If we fail to comply with any such laws or regulations, we may face significant fines and penalties that could adversely affect our business, reputation, financial condition, and results of operations. As AI is a fast-evolving technology, compliance to the AI Act bears significant complexity and uncertainties which increases the risk of sanction, while at the same time this additional regulation could create new competition distortions with our non-European competitors. Considering the large volume of personal data processed and the types of processing operated (i.e., sales, marketing, and targeted advertising.) which are intrinsically linked with our e-commerce activity, we are particularly exposed to complaints from data subjects, to cyberattacks, and to controls from data protection authorities (i.e., the Commission Nationale de l'Informatique et des Libertés "CNIL").

The GDPR imposes substantial fines for breaches and violations (up to the greater of €20 million or 4% of our consolidated annual worldwide gross revenue). The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies and obtain compensation for damages resulting from violations of the GDPR.

In addition, the GDPR increases the scrutiny of transfers of personal data outside of the European Union, to jurisdictions that the European Commission does not recognize as having "adequate" data protection laws.

Regarding the transfer of personal data to the US, the European Commission adopted on June 10th, 2023, an adequacy decision named Data Privacy Framework UE-US (i.e. "DPF") allowing, under certain conditions, the transfer of personal data to this country. Under this new trans-Atlantic decision, data organizations subject to the GDPR can now transfer personal data to certified organizations that have committed, annually and publicly, to adhere to this legal framework. For transfers to non-certified US entities, organizations are still required to implement a transfer tool under Article 46 of the GDPR or to avail themselves of an exemption under Article 49 of the GDPR. A report on the first review of the EU-US Adequacy Decision has been adopted by the European Data Protection Board (i.e. "EDPB") in November 2024. The EDPB welcomes the efforts made by the US authorities and the European Commission to implement the DPF, including the redress mechanism, since the adoption of the Adequacy Decision in July 2023. The EDPB also encourages the development of guidance by the US authorities clarifying the compliance requirements for certified companies when transferring data received from EU exporters. The EDBP recommends to the European Commission that the next review of the DPF should take place within a maximum of three years. This adequacy decision provides thus a framework for transfers to US and ends the legal uncertainty caused by the invalidation of the "Privacy Shield" after the Schrem II decision of the Court of Justice of the European Union date as of July 2020. Nevertheless, Cnova remains vigilant as there is a risk that the DPF will be invalidated following the dismissal of members of the independent committee in the United States in charge of ensuring compliance with the DPF.

European, French, Dutch and other governmental authorities continue to evaluate the privacy implications inherent in the use of "cookies" and other methods of online tracking for behavioral advertising and other purposes. Such authorities have enacted legislation to regulate the use of cookies or are considering enacting legislation or regulations that could significantly restrict the ability of companies and individuals to engage in these activities, such as by regulating the level of consumer notice and consent required before a company can employ cookies or other electronic tracking tools. Existing EU Directive 2002/58/EC (12 July 2002), or the e-Privacy Directive, was amended by EU Directive 2009/136/EC (25 November 2009) and is proposed to be replaced by a Regulation concerning the respect for private life and the protection of personal data in electronic communications. In October 2024, EDPB adopted a final version of the Guidelines on Technical Scope of Article 5(3) of the e-Privacy Directive. The aim is to provide a clear understanding of the technical operations covered by this Article 5(3), subject to consent, including new tracking methods. At the same time, CNIL is continuing its dialogue with industry professionals to complete these guidelines with regard to tracking pixels in e-mails. In addition, discussions are ongoing on integrating the so-called "cookie pledge", a voluntary initiative from the market proposed by Commissioner Reynders that has been stopped in 2023, as biding provisions in the future Digital Fairness Act, which could also encompass provisions of the ePrivacy regulation abandoned by the European Commission as ‘obsolete’ after 7 years of fruitless negotiations. Additionally, some providers of consumer devices and web browsers have implemented means to make it easier for internet users to prevent the placement of cookies or to block other tracking technologies. The end of third-party cookies by Google planned for the 2nd semester of 2024 has been postponed yet again to 2025. This could result in the use of third-party cookies and other methods of online tracking becoming significantly less effective. If a consumer uses an internet browser that automatically blocks all cookies, does not give consent to the use of cookies, or otherwise opts to not allow persons to track their browsing activity, our ability to effectively promote our sites, product offerings and services may be impacted. Further, restrictions on the use of cookies may impact our ability to make effective use of services that employ such practices, which could negatively impact our business. With the announcement of the end of “third-party cookies” in the Chrome browser next year, CNIL has commissioned an economic study on the new digital advertising business in this context. The main point of attention that the CNIL has drawn from this study is the phenomenon of opening up and reusing purchasing data with the rise of retail media. Identity reconciliation is a major issue and CNIL indicates that it will be particularly vigilant to ensure compliance with these developments. With respect to the notification of control received by the Company on 17 December 2020regarding the processing of activities operated on the website www.cdiscount.com, and more specifically the installation of cookies without the consent of internet users, we have not received feedback from the CNIL since then. At the end of 2024, we decommissioned the Adobe cookie that was the subject of CNIL's questions, so the risk has now been eliminated.

Furthermore, Cdiscount has been under CNIL control since April 8, 2024 following the CNIL President's decision on December 27, 2024 to carry out an inspection to verify the compliance of data processing on the website www.cdiscount.com with the French Law No.78 17 of 6 January 1978, as amended and the GDPR. This documentary inspection (response to questionnaires) covers a large number of compliance points, in particular:

- Documentation relating to the governance of personal data ;

- Rules concerning the deposit of cookies without consent ;

- Mapping and guarantees relating to transfers outside the EU ;

- Transmission of personal data to business partners ;

- Processing of banking data ;

- Retention periods ;

- Technical and organizational security measures.

We responded to a total of 4 questionnaires (in April, July, November 2024 and January 2025). If CNIL disagrees with our answers or considers that we were not compliant, we may receive a formal notice to comply, or an administrative sanction, which could be made public and impact our reputation. The most recent development regarding data law is the publication on August 2024 of the AI Act which will be applied progressively until 2/08/2026, and the raising concern of CNIL concerning the processing of personal data in Intelligence Artificial projects. Alongside the European AI strategy (which aims at making the EU a world-class hub for AI and ensuring that AI is human-centric and trustworthy), the CNIL issued some recommendations on the adequacy of the fundamental principles of the RGPD with the AI Act for artificial intelligence systems in the development phase. In the near future, AI projects that we may develop may need specific thorough analysis, which could result in a potential increase of costs, risks of non-compliance and question our ability to develop such projects.

The European Commission adopted in 2022 the EU Digital Services Act, which amends parts of

Directive 2000/31/EC (8 June 2000), known as the e-Commerce Directive, and the EU Digital Markets Act. As Regulations, they have direct effect into EU Member States. In 2024, the Digital Services Act has, for example, provided for enhanced moderation obligations and transparency measures for online platforms, including algorithms used for recommendations, parameters used for targeted advertising, obligations in respect of traceability of merchants and enhanced safeguards for consumers. Interpretation of the DSA from national authorities may cause new competition distortions, especially with Very Large Online Platforms (more than 45 million end users). The Digital Markets Act applies to the biggest tech players, the so called "gatekeepers", and should restore fair competition by imposing new obligations (e.g.: interoperability) or interdictions (e.g.: tying services) to gatekeepers. However, some of the DMA provisions could have negative side effects on gatekeepers' business users such as Cdiscount. Google compliance on art 6.5 prohibiting self-preferencing will lead to a more prominence place on Google Search for comparison services sites, which could be detrimental to Cdiscount traffic acquisition on Google.

We are also subject to EU Regulation 2019/1150 on promoting fairness and transparency for business users of online intermediation services (20 June 2019), known as the P2B Regulation, which is designed to increase transparency of commercial relationships between businesses that provide goods and services online and the online platforms. This regulation aims to regulate the relationship between online intermediation services and their professional users. It prohibits certain unfair practices (end of sudden and unexplained account suspensions, obligation to set up clear and understandable general terms and conditions and prior notification in case of changes), requires platforms to set up an internal complaint handling system and to provide businesses with more options to solve a potential dispute, through specialized mediators and promotes greater transparency of online platforms. Thus, rankings is more transparent. Marketplaces and search engines should indicate the main parameters they use to rank goods and services on their platform to help retailers understand how to optimize their presence.

On February 6, 2025, Cdiscount received a notice of a project of injunction from French administration's national (DGCCRF). This project of injunction results from a control carried out as part of the French administration's national investigation plan on marketplaces/sellers relations, initiated in 2020 in the context of the entry into force of the Business "PtoB" Regulation. Under this project of injunction, Cdiscount is asked to :

- modify certain contractual clauses governing our relationships with French and European marketplace sellers, mainly concerning the sanctioning of service levels rendered to consumers, customer reimbursements at Cdiscount's initiative from sellers' funds, and the conditions for closing sellers' accounts which French Administration considers unbalanced.
- remove the guarantee reserve, which French Administration considers to be unjustified, unbalanced in its amount and opaque in the way it is calculated. The guarantee reserve has been put in place to secure financially the consumer refunds coming after the end of the commercial relationship with the sellers or when seller's sales are not sufficient to cover the consumer refunds. The amount of the guarantee reserve is based on the level of GMV generated by a considered seller during the 30 last days of his business. This amount is updated every decade. At this stage, the grievances relate to FR and EU sellers and do not concern sellers outside the EU (c. 9% of the marketplace's GMV).

The project of injunction also includes the publication of an extract of the final injunction on the DGCCRF website and on the major social networks.

According to the terms of the project of injunction, The French administration plans to give Cdiscount 3 months delay upon definitive injunction to comply with the DGCCRF analysis (subject to a penalty of €370K/day). We have contested this project of sanction.

Since 1 January 2022, we are also subject to EU member state laws implementing Directive 2019/770 on contracts for the supply of digital content and services and Directive 2019/771 on contracts for the sale of goods.

The European Commission proposed, as part of its New Deal for Consumers, Directive 2019/2161 on better enforcement and modernization of EU consumer protection rules, which was to be transposed by EU member states by 28 November 2021 and applied from 28 May 2022. It amends four existing EU directives on consumer protection including the Directive 2011/83/EU of 25 October 2011 on consumer rights (the "**Consumer Rights Directive**") which fully harmonized at a European Union level certain aspects of consumer law and contract law applicable to online sales to consumers, such as the right of withdrawal. Among other things, the Directive calls for greater transparency for consumers in online marketplaces (including mandating additional information to be provided to consumers that visit online marketplaces, price reduction announcements, the fight against fake consumer reviews), extending rights to individual remedies for consumers and implemented the application of effective and harmonized sanctions, mandating disclosure regarding search results that contain paid placements, and extending consumer protection for digital services (in particular, establishing clear rules to address the problem of dual quality of consumer products sold under the same brand in the EU).

In addition, the Commission has conducted a fitness check on the consumer protection framework, to assess the necessity for a new regulation on deceiving online practices, the so called "dark patterns". The President of the Commission Ursula Von der Leyen and the new Commissioner for Justice Michael McGrath have already announced a new legislative initiative, the Digital Fairness Act, for 2026. This new legislation is intended to tackle dark patterns and addictive designs and could have direct effects on commercial animation of the website, personalization (including advertising) and loyalty programs. It should be noted that the new notion of "dark patterns" is spreading and is generating numerous initiatives, at EU level (a proposal to impose a withdrawal button online, a ban on dark patterns on platforms on art. 25 of the Digital Services Act, an European Parliament's non biding report proposing to ban "addictive interfaces" based on personalization) or at French level ((the CNIL), i.e., the French Data Protection Authority is considering forbidding to impose mandatory customer accounts for purchasing online).

The European Commission has also proposed a Directive on representative actions for the protection of the collective interests of consumers (in effect to facilitate class actions). Directive 2020/1828 of the European Parliament and of the Council of 25 November 2020 on representative actions to protect the collective interests of consumers and repealing Directive 2009/22/EC, introduced a minimum harmonization of the laws of the Member States in this area and offers the possibility of introducing cross-border group actions. To date, France has not transposed the Directive 2020/1828. However, on 15 September 2020, France introduced bill n°3329 with the aim of reshaping the French class action regime and which, to a certain extent, coincides with the European Union regime of representative action. The bill still has several steps to pass in front of the French Parliament. Although it's not currently on the agenda because of the French political context, the Parliament will most probably be pursue the discussion on extending the legal capacity to introduce class actions.

Regulators' interest for extra European and non-compliant e-commerce players is rising: faced with the difficulty to enforce French and European consumer law towards these players, policy makers are contemplating adopting new sectorial or horizontal legislations (such as the Digital Fairness Act) to tackle their problematic practices, at the risk of increasing the regulatory burden of already compliant local actors such as Cdiscount. The French National Assembly has unanimously adopted in mars 2024 Bill n°2129 Reducing the environmental impact of the textile industry, the so-called "Fast fashion bill". While the political ambition of legislators to aim at Shein and Temu is clearly assumed, the current wording could encompass Cdiscount in the scope of the future law and result in constrain on advertising and additional environmental fees on fashion products. Considering the wide political consensus on the matter and the support of the Ministry of the Environment the bill is likely to pursue its way in the French Parliament.

Moreover, laws and regulations apply to installment payments, which we propose to customers as part of our frictionless CB4X payment plan, as these are considered to be loans under French and European law. In France, Law No. 2010-737 of 1 July 2010 on consumer credit reform, which transposes Regulation 2008/48/CE of the European Parliament and of the Council of 23 April 2008 ("**Regulation 2008/48/CE**"), imposes publicity and pre-contractual information requirements for customers who want to benefit from installment payments. Currently, loans of less than €200 and loans with a duration of less than three months for which the interest charges fall below a certain threshold are excluded from the scope of this law. Directive 2023/2225 on credit agreements for consumers and repealing Directive 2008/48/EC has been published on the 18th of October 2023, which will be applied in 2026. Depending on transposition in national law, changes may affect the installment payments we offer to our customers. The changes include, among others, imposing an assessment of creditworthiness for customers on the basis of their financial and economic situation, which could mean, for example, a systematic consultation of "FICP" files (National File of Personal Loan Repayment Incidents) or that customers may have to give proof of income to benefit from installment payments. As an indirect we may have to strengthen clients KYC. Depending on the transposition in national law, installment payments may become more cumbersome and less attractive to our customers, which could in turn affect our operating results.

The changing regulatory landscape is likely to require changes to our platform and operations and require the dedication of time and resources to ensure we are fully compliant. We are unable to predict the extent to which the changing regulatory landscape could prompt, or require, changes in our business model or prevent us, or our partners, from conducting certain e-commerce or other operations. Similarly, we are unable to predict the extent to which our growth strategy could be impacted by changes in the regulatory landscape, which could prevent us from effectively monetizing our platform or particular solutions. These uncertainties are amplified by the fast moving and unstable political situation in France.

We also are subject to a range of business conduct, including competition and antitrust laws and regulations and international trade controls, which could apply to our own activities or to arrangements with marketplace merchants and clients, suppliers, or others.

Any failure, or perceived failure, by us to comply with European, French, Dutch or other laws, regulations, industry self-regulatory principles, industry standards or codes of conduct, regulatory guidance, orders to which we may be subject or other legal obligations could adversely affect our reputation, brands, and business. We may be subject to actual or threatened claims, litigation, investigations, or other proceedings, including proceedings by regulators, law enforcement or other governmental or regulatory bodies.

Any of foregoing could have an adverse effect on us due to resulting legal costs, disruption of our operations, diversion of management resources, negative publicity, or other factors. The outcomes of these matters are inherently unpredictable and subject to significant uncertainties. Determining legal reserves for possible losses from such matters involves judgment and may not reflect the full range of uncertainties and unpredictable outcomes. Until final resolution of such matters, we may be exposed to losses in excess of the amount recorded, and such amounts could be material. Should any of our estimates and assumptions change or prove to have been incorrect, it could have a material effect on our business, consolidated financial position, results of operations, or cash flows. In addition, it is possible that a resolution of one or more such proceedings, including as a result of a settlement, could involve sanctions, consent decrees or orders requiring us to make substantial future payments, preventing us from offering certain products or services, requiring us to change our business practices in a manner materially adverse to our business, requiring development of non-infringing or otherwise altered products or technologies, damaging our reputation, or otherwise having a material effect on our operations. Any of these events could compromise our ability to effectively pursue our growth strategy and may adversely affect our ability to acquire new, or retain existing, customers, suppliers, and marketplace merchants and clients, or otherwise harm our business, financial condition, and results of operations.

We may become subject to additional laws or regulations or changes to existing laws or regulations, or changes in the interpretation of existing or new laws or regulations, any of which could impact the way we conduct our business.

We may, over time, become subject to additional laws and regulations, changes to existing laws or regulations or changes in the interpretation of existing or new laws, which could impact the way we conduct our business, including result in restrictions on our operations, create new obligations for us, expose us to additional costs or potential liabilities, or otherwise adversely affect us. For example, our customers can pay for products on our sites in four installments (known as CB4X). These installment payment services are currently subject to limited formal requirements under applicable French consumer laws, and we deploy additional resources to monitor the changing legislative landscape and applicable requirements. If general consumer laws or consumer laws specifically related to e-commerce sales or the rights and protections of consumers purchasing online became more stringent, these could require us to bear additional costs and operational constraints and limit our current promotional practices. Moreover, our relationships with suppliers are subject to regulation and changes to these regulations may affect us.

In addition, with the increased focus on technology platforms and data, and calls for regulation, it is not clear how existing or future laws governing matters such as property ownership, libel, privacy, data protection, data security, network security and consumer protection may in the future apply to aspects of our operations such as e-commerce, digital content, web services, electronic devices, advertising and artificial intelligence technologies and services.

Failure to comply with these obligations or failure to anticipate the application of these and other laws and regulations accurately could create liability for us, result in adverse publicity or require us to alter our business practices, which may cause our business, financial condition, and results of operations to be materially and adversely affected.

We are subject to increasingly stringent environmental regulations.

In the past few years, the number and scope of the environmental laws has been constantly expanding and will continue to accelerate. We may be subject to new regulations and the associated potential liability which may result of them.

For example, we observe an increasing number of obligations in pre-contractual information and reinforced legal frame in environmental and societal allegations, which mainly impact our suppliers and sellers but may also impact us in reputation and cost, as we play a role of interface with the final customer. We are seeing other initiatives, such as increasingly stringent urban access regulations in major cities, including limitation of access for heavy duty vehicles and increased costs associated with obtaining such access, introduction of car-free days and low-emission zones and similar governmental action, all of which could affect our ability to serve our customers and potentially increase operating costs.

The European Union has adopted several legislations which will entry into force in the coming 2 years and enhance information on the environmental footprint of products and strengthen the fight against green claims : Regulation (EU) 2024/1781 of the European Parliament and of the Council of 13 June 2024 establishing a framework for the setting of ecodesign requirements for sustainable products, amending Directive (EU) 2020/1828 and Regulation (EU) 2023/1542 and repealing Directive 2009/125/EC, Directive 2024/825 of the European Parliament and of the Council amending Directives 2005/29/EC and 2011/83/EU for empowering consumers for the green transition through better protection against unfair practices and better information). The European Parliament and the Council have also reached an agreement on a Proposal for a Regulation on packaging and packaging waste, amending Regulation (EU) 2019/1020 and Directive (EU) 2019/904, and repealing Directive 94/62/EC, which will impose to reduce vacuum in delivery ecommerce packaging in the coming years, inducing new processes and investments.

At French level Law n° 2020-105 of February 10th, 2020, relating to fight against the waste and circular economy and Law n° 2021-1104 Climate and Resilience Act of 22 August 2021 impose new obligations to distributors and marketplace in terms of pre-contractual information to consumers, extension of the obligation to recover consumer's old products and collection by the marketplace of eco taxes of non-complaint third party sellers. These national provisions could be overruled and/or strengthened by the Proposal issued by the European Commission for a Directive amending Directive 2008/98/EC on waste, which is currently under discussion by the European Parliament and the Council.

Political sphere is increasingly involved in these topics, which brings new commitment programs and/or voluntary publications and numerous debates, as on the banning of free delivery or the display of the environmental impact of the delivery and may lead to new environmental regulations. Environmental laws and regulations become more stringent, which could require us to bear additional costs and operational constraints and could have a negative impact on our business.

We may not be able to adequately protect our intellectual property rights or may be accused of infringing intellectual property rights of third parties.

We regard our trademarks, service marks, copyrights, trade dress, trade secrets, proprietary technology, and similar intellectual property as critical to our success. We rely on trademark, copyright and patent law, trade secret protection, confidentiality and/or license agreements and other methods with our employees, customers, marketplace merchants and clients, and others to protect our proprietary rights.

Effective intellectual property protection may not be available in every country in which our sites, product offerings and services are made available. We may not be able to discover or determine the extent of any unauthorized use of our proprietary rights. Third parties that license our proprietary rights in the future may also take actions that diminish the value of our proprietary rights or reputation. The increased use of AI in our operations coupled with legal uncertainty on IP rights in training phase may also pose a risk.

In addition, third parties have asserted, and may in the future assert, that we have infringed, misappropriated, or otherwise violated their intellectual property rights. For example, we have received in the past, and we anticipate receiving in the future, communications alleging that certain items posted on or sold through our sites violate third party copyrights, patents, marks and trade names or other intellectual property rights or other proprietary rights. Brand and content owners and other proprietary rights owners have actively asserted their purported rights against e-commerce companies, including Cdiscount. In addition to litigation from rights owners, we may be subject to regulatory, civil, or criminal proceedings and penalties if governmental authorities believe we have aided and abetted in the sale of counterfeit or infringing products. Such claims, whether or not meritorious, may result in the expenditure of significant financial, managerial and operational resources, injunctions against us or the payment of damages by us. We may need to obtain licenses from third parties who allege that we have violated their rights, but such licenses may not be available on terms acceptable to us, or at all. These risks have been amplified by the increase in third parties whose sole or primary business is to assert such claims.

The protection of our intellectual property rights may require the expenditure of significant financial, managerial, and operational resources. Moreover, the steps we take to protect our intellectual property may not adequately protect our rights or prevent third parties from infringing or misappropriating our proprietary rights. The loss of our ability to use our intellectual property, or if we are unable to protect our property rights, whether due to the termination or breach of the relevant licenses by Casino, trademark claims, failure to renew the applicable registrations or otherwise, could cause substantial harm to our brands and/or result in a material and adverse effect on our business, financial condition, and results of operations.

We may be unable to continue the use of our domain names or prevent third parties from acquiring and using domain names that infringe upon, are similar to or otherwise decrease the value of our brands, trademarks, or service marks.

Our domain names are core to our business as they are the electronic doorway through which customers enter our online shopping environment and are key to our brand recognition. If we lose the ability to use one of our key domain names, whether due to trademark claims, failure to renew the applicable registrations or otherwise, we may be forced to sell our product offerings under a new domain name, which could cause us substantial harm, or cause us to incur significant expense in order to purchase rights to the domain name in question.

Our competitors and others have attempted and may in the future attempt to capitalize on our brand recognition by using domain names similar to ours. Domain names similar to ours have been and in the future may be registered by others in France and elsewhere, which may impede our rights to use our trademarks. We have a policy of defending our trademarks and we conduct trademark clearance searches to secure our rights over many of our trademarks. However, we may be unable to prevent third parties from acquiring and using domain names that infringe on, are similar to, or otherwise decrease the value of our domain names and brands. Protecting and enforcing our rights in our domain names may require litigation, which could result in substantial costs and diversion of management's attention.

Furthermore, the regulations governing domain names and laws protecting marks and similar proprietary rights could change in ways that block or interfere with our ability to use relevant domain names or our current brands. Regulatory bodies also may establish additional requirements or may allow modifications of the requirements for registering, licensing, holding, or using domain names. As a result, we might not be able to register, license, use or maintain our domain names in all the countries in which we currently conduct business or may conduct business in the future.

In particular law No. 2020-1508 of December 3, 2020, on various provisions for adaptation to European Union law in economic and financial matters (known as DDADUE) contributes in particular to strengthening consumer rights and the supervisory powers of the DGCCRF that allow them to issue injunctions to search engine and hosting companies to dereference domain names of websites that present dangerous products to consumers.

Employment laws in France are relatively stringent and their application in a more aggressive manner by the French state could negatively impact our activity.

As of December 31, 2023, we had approximately 2,000 full time employees related to our continuing activities, almost exclusively based in France. In France, employment laws grant significant job protection to certain employees, including rights on termination of employment and setting maximum number of hours and days per week a particular employee is permitted to work. In addition, we are often required to consult and seek the advice of employee representatives and unions. These laws, coupled with the requirement to consult with any relevant employee representatives and unions, could impact our ability to react to market changes and the needs of our business. The French government is contemplating cutting on reductions in social security contributions on low wages, which would increase labor cost.

We may be subject to litigation, tax proceedings or regulatory proceedings which could result in significant liability.

In the ordinary course of our business, we may be involved in a number of judicial, administrative, regulatory, criminal or arbitration proceedings, particularly regarding third party liability, competition, intellectual property, discrimination, tax, industrial or environmental matters. Claims for a significant amount may be made against us in connection with certain of these proceedings. Any corresponding potential provisions which we may make in our accounts may prove inadequate. In addition, it cannot be excluded that in the future, new proceedings, whether or not connected to existing proceedings, relating to risks currently identified by us or resulting from new or unforeseen risks, may be brought against us. Moreover, consumer class actions are now permissible in France, which is our principal market.

If the outcome of these proceedings is unfavorable, it may damage the image of our brands and have a material adverse effect on our business, financial condition, and results of operations.

We may be subject to product liability claims if people or property are harmed by the products we sell, or that are offered through our marketplaces.

Some of the products we sell or that are offered on our sites through our marketplace activity are subject to regulation by consumer product safety and similar regulatory authorities. As a result, such products, as well as any other products, have been and could be in the future subject to recalls and other remedial actions. Products we sell for children are often subject to enhanced safety concerns and additional scrutiny and regulation, and marketplace responsibilities on these particular products could be increased as the European Parliament is currently discussing a new regulation on the safety of toys and repealing Directive 2009/48/EC. We have an internal product safety and quality team, and from time to time, when appropriate, we voluntarily remove selected products from our direct sales and marketplace sites due to safety concerns even if there is no formal recall. Such recalls and voluntary removal of products can result in, among other things, lost sales, diverted resources, potential significant harm to our reputation and brand image, increased customer service costs and legal expenses, which could have a material and adverse effect on our business, financial condition, and results of operations.

As a marketplace, we are not liable for damage caused by a merchant's product. The Digital Services Act confirms this exemption from liability for marketplaces, which are nevertheless be required to take down illegal or dangerous products when notified and will have to be proactive in mitigating risks.

The General Product Safety Regulation, which entered into force in December 2024, strengthens the framework of product safety guarantees on the European market and will reinforce our diligence obligations (e.g.: consultation of the RAPEX before publication).

DIRECTIVE (EU) 2024/2853 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

The Directive 2024/2853 of the European Parliament and of the council of 23 October 2024 on liability for defective products and repealing Council Directive 85/374/EEC, extends liability rules to digital services, software, and secondhand products such as refurbished ones, and enhance fulfillment centers responsibilities in the absence of a manufacturer's representative on European territory. See also "*Risks related to our business and industry – We may be unable to prevent unlawful, non-compliant or* *fraudulent activities by merchants or customers and we could be liable for such fraudulent or unlawful activities*".

We operate warehouse and shipping services for some of our merchants (fulfillment services). Since July 2021 and due to a new 2019/1020/EU European regulation, fulfillment service providers are deemed economic operators in the value chain for CE-marked products. They will therefore likely bear some liability for non-EU merchants' products in the event that no traditional operator (manufacturer, authorized representative, importer, distributor) is identifiable. The General Product Safety Regulation expands the economic operator obligation for the non-CE marked products. New obligations are specifically provided for marketplace providers in this new Regulation regarding security products, in addition with provision of the Digital Service Act.

Although we may voluntarily recall and remove some products, we still may be exposed to reputational concerns or product liability claims relating to personal injury, death, or environmental or property damage alleged to have resulted from the products we sell, and product recalls or other actions may be required. In addition, our marketplace increases our reputational and financial exposure to product liability claims, including if marketplace merchants and clients do not have sufficient protection from such claims. Although we maintain liability insurance, we cannot be certain that our coverage will be adequate for liabilities actually incurred or that insurance will continue to be available to us on economically reasonable terms, or at all. In addition, our suppliers or marketplace merchants and clients may not have sufficient resources or insurance to satisfy any indemnity or defense obligations owed to us.

Some of our potential losses may not be covered by insurance. We may not be able to obtain or maintain adequate insurance coverage.

We maintain insurance coverage to cover costs and losses from certain risk exposures in the ordinary course of our operations, but our insurance may not cover the totality of the costs and losses from all events. We are responsible for certain retentions and deductibles that vary by policy, and we may suffer losses that exceed our insurance coverage limits by a material amount. We may also incur costs or suffer losses arising from events against which we have no insurance coverage. In addition, large-scale market trends or the occurrence of adverse events in our business may raise our cost of procuring insurance or limit the amount or type of insurance coverage we are able to secure. We may not be able to maintain our current coverage or obtain new coverage in the future; on commercially reasonable terms or at all, any of which could harm our business.

We may be exposed to enforcement for violating anti-corruption and/or anti-money laundering laws and other similar laws and regulations.

For our general operations, we maintain internal compliance policies and procedures designed to prevent instances of fraud, money laundering, bribery and corruption and to achieve compliance with applicable laws and regulations, but we cannot provide any assurance that these policies and procedures will be strictly followed at all times and that they will effectively detect and prevent all violations of the applicable laws and every instance of fraud, money laundering, bribery and corruption. There can be no assurance that through these and other procedures we use we will timely and effectively prevent or identify any violations of our internal compliance procedures or any violations of applicable laws. We are therefore exposed to potential civil or criminal penalties or associated investigations which may, if not successfully avoided or defended, have an adverse impact on our business, financial condition or results of operations.

Our payment service platform, Cnova Pay, is regulated as an electronic money institution and a financing company by the French Prudential Supervision and Resolution Authority for its credit activity.

Because our marketplace activity falls within the regulatory ambit of the Payment Services Directive (EU) 2015/2366 ("**PSD2**") (see "*Business of Cdiscount – Legislation and Regulation – Online commerce – Payment Services Directive*"), we established our own payment services operation. As a result, we are regulated by the French Prudential Supervision and Resolution Authority ("**ACPR**") as an electronic money and payment institution and are currently subject to a variety of laws and regulations in France and the European Union related to payment processing, including respect to the protection of client funds, preventing money laundering and terrorist financing, respecting "Know Your Customer" requirements, and ensuring business continuity (see also "*Risks related to our business and industry – We are subject to payment-related risks, including fraud and unpaid receivables from B2C customers*").

Because we grant installment payment for marketplaces sales, the ACPR required us to apply to a second agreement as "a financing company" (*société de financement*) that Cnova obtained in June 2023 and the 4-installment payment activity is handled by Cnova Pay starting mid-January 2024.

If we do not succeed in complying with applicable banking regulation, the ACPR can apply sanctions ranging from a reprimand to the withdrawal of one or other - or both - of our agreements.

On 28 March 2023, the European Parliament adopted a package of legislative proposals aimed at strengthening the EU's AML/CFT (anti-money laundering and combating the financing of terrorism) rules, with the creation of a new AML/CFT authority ("AMLA" for Anti-Money Laundering Authority), a regulation containing directly applicable rules, in particular on customer due diligence and beneficial ownership and a 6th anti-money laundering directive, "AMLD6", repealing the 4th directive currently in force and containing provisions that will be transposed into national law. The aim of this AML package is to improve the detection of suspicious transactions and activities and close the loopholes that criminals use to launder the proceeds of illegal activities or finance terrorist activities through the financial system. This AML package is now being discussed by the European Commission and the Council of the EU. The potential impacts of this legislative proposal on the activity of Cnova Pay will be closely monitored.

In addition, Cnova Pay activities may be affected by the Digital Operational Resilience Act (DORA) that came into force on 16 January 2023 and is set to become effective on 17 January 2025. The regulation is divided into the five following pillars: ICT risk management, ICT incident management, classification and reporting, Digital operational resilience testing, Risk management of third-party ICT service providers, Information sharing mechanisms. DORA emphasizes the necessity for a robust cybersecurity framework to secure digital operations and protect sensitive customer information. Furthermore, it underscores the establishment of effective incident response plans, ensuring a prompt and coordinated approach to unforeseen disruptions. Adherence to the stringent requirements of DORA may entail additional compliance costs for Cnova. Additionally, the implementation of DORA's prescribed measures might require adjustments to our existing operational processes, potentially causing short-term disruptions.

Changes in tax treatment of companies engaged in e-commerce may adversely affect the commercial use of our sites and our financial results.

Due to the global nature of the internet, it is possible that various countries or states may attempt to impose additional or new regulation on our business or levy additional or new sales, income or other taxes relating to our activities. Tax authorities at the international, national, and local levels are currently reviewing the appropriate treatment of digital companies. New or revised international, national, or local tax regulations may subject our customers or us to additional sales, income, and other taxes. New taxes could also create significant increases in internal costs necessary to capture data and collect and remit taxes. We cannot predict the effect of current attempts to impose additional sales, income, or other taxes on e-commerce or m-commerce. However, new, or revised taxes would likely increase the cost of doing business online and decrease the attractiveness of selling products over the internet and/or in certain jurisdictions compared to others.

For example, implementation of new regulations at the European level that aim to equalize competition between e-commerce retailers and "bricks and mortar" retailers may decrease the attractiveness of selling products over the internet.

In addition, France and other European countries have adopted regulations imposing VAT collection and reporting responsibilities on marketplace operators, which may result in us paying the VAT owed on products sold via our marketplaces instead of our sellers and may decrease the attractiveness of our marketplaces compared to those located in other jurisdictions. More generally, recent concerns expressed by European authorities about the tax optimization practices of the largest global technology companies (notably Google, Amazon, Facebook, and Apple, commonly referred to as "GAFA") may lead to new or revised tax laws and regulations. These changes may have direct or indirect impacts on our markets, suppliers, marketplace merchants and clients, customers and operations which may be impossible to anticipate.

The European Union is considering a reform of the custom system which could result in making marketplaces responsible for tax duties on products sold by third party sellers and entering the European market, inducing additional processes and compliance costs.

On March 22, 2021, the Council of the European Union has adopted the DAC7 (Directive on Administrative Cooperation), to harmonize the reporting obligations of digital platforms on an international scale, with a first application in January 2024 (for 2023 transactions). The aims of the DAC7 are to ensure that marketplace merchants earning income from the sale of goods or services on digital platforms pay their fair share of tax, and that EU member states automatically exchange information onthe income generated by merchants on online marketplaces. More specifically, DAC7 requires marketplaces to 1/ transmit annually to the tax authorities a summary of transactions carried out by their merchants on their platform and 2/ collect merchant's information needed for the declaration. Failure to gather all the necessary and correct data from merchants may result in non-conformance with DAC7 and suspension of their accounts, which may decrease marketplace sales and performance on our platform. In addition, our DAC7 declarations may be subject to audits and tax adjustment in case of noncompliance.

We may experience fluctuations in our tax obligations and effective tax rate, which could materially and adversely affect our operating results.

We are subject to taxes in France, the Netherlands, and other jurisdictions. We record tax expense based on current tax payments and our estimates of future tax payments, which may include reserves for estimates of probable settlements of international and domestic tax audits. At any one-time, multiple tax years are subject to audit by various taxing jurisdictions. The results of these audits and negotiations with taxing authorities may affect the ultimate settlement of these issues. As a result, we expect that throughout the year there could be ongoing variability in our quarterly tax rates as taxable events occur, and exposures are reevaluated. Further, our effective tax rate in a given financial statement period may be materially impacted by changes in tax laws, changes in the mix and level of earnings by taxing jurisdiction, changes to existing accounting rules or regulations or by changes to our ownership or capital structures. Fluctuations in our tax obligations and effective tax rate could materially and adversely affect our business, financial condition, and results of operations.

The French Parliament could create an additional tax on warehouse, as a way to restore fair competition between brick-and-mortar shops and ecommerce. While this proposal has been presented several times by French MEP and systematically overruled by the government over the past years, the current political instability in France could lead to its adoption in the next budget.

iii) Risks related to our relationships with the Casino Entities

We are dependent on financing provided by our parent Casino to continue as a going concern.

As of December 31, 2024, the total equity is negative €603 million, mostly as the net of positive €466 million capital and negative €1 134 million in retained earnings (cumulated losses). The negative equity was €507 million at December 2023, mostly as the net of positive €466 million of capital and €1 038 million cumulated losses in retained earnings (cumulated losses). Cnova is largely dependent on liquidity provided by Casino under a current account facility of €400 million and a long-term loan of €450 million (following the +€150 million increase from January 20, 2025). The maturity of such agreement is the earliest of July 2027 and the maturity of Casino senior facility agreement, being at least March 2027. Approximately 85% of our financing capacity comes from Casino through this agreement (as of December 31, 2024, unused credit lines amounted to €227 million, considering the credit line increase by +€150 million from January 20, 2025). In addition, Cnova benefits from the remaining €60 million borrowed in 2020 under the government-guaranteed loan program implemented to support companies during the Covid-19 pandemic, and €70m overdrafts. Both the state-guaranteed loan and the overdrafts are confirmed until March 2026, with possibly one-year extension (except €12,5 million) if Casino complies with covenants in December 2025. See "*Management's Discussion and Analysis of Results of Operations – Liquidity and Capital Resources* ".

In addition, Casino Guichard-Perrachon confirmed on January 20, 2025 that it will provide financial support to Cnova N.V. to assist the company in meeting its liabilities as and when they fall due up to a maximum of €100 million in addition to the abovementioned amount of €850 million and only to the extent that funds are not otherwise available to Cnova N.V. to meet such liabilities until at least June 30, 2026.

Based on the foregoing, the Board of Directors of Cnova considered appropriate to prepare the 2024 year-end consolidated financial statements under the going concern assumption and didn't include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate.

The company has an inadequate capital structure in relation to its amounts of outstanding debts, which could compromise the mid-term business plan, particularly after March 2026, because the extension of the State Guaranteed Loan and Bank overdrafts until March 2027 is conditioned to Casino Group complying with covenants.

The company has initiated discussions with its main shareholder about a potential recapitalization including converting (part of) the debt into equity. However, considering that no decision has been made to date, current conditions may indicate a material uncertainty that may cast significant doubt on Cnova's ability to continue as a going concern after March 2026 and, therefore, Cnova may not be able to realize its assets and discharge its liabilities in the normal course of business. Refer to next paragraph and to Notes 1.1.2 and 27 to our consolidated financial statements.

Our business depends in part on the Casino Entities and, if we are no longer able to take advantage of our relationships with them, our business, financial condition, and operating results could be materially and adversely affected.

Our business depends in part on our ability to take advantage of our relationship with the Casino Entities to support our business. We have benefitted, and expect to continue to benefit, from their purchasing power, data sharing, strategic and management advice, and retail logistics infrastructure in the ordinary course of our business, pursuant to various agreements, many dating back to 2014 and 2016. In addition, the Casino Entities provide us with significant financial support through intercompany loans and bank guarantees. See also "*Risks related to our relationships with the Casino*

Entities – We are dependent on financing provided by our parent Casino to continue as a going concern". If we were to cease to have access to the support provided by the Casino Entities, for example, because Casino ceases to be a significant shareholder of ours (and therefore no longer controls us) or otherwise elects to terminate key relationships, we would be harmed in significant ways, unless were able to replicate the support provided. While we believe (based on our internal policies, and internal and external verification processes) that all such transactions have been negotiated on an arm's length basis and contain commercially reasonable terms, we may be unable to replace in a timely manner or on comparable terms the services, know how, financing and other benefits that the Casino Entities have historically provided us with, including the cash pooling agreement with Casino, which could have a material adverse effect on our business, financial condition and operating results.

We are currently party to, and may in the future be party to, related party transactions, including with the Casino Entities. Such transactions could involve potential conflicts of interest.

We have entered, and from time to time in the future we may enter, transactions with affiliated companies, including the Casino Entities, see note 27. Casino controls a majority of our outstanding share capital, and certain officers of Casino serve on our board of directors and retain their positions with the Casino Entities. Our board of directors has adopted a written policy regarding the review and approval of related party transactions which requires that all related party transactions be entered into on arm's length terms and, together with our other governance documents, also provides for the management of conflicts of interest. However, related party transactions between us and the Casino Entities or other related parties which we entered prior to becoming a public company and to which a party may present conflicts of interest between our management and the Casino Entities or such related parties.

Certain of our directors may have actual or potential conflicts of interest because of their positions with the Casino Entities.

Our CEO serves both as an executive director of the Company as well as an executive officer of the Casino Groupe. On occasion, the interests of the Casino Entities, to which their officers owe fiduciary duties, may conflict with the interests of our company and you as a shareholder. The CEO may have to choose between the two and, as a result, may make decisions that conflict with your and our best interests in favor of the interests of the Casino Entities. In addition, some of our directors may own Casino Entities common stock, options to purchase common stock or other equity awards. These individuals' holdings of Casino Entities common stock, options to purchase common stock or other equity awards may be significant for some of these persons compared to these persons' total assets. Their position at the Casino Entities and the ownership of any Casino Entities equity awards may, on a case-by-case basis, create a possible conflict of interest.

iv) Risks related to the Company

The requirements of being a public company may strain our resources and divert management's attention.

As a Dutch public company with shares listed on Euronext Paris, we are subject to various regulatory and reporting requirements and other applicable securities rules and regulations. Compliance with these rules, (which are not harmonized between France and the Netherlands), and regulations has increased our legal and financial compliance costs, made some activities more difficult, time-consuming, or costly, and increased demands on our systems and resources. As a result, management's attention may be diverted from other business concerns, which could harm our business and operating results.

The Company's ordinary shares have been admitted to listing and trading on the regulated market operated by Euronext Paris since 2015. Therefore, we are subject to regulatory obligations in France under the supervision of the French *Autorité des marchés financiers* (the "**AMF**"), and, because the Company is a public limited liability company (*naamloze vennootschap*) incorporated under Dutch law, we are subject to regulatory obligation in the Netherlands under the purview of the *Stichting Autoriteit Financiële Markten*, or the Dutch Authority for the Financial Markets (the "**AFM**"). These obligations concern publication of inside information and filing of regulated information and notifications on share capital and voting rights under Dutch law. If we fail to comply with these obligations, we may face prosecution, or sanctions or investigations by regulatory authorities such as the AMF or AFM.

In addition, complying with public disclosure rules makes our business more visible to customers and competitors and could subject us to threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business and operating results could be harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and harm our business and operating results.

Our ability to raise capital in the future may be limited, and our failure to raise capital when needed could prevent us from growing.

In the future, we could face a situation requiring us to raise capital through public or private financing or other arrangements. Such financing may not be available on acceptable terms, or at all, and our failure to raise capital when needed could harm our business. We may sell ordinary shares, convertible securities, and other equity securities in one or more transactions at prices and in a manner as we may determine from time to time. If we sell any such securities in subsequent transactions, investors may be materially diluted. New investors in such subsequent transactions could gain rights, preferences, and privileges senior to those of holders of our ordinary shares. Moreover, Casino, as our majority shareholder, could limit our ability to raise funds through equity transactions in order to avoid being diluted. Debt financing, if available, may involve restrictive covenants and could reduce our operational flexibility or profitability. If we cannot raise funds on acceptable terms, we may not be able to grow our business or respond to competitive pressures.

We do not comply with all the provisions of the DCGC. This may affect an investor's rights as a shareholder.

As a Dutch company, we are subject to the Dutch Corporate Governance Code 2016 ("**DCGC**"), as revised and updated from time to time. The DCGC contains both principles and best practice provisions for management boards, supervisory boards, shareholders and general meetings of shareholders, financial reporting, auditors, disclosure, compliance, and enforcement standards. The DCGC applies to all Dutch companies listed on a regulated market and any equivalent third (non-EU) country regulated market, which includes Euronext Paris. The principles and best practice provisions apply to the board (in relation to role and composition, conflicts of interest and independence requirements, board committees and remuneration), shareholders and the general meeting of shareholders (for example, regarding anti-takeover protection and obligations of the Company to provide information to its shareholders) and financial reporting (such as external auditor and internal audit requirements). We do not comply with all the provisions of the DCGC. This may affect your rights as a shareholder, and you may not have the same level of protection as a shareholder in a Dutch company that fully complies with the DCGC. In addition, the rights of our shareholders may be different from the rights of shareholders governed by the laws of other jurisdictions.

We are a Dutch public limited liability company (*naamloze vennootschap*) organized under Dutch law. Our corporate affairs will be governed by our Articles of Association and by the laws governing companies incorporated in the Netherlands. The rights of shareholders and the responsibilities of members of our board of directors may be different from the rights and obligations of shareholders in companies governed by the laws of other jurisdictions. In the performance of its duties, our board of directors is required by Dutch law to consider the interests of our company and our business, its shareholders, its employees, and other stakeholders, in all cases with due observation of the principles of reasonableness and fairness. It is possible that some of these parties will have interests that are different from, or in addition to, your interests as a shareholder. See "Description of Share Capital".

Although the general meeting of the shareholders generally has the right to approve legal mergers or demergers, Dutch law does not grant appraisal rights to a company's shareholders who wish to challenge the consideration to be paid upon a legal merger or demerger of a company (except in a limited number of situations). In addition, if a third party is liable to a Dutch company, under Dutch law shareholders have limited right to bring an action on behalf of the company or to bring an action on their own behalf to recover damages sustained as a result of a decrease in value, or loss of an increase in value, of their stock. Only in the event that the cause of liability of such third party to the company also constitutes a tortious act directly against such shareholder and the damages sustained are permanent, may that shareholder have an individual right of action against such third party on its own behalf to recover damages. The Dutch Civil Code provides for the possibility for a foundation or an association whose objective, as stated in its articles of association, is to protect the rights of persons having similar interests, to institute litigation. This foundation or association must meet several criteria regarding governance and have close connections to the Netherlands. If the court determines that the foundation or association meets the criteria and can therefore act as a class representative, the case will go forward as a class action. Class members are given a period to opt out and the outcome of the case is binding for all members of the class who are residents of the Netherlands, unless they opt out. For residents of other countries, an opt-in principle applies in order to be bound to the outcome of the case. It is also possible to reach a settlement during the case. If the court approves the settlement, the settlement will bind the members of the class, subject to a second opt-out. This possibility for class actions applies to claims brought after 1 January 2020, relating to certain events that have occurred on or after 15 November 2016. For earlier matters, the old Dutch class actions regime will apply, which cannot result in payment of monetary damages but may result in a declaratory judgment (*verklaring voor recht*).

Certain provisions of Dutch corporate law and our Articles of Association have the effect of concentrating control over certain corporate decisions and transactions in the hands of our board of directors. As a result, holders of our shares may have more difficulty in protecting their interests in the face of actions by members of the board of directors than if we were incorporated in certain other jurisdictions.

v) Risks related to our ordinary shares

Risks related to volatility of share price.

Due to the limited volume of our ordinary shares that is traded on Euronext Paris on an average daily basis, the market price of our ordinary shares may experience more volatility compared to other listed companies and may be significantly and adversely affected by a variety of factors that could impact us, our competitors, macroeconomic conditions, and the e-commerce sector. In particular, the market price of the newly issued shares may be significantly and adversely affected by a variety of factors that may impact the Company, its competitors, macroeconomic conditions or the digital or e-commerce sectors.

These factors may include, among others, market reaction to:

- The buy out procedure initiated by Casino, Guichard Perrachon SA on October 18, 2024 for an offered price or EUR 0.09 per ordinary share, plus statutory interest from June 30, 2024 until the date of settlement;
- variations in our or our competitors' operating results, forecasts, or outlook from one period to another;
- announcements made by our competitors or other companies with similar activities, or announcements concerning the retail sales of consumer products in general or the e-commerce market relating to the financial and operating performance or outlook of those companies;
- adverse regulatory developments affecting markets where we do business or us directly;
- fluctuations in the stock markets in general and market prices for e-commerce companies in particular;
- the limited number of the Company's shares traded on a daily basis;
- publications of any research analysts;
- changes in our capital structure, including issuance of debt or equity securities;
- changes in our shareholding structure, our officers or key employees or the scope of our assets (acquisitions, sales, etc.).

In addition, many of the risks described elsewhere in this section could materially and adversely affect the price of our listed shares. Financial markets frequently experience price and volume volatility that has affected many companies' stock prices, and such wide fluctuations have often been unrelated to the operating performance of those companies. Changes in the international environment could have a significant impact on stock markets. Fluctuations such as these may materially affect the market price of our shares and / or the ability to trade these shares on the markets.

Future sales of our ordinary shares by our shareholders, or the perception that such sales could occur, may cause the market price of our ordinary shares to decline.

As of December 31, 2024, there were 345,210,398 of our ordinary shares outstanding. Sales by us or our shareholders of a substantial number of our ordinary shares in the public market, or the perception that these sales might occur, could cause the market price of our ordinary shares to decline or could impair our ability to raise capital through a future sale of our equity securities.

Further, under the Cnova NV Omnibus Incentive Plan (the "**2014 Omnibus Incentive Plan**"), the Company has the option to create share-based incentive plans for its directors and / or employees, which may result in the creation of new ordinary shares, causing a dilution of existing shareholders.

We have no present plan to pay any dividends on our ordinary shares and no assurance can be given that the Company will pay or declare dividends in the future.

We currently intend to reinvest all future earnings, if any, to finance the operation and expansion of our business. Any future determination relating to our dividend policy will be made at the discretion of our board of directors and will depend on a number of factors, including future earnings, capital requirements, contractual restrictions, financial condition, future prospects and other factors our board of directors may deem relevant from time to time. Payment of future dividends may be made only to the extent our shareholders' equity exceeds the sum of our paid-up and called-up share capital plus the reserves that must be maintained in accordance with provisions of Dutch law and our Articles of Association. The determination of the board as to whether to propose to the meeting of shareholders to resolve upon a dividend will depend upon many factors, including the Company's financial condition, earnings, corporate strategy, capital requirements of its operating subsidiaries, covenants, legal requirements to which the Company is subject, as well as other factors deemed relevant by the board. There can be no assurance that the Group's performance will facilitate adherence to the dividend policy or any increase in the pay-out ratio and, in particular, the Company's ability to pay dividends may be impaired if any of the risks described herein were to occur. We cannot provide assurances regarding the amount or timing of dividend payments and may decide not to pay dividends in the future. As a result, you should not rely on an investment in our ordinary shares to provide dividend income, and the success of an investment in our ordinary shares may depend upon an appreciation in their value. There is no guarantee that our ordinary shares will appreciate in value or even maintain the price at which shareholders have purchased their ordinary shares.

Any shareholder acquiring 30% or more of our voting rights may be required to make a mandatory takeover bid.

Under Dutch law, if a party directly or indirectly, whether or not in concert with others, acquires predominant control of a Dutch company, all or part of whose shares are admitted to trading on a regulated market such as Euronext Paris, that party may be required to make a public offer for all other shares of the Dutch company. For this purpose, "predominant control" is defined as the ability to exercise at least 30% of the voting rights at a general meeting of shareholders. Controlling shareholders existing before admission to listing and trading on the regulated market concerned are generally exempt from this requirement unless their controlling interest drops below 30% and then increases again to 30% or more and no other exemption applies. The mandatory bid rule can be enforced by court order. The purpose of this requirement is to protect the interests of minority shareholders.

3. CORPORATE GOVERNANCE – THE DUTCH CORPORATE GOVERNANCE CODE

As a Dutch company whose ordinary shares are listed on Euronext Paris, we are subject to the Dutch Corporate Governance Code 2016 (“DCGC”), as updated and amended in the course of 2022, with effect from 1 in January 2023. The text of the DCGC can be accessed at http://www.mccg.nl.

The code is based on a “comply or explain” principle. Accordingly, companies are required to disclose in their annual report filed in the Netherlands whether or not they are complying with the relevant rules of the DCGC and, if they do not apply those provisions, to give the reasons for such non-application.

We acknowledge the importance of good corporate governance and the statement contained in the DCCG’s preamble that corporate governance requires a tailor-made approach. During the financial year to which this report pertains, we complied with the provisions of the DCGC except for the deviations listed below. The current deviations from the DCGC may be a legacy of structures and schemes created during our listing on NASDAQ or emanate from the common governance practices applicable to companies that are part of Groupe Casino which includes the Company.

Cnova has adopted a Code of Business Conduct and Ethics. The text of Cnova's Code of Business Conduct and Ethics can be accessed at www.cnova.com. The Company does not voluntarily apply other formal codes of conduct or corporate governance practices.

The provisions from the DCGC we do not apply, do not comply with or deviate from, are the following:

Internal audit function (Principle 1.3 and associated best practice provisions)

As a company that is controlled by Casino, and pursuant to the management agreement entered into with Casino, internal audit support is provided by the internal audit function of Casino in cooperation with the Company’s internal controls department. The Board has no approval or nomination rights with regards to the appointment or dismissal of the internal auditor of Casino under the terms and conditions of the aforementioned management agreement, but the Board does have control over the appointment and dismissal of the Company’s internal controls department. The Board has concluded that the audit support provided by the internal audit function of Casino, together with the support provided by the Company’s internal controls department, currently provides an adequate alternative to establishing a separate internal audit department for Cnova. The findings of the internal audit function of Casino are (at least annually) reported to the Audit Committee, after which the findings are discussed, and feedback is given on the future internal audit plan pertaining to Cnova.

Retirement schedule (best practice provision 2.2.4)

Cnova has not posted the retirement schedule for the members of the Board as a separate document on its website. However, all terms of office are disclosed annually in Cnova's annual report (see chapter 5.1), which is publicly available on the Company’s website.

Contents of the Board Rules (best practice provision 2.3.1)

Our Board Rules do not contain specific provisions dealing with the Board's relations with the general meeting of shareholders. The Board will respect the rights of the general meeting of shareholders in accordance with our Articles of Association and the Dutch Civil Code.

Board Committees (best practice provision 2.3.2)

The Board has not established a separate remuneration committee and selection and appointment committee. Instead, our Nomination and Remuneration Committee fulfils the role and responsibilities of a remuneration committee and selection and appointment committee as set forth in the DCGC.

Oversight of misconduct and irregularities (best practice provision 2.6.4)

Actual or suspected misconduct or irregularities are being monitored by the Company and are reported to the Board along with the development of any ongoing investigation and the adequate follow-up of any recommendations for remedial actions related to them, when deemed necessary. The Board oversight is currently restricted to the most serious cases and does not encompass all reported actual or suspected misconduct or irregularities reported through the Company's proper channels.

Remuneration (Principle 3.1 and certain associated best practice provisions)

- *Remuneration Policy (best practice provisions 3.1.2 and 3.3.2)*

Our remuneration policy sets forth a remuneration structure designed to attract, retain and motivate Directors with the leadership qualities, skills and experience needed to support the management and growth of our business. The remuneration policy aims to drive strong business performance, promote accountability, incentivize Directors to achieve short- and long-term performance goals with the objective of substantially increasing our equity value, and assure that Directors' interests are closely aligned to those of our shareholders and other stakeholders. Consequently, our remuneration policy, and the remuneration granted based on that policy, does not comply with the remuneration related provisions from the DCGC in all respects. In addition, shares that were and might in the future be awarded to our Directors as part of either a long-term or short-term incentive plan, are not necessarily subject to a five-year lock up and options that were and might in the future be awarded to our executive directors are not necessarily subject to a three year vesting period, as recommended by best practice provision 3.1.2 and 3.3.2 of the DCGC because we do not believe that such restrictions necessarily align the interests of our Director(s) with the interests of the Company and its stakeholders.

4. BOARD OF DIRECTORS

4.1 BOARD MEMBERS

At the Company's AGM held on June 21, 2024 the shareholders (re)appointed several directors. In the course of 2024, several directors resigned. The individuals listed below are our current directors.

Name	Date of initial appointment	Date of resignation	Current term	Nationality	Year of birth
Non-executive directors					
Mrs. Béatrice Davourie	May 10, 2024		2024-2027	French	1970
Mr. Silvio J. Genesini (1)(2)(3)	December 8, 2014		2024-2027	Brazilian	1952
Mr. Bernard Oppetit (1)(2)(3)	November 19, 2014		2022-2025	French	1956
Executive directors					
Mr. Thomas Métivier, CEO	January 16, 2023		2023-2026	French	1987
Mr. Steven Geers (3)	December 21, 2021		2022-2025	Netherlands	1981

(1) Member of the Audit Committee.
(2) Member of the Nomination and Remuneration Committee.
(3) Member of the Strategy Committee

The following paragraphs set forth biographical information regarding our directors:

Béatrice Davourie was appointed as non-executive director and Chairman of the Board of Directors as per May 10, 2024. She serves as General Counsel at the Casino Group. Prior to joining Casino, she held senior legal executive positions at Groupe Louis Delhaize and CapGemini. Among others, she holds an Executive MBA from ESSEC business school and a master's degree in corporate and tax law from Paris Panthéon-Assas University.

Silvio J. Genesini was appointed to serve as a replacement director effective December 8, 2014, and was subsequently appointed non-executive director in May 2015 He currently serves as a member of the board of directors of Anima (Education public company) and Claranet Technologies (IT services provider). He is also member of the advisory board of Salesforce Brasil and Gerando Falcões (an NGO dedicated to reducing poverty in the Brazilian favelas). Mr. Genesini previously served as Chief Executive Officer of Grupo Estado from 2009 to 2012, a Brazilian media group, as the managing director of Brazilian operations for Oracle Corporation from 2004 to 2009, and as a partner at Accenture and Andersen Consulting. Mr. Genesini holds a degree in industrial engineering from Universidade de São Paulo.

Bernard Oppetit has served as one of our directors since November 2014. He is the chairman of Centaurus Capital LTD, a company he created in 2000 as an asset manager. Centaurus subsequently sold its hedge fund business and is now a private investment company. Prior to 2000, Mr. Oppetit held various positions at Paribas (now BNP Paribas) since 1979, in Paris, New York and London. Mr. Oppetit also serves as independent director of Natixis Investment Managers. He graduated from École Polytechnique in Paris in 1978.

Thomas Métivier was appointed the Company's CEO and executive director on January 16, 2023. Mr. Métivier also serves on the executive committee of Casino. After a first experience at the Aquitaine DIRECCTE, Mr. Métivier joined Cdiscount in 2016, at the Department of Strategy. In 2018, he was appointed Head of Marketplace and Strategy and joined Cdiscount's Executive committee. Mr. Métivier is a graduate of the Ecole Polytechnique and is an engineer of France's Corps des Mines.

Steven Geers was appointed as executive director on December 21, 2021. Mr. Geers became the Company's General Counsel on March 17, 2016, after having worked as Assistant General Counsel from

March 1, 2015. Prior to joining the Company, Mr. Geers worked as a senior lawyer at General Electric (GE) and practiced law at international law firms in Amsterdam and The Hague in the Netherlands, and New York City, USA. Mr. Geers holds a master's degree in Corporate Law from Groningen University in the Netherlands.

4.2 BOARD STRUCTURE

Our Company has a single-tier board of directors. The Board consists of five directors, including three non-executive directors and two executive directors. The terms of our directors will expire at the AGM of 2025 (for Bernard Oppetit and Steven Geers), 2026 (Thomas Métivier) and 2027 (Silvio Genesini and Béatrice Davourie). Non-executive directors are expected to serve three-year terms, although the internal rules for the Board and its committees (the "Board Rules") allow for other terms if proposed by the board of directors and approved by a resolution of our general meeting of shareholders. A director may be re-elected to serve for an unlimited number of terms, although the DCGC contains best practice recommendations on the maximum tenure of our non-executive directors.

In accordance with Dutch law, our Articles of Association provide that our directors will be appointed by our general meeting of shareholders. A director may be removed or suspended, with or without cause, by a resolution of our general meeting of shareholders passed by a simple majority of the votes cast. In addition, our executive directors may be suspended by the Board.

Thomas Métivier, one of our executive directors, is the sole CEO of the Company. In addition, Steven Geers is our other executive director. Moreover, under our Articles of Association, the Board may appoint other persons who are not members of the Board as Co-CEOs (each a "Non-Board Co-CEO"). A Non-Board Co-CEO attends and participates in meetings of the board of directors as an observer but may not vote. The duties, responsibilities and powers of a Non-Board Co-CEO are subject to certain limitations under Dutch law. The Board may at any time determine that the specific circumstances require the Board to perform its duties through deliberation and decision-making among the directors only, without the Non-Board Co-CEOs being present. Currently no Non-Board Co-CEO is appointed.

The primary responsibility of our non-executive directors is to supervise the Company's management, the Company's general affairs and the business connected with it and for advising the executive directors. The primary responsibility of the executive directors is to manage, subject to the limitations of Dutch law and without prejudice to the Board's collective responsibility, our Company's day-to-day operations, the general and administrative affairs of the Company's business. Furthermore, subject to the limitations of Dutch law and without prejudice to the Board's collective responsibility, our CEO is primarily responsible for the general affairs and the business of the Company's group.

Decisions of the Board require the affirmative vote of a majority of the directors present or represented at any meeting of the Board where at least a majority of the full board is present or represented. The chairman of the Board (the "Chairman") casts the deciding vote in the event that any vote of the Board results in a tie. The Board may also act by written consent, evidenced by a resolution of the Board signed by at least a majority of the full Board.

The Board has adopted internal rules concerning the organization, decision-making and other internal matters of the Board and the Board committees. The Board as a whole and the CEO (or, if appointed, any Non-Board Co-CEO) individually is authorized to represent us in dealings with third parties. The Board may elect to adopt additional lists of decisions by the CEO and /or any other executive director requiring prior approval by the Board as a whole, the Chairman or certain committees.

4.3 DIRECTOR INDEPENDENCE

All non-executive directors of Cnova are independent within the meaning of the DCGC. The recommendations under the DGCC with respect to the composition of the Board and its committees in terms of independence, have been complied with.

4.4 BOARD EVALUATION

Pursuant to the Board Rules, the non-executive directors shall discuss at least once a year, without the executive directors being present, their own functioning, the functioning of the Board committees and the individual non-executive directors, and the conclusions that must be drawn on the basis thereof. Moreover, the non-executive directors shall discuss at least once a year without the executive directors being present both the functioning of the Board as a corporate body of the Company and the performance by the executive director(s) of their duties, and the conclusions that must be drawn on the basis thereof. In accordance with the Board Rules, our Chairman shall see to it that the performance of the directors, including the CEO, is assessed at least once a year.

The last meeting of the Board without the executive directors being present to discuss the functioning of the Board as a whole and the individual directors took place on December 5, 2024. The evaluation was carried out on the basis of a questionnaire and a discussion among the non-executive directors. In the context of this evaluation, the Board concluded that it, its committees and its members, are functioning properly.

Discussions by the non-executive directors on strategy, risks and risk management

As mandated by the Board Rules, our non-executive directors meet from time to time to discuss the corporate strategy and the main risks of the business, the results of the assessment by the Board of the design and effectiveness of the internal risk management and control systems, as well as any significant changes thereto. In January 2023, the Board decided to create a specific Strategy Committee, comprising several Board members, with the purpose of advising the Board on strategic matters.

5. REMUNERATION REPORT

Advisory vote

Pursuant to the implementation of the Revised Second European Shareholder Rights Directive in 2019, the remuneration report included in our 2019 Dutch Annual Report was placed as a voting item on the agenda of our AGM in 2024. The vast majority of shares represented during the AGM, including the vast majority of shares not controlled by Casino Entities, voted to approve the remuneration report, which the Company considers as an encouragement to continue with its consistent approach with regard to the contents and structure of its remuneration reporting.

Remuneration policy

Under our Articles of Association, we must adopt a remuneration policy for our directors. Such remuneration policy was adopted by our general meeting of shareholders on October 30, 2014 and is available on our website. Pursuant to the implementation of the Revised Second European Shareholder Rights Directive in 2019, a revised remuneration policy was approved by our AGM in 2020 and can be found on https://www.cnova.com/wp-content/uploads/2020/06/10.-Cnova-Remuneration-policy.pdf. In addition, as from 2020, our remuneration policy will be placed as a voting item on the agenda for our AGM for re-approval at least once every four years.

Our current remuneration policy sets forth a remuneration structure designed to attract, retain and motivate directors with the leadership qualities, skills and experience needed to support the management and growth of the Company's business. Our remuneration policy aims to drive strong business performance, promote accountability, incentivize directors to achieve short- and long-term performance goals with the objective of substantially increasing the Company's equity value, and assure that directors' interests are closely aligned to those of the Company's shareholders and other stakeholders.

Our remuneration policy is intended to ensure the overall market competitiveness of the directors' remuneration packages, while providing the Board with enough flexibility to tailor its remuneration practices on a case-by-case basis. In determining the remuneration of directors, the Board (and the Company's nomination and remuneration committee (the "Nomination and Remuneration Committee")), in its discretion, shall consider what, if any, actions shall be taken with a view to preventing conflicts of interest. At its discretion, the Board (or the Nomination and Remuneration Committee) may obtain independent advice from compensation consultants or counsel on the appropriate levels of compensation. The Nomination and Remuneration Committee shall annually review and, if deemed appropriate, recommend to the Board changes to the individual directors' remuneration packages from time to time in a manner consistent with our remuneration policy.

The Board determines the remuneration of our directors in accordance with the remuneration policy and the remuneration paid to our directors in the 2024 fiscal year is consistent with our remuneration policy. Therefore, the remuneration paid to our directors in the 2024 fiscal year is consistent with the intentions of our remuneration policy and thus contributes to the long-term success performance of the Company. Our executive director(s) may not participate in the deliberations or, if applicable, the determination of the remuneration of executive director(s).

The below table shows the compensation paid by us and our subsidiaries to our non-executive directors in the 2024 fiscal year. In determining the level and structure of the compensation of our directors, relevant scenario analyses and peer company analyses were carried out and have been considered in advance of setting the definitive level and structure of the compensation of our directors. We do not have any written agreements with any director providing for benefits upon the termination of such director's relationship with our company or our subsidiaries, with the exception of a written agreement between the Company and Mr. Geers, which grants the latter a severance payment equal to 1.25 times his annual base salary, unless the resignation is voluntary or made for cause. Benefits upon termination will be fully governed by the applicable jurisdiction's legislation.

Amounts are in euro and are rounded up to whole euro amounts.

Name and title	Fees (1)	Total remuneration
Jean-Yves Haagen, Chairman (a)	2 384	2 384
Béatrice Davourie (b)	6 466	6 466
Silvio Genesini	104 000	104 000
Bernard Oppetit	107 000	107 000
Josseline de Clausade (a)	2 384	2 384

(1) Consists of director fees, committee member fees and attendance fees.

(a) Mr. Haagen and Mrs de Clausade resigned on March 27th, 2024
(b) Mrs. Davourie was appointed on May 10, 2024

Remuneration for executive directors

During his tenure as CEO and executive director in the 2024 fiscal year, Mr. Métivier's total paid out remuneration for this role amounted to EUR 606,550.

The executive director's compensation does not include any Cnova equity-based remuneration.

The below table shows the compensation from the Company and our subsidiaries paid to our executive directors in the 2024 fiscal year. Amounts are in euro.

Name and title	Fixed remuneration			Variable remuneration					
	Base salary	Fees (1)	Fringe benefits	One-year variable (2)	Multi-year variable (3)	Extraordinary items (4)	Pension expense	Total remuneration	Proportion of fixed and variable remuneration
Thomas Metivier, CEO	375000	60000	1 800	134750	0	35000	0	606,550	Fixed: 61.8% Variable: 38.2%
Steven Geers, Executive Director	181500	0	0	64600	0	10000	0	256 ,100	Fixed: 70.9 % Variable: 29.1%

1. Responsibility fee as Cnova CEO
2. One-year variable related to performance in 2023 and paid in 2024
3. The executive director's Multi-year variable is based upon a multi-year incentive plan, subject to presence condition as well as performance conditions, set and measured on an annual basis and paid following the determination of the achieved target amount. The key performance indicators relating to this multi-year variable scheme are set out below. No plan were paid out in 2024.
4. Exceptional bonuses paid in 2024

The Board and the Nomination and Remuneration Committee are of the opinion that the selection of key performance indicators used for determining the executive director's variable compensation comprises an appropriate selection of incentives. More specifically, the key performance indicators incentivize the executive director to achieve the purposes as stated in our remuneration policy, by targeting a mixture of financial and non-financial metrics; customer satisfaction, long term strategic plans (services, and partnership development, technological know-how) and CSR (% of women in management). As such the component parts of the variable compensation address all the Company's stakeholders and are aligned with its long-term strategic goals.

The following table sets forth the key performance indicators for the year 2024 used to set the executive directors one year variable compensation concerning the performance in 2024. The target compensation to be achieved amounts to50% of the CEO's base salary, excluding responsibility fees as CEO, and is capped at 200% achievement rate. The target compensation to be achieved amounts to 30% of the executive director's base salary and is capped at 200% achievement rate. The performance against these objectives has been assessed by the Company's Nomination and Remuneration Committee and approved by the Board of Directors on March 24, 2025. The variable remuneration will be paid out in 2025 (the cost being accrued in 2024 based on a best estimate at year end).

Performance criteria	Weight		Minimum		Target		Performance
	Thomas Metivier	Steven Geers	Thomas Metivier	Steven Geers	Thomas Metivier	Steven Geers	
Casino Group EBITDA (mn€)	10%	7%	86.8	86.8	96.5	96.5	100,0%
Casino FCF (mn€)	10%	7%	-735	-735	-668	-668	100,0%
Casino turnover 2024 (mn€)	5,0%	3.5%	8223	8223	8686	8686	57.9%
Percentage women in management	3.33%	2.5%	46.1%	46.1%	46.5%	46.5%	142.9%
Co2 emissions in tons	3.33%	2.5%	84522	84522	81141	81141	161%
KwH emitted	3.33%	2.5%	437	437	428	428	225%
CAF-CAPEX Cnova (mn€)	16,0%	12,0%	-53	-53	-48	-48	110.0%
Cnova Cash Flow (M€)	16,0%	12,0%	-95	-95	-75	-75	82%
Growth of GMV	8,0%	6.0%	2542	2542	2675.8	2675.8	92.3%
Operational reorganization	10.0%	30,0%					Metivier; 150,00% Geers: 130%
Managerial attitudes and behaviors	15,0%	18,0%					Metivier: 123% Geers: 120%
TOTAL	100,0%	100,0%			187.500	54.450	Metivier: 111.2% Geers: 115.2%

The following table summarizes the 2024 key performance indicators used to set the CEO multi-year variable compensation related to the period 2022-2024 to be paid (in cash) in 2025, when the realization of the key performance indicators will be determined.

The Company and its Board have determined that the executive director's long-term commitment to the Company is a key element to successfully executing the Company's strategy and long-term goals and thereby the long-term value creation for the Company and its affiliated enterprise. As such, the performance criterion 'presence over 3 years' was included in the multi-year compensation plan.

1 - Description of the performance criteria	**2 - Relative weighting of the performance**	**3 - information on Performance Targets**	**4- a) Measured performance (not applicable) and b) nominal**

	criteria		amount
Presence over 3 years as from 2022	**50%**	Presence for a period of three years, equal to the duration of the multi-year plan	**-** **100 000**
Performance	**50%**	Performance indicators are related to relevant parameters such as GMV, EBITDA or Net financial debt. They are set on an annual basis for each three years period, as set forth in more detail in the below overview.	**-** **100 000**

The following table specifies the targets contained in the executive directors' multi-year plan, as well as the measured performance of these targets during the relevant time period of 2022, 2023 and 2024.

2022						
2022 Cnova GMV organic growth (20% of the annual target amount)	**< -20%**	**-20% to +0%**	**0%**	**+0% to +20%**	**20%**	**> +20%**
Share of the amount paid	0%	Linear	100%	Linear	200%	Linear
2022 Cnova EBITDA (20% of the annual target amount)	**< 25 M€**	**25 M€ to 38 M€**	**38 M€**	**38 M€ to 51 M€**	**51M€**	**> 51 M€**
Share of the amount paid	0%	Linear	100%	Linear	200%	Linear
Change in 2022 Cnova Financial Net Debt (10% of the annual target amount)	**< -498 M€**	**-498 M€ to -433 M€**	**-433 M€**	**-433 M€ to -368 M€**	**-368 M€**	**> -368 M€**
Share of the amount paid	0%	Linear	100%	Linear	200%	Linear

	2022 results	Achievement rate	Weight	Weighted achievement rate
2022 Cnova GMV growth	-14,5%	27,5%	20%	5,5%
2022 Cnova EBITDA	21	0,0%	20%	0,0%
2022 change in Cnova Financial Net Debt	-516,4	0,0%	10%	0,0%
Performance conditions achievement rate				***11,0%***
Presence conditions achievement rate				***100,0%***
Global achievement rate				***55,5%***

2023					
2023 Cnova GMV organic growth (10% of the annual target amount)	**< -27,7%**	**-27,7% to -12,7%**	**-12,7%**	**-12,7% to +2,3%**	**2,3%**
Share of the amount paid	0%	Linear	100%	Linear	200%
2023 Cnova EBITDA (20% of the annual target amount)	**< 33,8 M€**	**33,8 M€ to 48,3 M€**	**48,3 M€**	**48,3 M€ to 62,8 M€**	**62,8 M€**
Share of the amount paid	0%	Linear	100%	Linear	200%
Change in 2023 Cnova Financial Net Debt (20% of the annual target amount)	**-655 M€**	**-655 M€ to -570 M€**	**-570 M€**	**-570 M€ to -485 M€**	**-485 M€**
Share of the amount paid	0%	Linear	100%	Linear	200%

	2023 results	Achievement rate	Weight	Weighted achievement rate
2023 Cnova GMV growth	-14,0%	91,3%	10%	9,1%
2023 Cnova EBITDA	49,9	111,0%	20%	22,2%
2023 change in Cnova Financial Net Debt	-582	85,9%	20%	17,2%
Performance conditions achievement rate				***97,0%***
Presence conditions achievement rate				***100,0%***
Global achievement rate				***98,5%***

2024					
2024 Cnova GMV growth [1] (10% of the annual target amount)	**< -11.4%**	**-11.4% to -6.7%**	**-6.7%**	**-6.7% to -1.7%**	**-1.7%**
Share of the amount paid	0%	Linear	100%	Linear	200%
2024 Cnova Free cash-flow before change in WCR & taxes as published (20% of the annual target amount)	**-53,0 M€**	**-53,0 M€ to -48,0 M€**	**-48,0 M€**	**-48,0 M€ to -23,5 M€**	**-23,5 M€**
Share of the amount paid	0%	Linear	100%	Linear	200%
2024 Free cash-flow as published (20% of the annual target amount)	**-95,0 M€**	**-95,0 M€ to -75,0 M€**	**-75,0 M€**	**-75,0 M€ to -37,5 M€**	**-37,5 M€**
Share of the amount paid	0%	Linear	100%	Linear	200%

Note [1]: defer for published GMV growth as target overall growth considered CARYA (1001Pneus) GMV in 2023 basis of comparison

	2024 results	Achievement rate	Weight	Weighted achievement rate
2024 Cnova GMV growth[1]	-7.1%	92.0%	10%	9.2%
2024 Cnova FCF bef. change in WCR & Taxes	-38.7	137.8%	20%	27.6%
2024 Cnova FCF	-78.6	82.2%	20%	16.4%
Performance conditions achievement rate				***106.4%***
Presence conditions achievement rate				***100.0%***
Global achievement rate				***103.2%***

Before his appointment as CEO, Thomas Metivier benefited from two other multi-year plans to be paid out in 2024.

Development of remuneration and company performance over the last five reported fiscal years

The following table sets forth the development of our directors' remuneration and Company performance for the past 5 years:

Annual charge	**FY 20**	**FY 21**	**FY 22**	**FY 2023**	**2024**
Director's remuneration					
CEO and Executive Director	1 395 000	1 413 750	1 326 075	562 600	606 550
Executive Director	n/a	8 776	246 200	256 575	256 100
Jean-Yves Haagen, Chairman	10 000	20 000	27 000	24 000	2 384
Silvio Genesini, non-executive director	107 000	137 000	107 000	104 000	104 000
Bernard Oppetit, non-executive director	93 000	123 000	93 000	93 000	107 000
Josseline de Clausade	10 000	10 000	10 000	10 000	2 384
Béatrice Davourie	n/a	n/a	n/a	n/a	6 466

Year	**2021**	**2022**	**2023**	**2024**
GMV in million EUR	4 206	3 440	2 804	2 665
EBITDA in million EUR	109	52	81	72
Marketplace share	45,2%	51,5%	60,0%	65,4%

Employees of the Company (average salary in thousand EUR)	330	364	378	440
Employees of the Company and its subsidiaries collectively (average salary in thousand EUR)	53,2	58,9	62,5	67,7

Pay Ratio

As recommended by best practice provision 3.4.1 sub iv of the DCGC, this Annual Report contains a pay ratio, setting out the ratio between the remuneration of the Company's CEO and a representative reference group, as selected by the Company. With reference to the guidance issued by the Monitoring Committee of the Dutch Corporate Governance Code in December 2020 pertaining to the financial reporting over 2019, the Company has decided to determine the pay ratio as follows:

The pay ratio will be the ratio between (i) total annual remuneration of the CEO; and (ii) the average annual remuneration of the Company and its subsidiaries which it consolidates.

- The total annual remuneration of the CEO will contain all remuneration's components, such as fixed and variable remuneration, both in cash and / or shares, the social premiums withheld, pension contributions, expense compensation etc, as included in the (consolidated) annual financial statements based on IFRS.
- The average annual remuneration of employees is calculated by dividing the total wage cost of the financial year (as included in the consolidated annual financial statements based on IFRS) with the average number of FTE during the financial year, whereby external employees will be included pro rata insofar these were retained for at least 3 months in the applicable financial year; and
- The value of the share based compensation will be determined on the moment of awarding this in line with the applicable IFRS standards.

The Company is of the opinion that this constitutes a fair comparison between the total remuneration of its CEO and a representative group comprising junior, mid-level and senior employees employed by the Company and its subsidiaries. This ratio was as follows in 2024: Representative Group: CEO = 1:13, this ratio was as follows in 2023: representative Group: CEO = 1:13, the ratio being stable between these two years.

Compensation of non-executive directors

For our eligible non-executive directors who do or did not serve within the Casino Group in any capacity other than as a director, namely Messrs. Oppetit and Genesini, the annual Board fee is higher than for those directors that do or did serve the Casino Groupe as an executive. The Board fee is supplemented by fees for service as committee chairperson and/or committee-membership as described below. The fixed compensation in cash for these non-executive directors amounts to EUR 50,000 annually. For all our other non-executive directors in 2024, that do or did serve the Casino Groupe as an executive namely Mr. Haagen and Mrs. De Clausade and Mrs. Davourie, a fixed annual Board fee of EUR 10,000 supplemented with fees related to committee memberships (if applicable) is awarded. This compensation is pro-rated in the event of an appointment or resignation in the course of a year.

Members of our audit committee receive a fixed annual retainer of EUR 15,000 and the chairman of the audit committee receives a fixed annual retainer of EUR 25,000. Members of our nomination and remuneration committee receive a fixed annual retainer of EUR 8,000, and the chairman of the nomination and remuneration committee receives a fixed annual retainer of EUR 15,000. In addition, members of the audit committee receive an attendance fee of EUR 3,000 per meeting and members of the nomination and remuneration committee receive an attendance fee of EUR 3,000 per meeting.

In March 2023 the Board created a special Board committee to address certain strategic initiatives. The members of this special committee are not entitled to an additional remuneration for their contribution to this committee.

Personal loans, advances and guarantees

The Company's current policy is not to grant any personal loans and guarantees to directors, and where the Company has appointed one, the Non-Board Co-CEO, except for travel advances, cash advances and use of a Company-sponsored credit card in the ordinary course of business and on terms applicable to the personnel as a whole. In addition, we have entered into indemnification agreements with our directors and certain of our executive officers.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

As recommended by best practice provision 2.4.4. DCGC, the below tables show the absenteeism rate from Board and Committee meetings of each non-executive Board member, where an 'X' marks attendance at the respective meeting. The Chairman has emphasized to all Board members the importance of presence at and actively participating during the meetings. It should be noted that:

- Mr Haagen and Mrs. De Clausade resigned as per March 27, 2024
- Mrs. Davourie was appointed on May 10, 2024

Board meetings 2024

Name	**27 -02**	**22-04**	**31-05**	**23-07**	**16-10**	**05-12**
Silvio Genesini	X	X	X	X	X	X
Bernard Oppetit	X	X	X	X	X	X
Jean-Yves Haagen	X					
Josseline de Clausade	X					
Béatrice Davourie			X	X	X	X

Audit Committee Meetings

Name	**26-02**	**19-04**	**30-05**	**19-07**	**14-10**	**04-12**
Bernard Oppetit	X	X	X	X	X	X
Silvio Genesini	X	X	X	X	X	X

Nomination and Remuneration Committee Meetings

Name	**12-04**	**19-07**
Silvio Genesini	X	X
Bernard Oppetit	X	X

The Strategy Committee did not hold any meetings in 2024

5.1 DIRECTORS' SERVICE CONTRACTS

There are no arrangements or understandings between us, on the one hand, and any of our directors, on the other hand, providing for benefits upon termination of their service as directors of our company, with the exception of a written agreement between the Company and Mr. Geers, which grants the latter a severance payment equal to 1.25 times his annual base salary, unless the resignation is voluntary or made for cause..

5.2 BOARD AND OTHER MANAGEMENT COMMITTEES

We have three board committees: an audit committee; a nomination and remuneration committee;

and a strategy committee. These committees are governed by our Board Rules as well as the Audit Committee Charter and Nomination and Remuneration Committee Charter respectively.

a. Audit Committee

Our audit committee consists of two independent directors, Mr. Bernard Oppetit and Mr. Silvio Genesini. Mr. Oppetit serves as the chair of the audit committee.

Our audit committee oversees our accounting and financial reporting processes and the external audits of our consolidated and separate financial statements. The role of the audit committee is described in the audit committee charter, which is available on our website at www.cnova.com under "Investor Relations."

The main items discussed at the meetings of our audit committee in 2024 included those listed in article 4 of the Company's Audit Committee Charter, as can be found on www.cnova.com.

b. Nomination and Remuneration Committee

Our nomination and remuneration committee consists of two independent directors, Bernard Oppetit and Mr. Silvio Genesini. Mr. Genesini serves as the chair of the nomination and remuneration committee. The role of our nomination and remuneration committee is to assist the Board in selecting individuals qualified to become our directors, determining the composition of the Board and its committees and reviewing and recommending our compensation structure, including compensation relating to our directors and senior management. Our CEO may not be present at any committee meeting in which his compensation is to be discussed. Our nomination and remuneration committee charter, which is available on our website at www.cnova.com under "Investor Relations," further describes the functions of our nomination and remuneration committee.

The main items discussed at the meetings of our nomination and remuneration committee in 2024 included those listed in the Company's Nomination and Remuneration Committee Charter, as can be found on www.cnova.com.

c. Strategy Committee

Our Strategy Committee consists of Messrs. Métivier, Geers, Genesini, and Oppetit. In addition, the Company's CFO has a standing invitation to attend the meetings. The Strategy Committee is tasked with (i) periodically advising the Board on general and specific strategic matters pertaining to the Company and the environment in which it operates, (ii) preparing deliberations and decision making by the Board of Directors on the Company's strategy and material updates and amendments thereof, (iii) monitoring and advising on material implementation of the Company's strategy and (iv) (acting as forum for) discussing and reviewing periodic management reports and other relevant information on the implementation of the strategy.

5.3 DIVERSITY POLICY

Cnova believes that diversity is important to support good decision-making, and it is committed to supporting, valuing and leveraging diversity in the composition of the Board. In pursuing this goal, on December 18 2023, the Board approved the revised Diversity and Inclusion Policy of Cnova (the "Diversity Policy"), which sets out the Company's targets relating to diversity in the composition of the Board and senior management. The Diversity Policy is available on our website. Since its approval, the Diversity Policy is used by the Board and its Nomination and Remuneration Committee during the selection, recommendation and nomination of the Company's directors and senior management.

The current composition of the Board diverges from the targets set out in the Diversity Policy. This is primarily due to the selection of the current members of the Board based on the required profile and their backgrounds, experiences, qualifications, knowledge, abilities and viewpoints without positive or negative bias on gender or other diversity aspects such as age or nationality. Compliance with the Diversity Policy's targets as to, among others, gender, will be featured on the agenda of the Nomination and Remuneration Committee meetings. The Nomination and Remuneration Committee will then inform the Board on the proposed steps to be taken to achieve compliance with the Diversity Policy.

At 31-12-2024 the Board comprised 4 male directors and 1 female director (80% and 20% respectively). As per the Company's Diversity Policy, the Board strives towards at least 33% female directors. To achieve this target, the Company endeavors to identify suitable female candidates in the event a vacancy arises on the Board.

In the Diversity Policy, the Company set itself the target that for the group of Senior officers as a collective, the percentage of women in that group should not decrease below 40%. Senior officers comprise (i) the members of the Board of Directors, (i) the members of the Executive Committee (if and when established) and (iii) the managers of Cdiscount. At present Cnova does not have an Executive Committee.

At year-end 2024, the percentage of female Senior officers was 42.3%. The Company is striving towards increasing this percentage to 42.5 % by year-end 2025, despite many of its business activities taking place in sectors (Logistics, IT, Sales) that are historically mainly staffed with men. The Company plans to achieve this target by using the programs as listed below.

In addition to having the percentage of female managers as a permanent objective linked to variable remuneration for all Senior officers, the Company has initiated numerous programs to promote the careers of female employees and support their development in the Company. Examples are:

- "She is realizing herself in the company" campaign: promoting career development and the place of women in the company
- "She is revealing herself in Tech" campaign: exclusively designed to promote the career of our women employees in digital and tech positions
- Trainings to foster a healthy and fulfilling work environment ensuring male and female equal opportunities
- Prevention of sexism and sexual harassment
- Sessions to raise awareness on professional equality between women and men
- Dedicated training program "Reveal yourself" to develop the leadership and the potential of female talents
- Programs to support parenthood and work-life balance
- Preparatory workshops for women leaving and returning from maternity
- Nursery slots
- Access to a platform of educational assistance ("family campus")
- Breastfeeding rooms in our main buildings
- Welcome boxes sent to new parents
- Compensation programs: variable compensation is maintained during maternity leave, women in maternity during annual increase campaign will get as a minimum the average annual increase of their category, financial envelop dedicated every year to address unfair salary discrepancies to insure equal remuneration

- A Parenthood guide is updated every year for the benefit of all employees
- Raising awareness of conjugal and intra-family violence through a guide, mailing, information on emergency numbers, HR support
- The gender balance is monitored in our main HR processes, such as training, promotions
- Annually the professional equality Index per company is communicated, raising awareness of the efforts and achievements

5.4 CONFLICTS OF INTEREST

In accordance with the Board Rules, a director shall not participate in the deliberations and decision-making of the Board on a matter in relation to which he or she has a conflict of interests within the meaning of the Dutch Civil Code. In addition, a director may recuse him- or herself in case s/he believes to have a potential conflict of interest within the meaning of the Dutch Corporate Governance Code. A director is not automatically barred from participating in any discussion or decision-making involving a matter in relation to which s/he may have an apparent conflict of interest. Pursuant to the Board Rules, a director is required to report a potential conflict of interest to the Chairman of the Board and the Board (excluding the director concerned) shall resolve whether the reported potential conflict of interests qualifies as an actual conflict of interests.

During 2024, we did not enter into transactions in respect of which there was a conflict of interests between us and any of our directors which is (or was) of material significance to us or such director(s).

5.5 CORPORATE VALUES

Our corporate values are described in our Code of Business Conduct and Ethics, which forms a set of guidelines that explain how all of our directors, officers and employees are expected to behave as the' conduct the Company's affairs. Our Code of Business Conduct and Ethics addresses both ethical standards and obligations for complying with the laws and regulations of the countries where we conduct business, as well as how we are all expected to respond to unacceptable behavior. We urge our directors, officers and employees to give their full attention to reading and understanding the Code of Business Conduct and Ethics. We believe that compliance with that Code is not only good business, but also a requirement for all directors, officers and employees of Cnova and its subsidiaries. Our directors, officers and employees are expected to act with total transparency and report in good faith any violations of the Code.

6. EXECUTIVE OFFICERS

6.1 EXECUTIVE OFFICERS

The individuals listed below comprised our executive officers at 2024 year end :

Name	Age	Title
Thomas Métivier	38	Chief Executive Officer and Executive Director at Cnova and Cdiscount
Yves Trézières	61	Chief Financial Officer at Cnova N.V.
Steven Geers	43	Executive Director and General Counsel

The following paragraphs set forth biographical information regarding our Non-Board executive officers. For biographical information regarding Thomas Métivier and Steven Geers, please see "—Directors" above.

Yves Trézières was appointed CFO on October 10, 2022. He served as Finance and Transformation Director at Cdiscount since March 2022. Prior thereto, Yves served successively in a variety of senior management roles over the past 30 years as Vice President Logistics, Information Systems, Finance, Risk, Transformation and Project at Nexans, a French listed Industrial company with 6-billion-euro revenue and a worldwide scope. Yves holds a degree in Finance, French University

6.2 COMPENSATION OF EXECUTIVE OFFICERS

The aggregate compensation expensed by us and our subsidiaries to our executive officers for the year ended December 31, 2024 was approximately €3,3 million.

7. RELATED PARTY TRANSACTIONS

The relationships we have with our Parent Companies, across areas such as purchasing, logistics and fulfillment, other operational areas and financing are an important part of our strategy and provide a significant competitive advantage.

Our Related Party Transaction Policy (the "RPT Policy"), in effect since the completion of our IPO, as amended from time to time, requires that all related party transactions be entered into on arm's-length terms and prevents the management of situations of potential conflicts of interest. The RPT Policy defines related party transactions as transactions between (i) Cnova (or any subsidiary of Cnova), on the one hand, and (ii) either (x) a direct or indirect holder (or deemed holder) of 10% or more of our issued ordinary share capital and/or voting rights in respect thereof or any subsidiary thereof (or any of their respective directors or officers or their immediate family members), or (y) a director or officer of Cnova, or any of their immediate family members, on the other hand.

In order to ensure compliance with the RPT Policy, we have retained the services of Grant Thornton France to review the terms of our related party transactions or arrangements then in effect, including those in effect prior to our IPO but excluding the Framework and IPO Agreement and related agreements, and agreements relating to our shares identified below. Grant Thornton reviewed all material terms that it believed should be considered in determining whether a transaction is entered on arm's-length terms, including pricing, duration and termination provisions. Grant Thornton's review was performed under International Standard on Assurance Engagements 3000 and concluded that no material element existed that would preclude the determination that (i) Cnova's framework is appropriate for establishing related party transactions on arm's-length terms and reviewing and approving such transactions, (ii) the framework has been properly applied to the related party transactions reviewed by Grant Thornton, and (iii) each such related party transactions was entered into on arm's-length terms, taking into account all material aspects of each transaction.

After this first review, Grant Thornton France tested the operating effectiveness of certain of Cnova's related party transactions for the fiscal year ended December 31, 2015, which were deemed significant based on amounts incurred during that year or their strategic business stakes. In total, 20 related party transactions were identified, and Grant Thornton tested material elements linked to each of these related party transactions' invoicing process, in particular pricing, invoicing frequency and payment deadline. This review was also performed under International Standard on Assurance Engagements 3000, and led to the conclusion that the related party transactions reviewed are operated at arm's-length terms, taking into account all material aspects of the tested transactions.

Since 2016 and continuing to date, Grant Thornton France has reviewed as of the end of each year, related party transactions that were subject to Board approval, and concluded that they were entered into at arm's-length terms. Further, Grant Thornton France has been testing operating effectiveness based on a sample of certain Cnova's related party transactions, which are selected based on the same criteria compared to the previous review performed (amounts involved and strategic business stakes). The testing focused on adherence to contractual clauses through the testing of the pricing aspects of these related party transactions. Grant Thornton France has concluded on the absence of discrepancy between the contractual terms and the performance of the agreements.

In addition, starting in the fiscal year ended December 31, 2015, and continuing to date, Grant Thornton has reviewed proposed new transactions or amendments to existing transactions to ensure that such related party transactions are designed and will be entered into on arm's-length terms, taking into account all material aspects of each transaction and issues a report attesting that no material element existed which would preclude such related party transactions to be entered at arm's-length terms.

As part of the annual operating effectiveness testing, Grant Thornton selected 7 existing related party transactions for testing. The scope of this testing covered 100% of revenues and net income resulting from related party transactions with above 1m€ P&L impact. Grant Thornton concluded that they did not identify any material element likely to call into question the fact that Related Party Transactions were not operated satisfactorily following agreed principles and thus impairing arm's-length terms.

Based on several factors, including our experience in the business sectors in which we operate, the terms of our transactions with unaffiliated third parties and other market data, as well as the reviews conducted by Grant Thornton, we believe that all of the transactions described in Note 26 to our consolidated financial statements included elsewhere in the annual report meet the standards set forth in the RPT Policy and best practice provision 2.7.5 of the DCGC.

For a description of material related party transactions, or series of material related party transactions to which we are currently a party and in which the other parties included, include or are proposed to include our directors, executive officers, major shareholders or any member of the immediate family of any of the foregoing persons, please refer to Note 26 to our consolidated financial statements included elsewhere in this annual report

8. SHARE CAPITAL

8.1 AUTHORIZED SHARE CAPITAL, ISSUANCE OF SHARES AND PREEMPTIVE RIGHTS

Pursuant to our Articles of Association, our authorized share capital on December 31, 2024 comprised €100,000,000 divided into 1,200,000,000 ordinary shares and 800,000,000 special voting shares, each with a nominal value of €0.05. Under Dutch law, our authorized share capital is the maximum capital that we may issue without amending our Articles of Association and may be as high as five times the issued share capital.

As of December 31, 2024 the Company had an issued share capital consisting of 345,210,398 ordinary shares, par value € 0.05 per share and 308,937,115 special voting shares, par value €0.05 per share.

On October 1, 2024 the Company received a request from Casino to terminate the Company's founders high voting plan which allows founding shareholders of the Company (including Casino) and their permitted transferees to receive twice as many voting rights in the Company's general meeting as the number of ordinary shares held by them and which are registered in the Company's special founders' share register for that purpose. As a consequence of Casino's request, all DRs for Special Voting Shares held by the Foundation were cancelled for no consideration. Subsequently, all Special Voting Shares held by the Foundation were transferred to the Company for no consideration and the Foundation was dissolved. In connection with the foregoing, the Articles of Association were amended to remove all references to the Special Voting Shares. The deed of amendment was executed on January 23, 2025 Consequently on the same date all Special Voting Shares were cancelled.

Under Dutch law, shares are issued and rights to subscribe for shares are granted pursuant to a resolution of the general meeting of shareholders. The general meeting of shareholders may authorize the Board (or another body) to issue new shares or grant rights to subscribe for shares. Such authorization can be granted and extended, in each case for a period not exceeding five years.

The most recent resolution adopted by our general meeting of shareholders in this respect was adopted in the AGM held on June 21, 2024, pursuant to which the Board is authorized to resolve on the issuance of ordinary shares and special voting shares up to the maximum number allowed to be issued under the Company's authorized share capital as stipulated in the articles of association of the Company from time to time, and to grant rights to subscribe for such ordinary shares and special voting shares up to such maximum number, for a period of five (5) years with effect from said AGM, which delegation includes the authority to determine the price and further terms and conditions of any such share issuance or grant.

Under Dutch law, in the event of an issuance of ordinary shares or granting of rights to subscribe for ordinary shares, each holder of ordinary shares will have a pro rata preemptive right in proportion to the aggregate nominal value of the ordinary shares held by such holder. A holder of ordinary shares does not have a preemptive right with respect to the issuance of, or granting of rights to subscribe for, (i) ordinary shares for consideration other than cash or (ii) ordinary shares to our employees or the employees of our group of companies. In addition, there are no preemptive rights in case of an exercise of a previously granted right to subscribe for shares.

The preemptive rights in respect of newly issued ordinary shares may be restricted or excluded by a resolution of the general meeting of shareholders. The general meeting of shareholders may authorize the Board (or another body) to restrict or exclude the preemptive rights in respect of newly issued ordinary shares. Such authorization can be granted and extended, in each case for a period not exceeding five years. A resolution of the general meeting of shareholders to restrict or exclude the preemptive rights or to designate the Board as the authorized body to do so requires a two-thirds majority of the votes cast, if less than one-half of our issued share capital is represented at the meeting. The most recent resolution adopted by our general meeting of shareholders in this respect was adopted in the AGM held on June 21, 2024, pursuant to which the Board is irrevocably authorized to limit or exclude the preemptive rights of holders of ordinary shares for a period five years with effect from said AGM.

8.2 FORM OF SHARES

Pursuant to our Articles of Association, our ordinary shares are registered shares.

8.3 VOTING RIGHTS

In accordance with Dutch law and our Articles of Association, each issued ordinary share confers the right on the holder thereof to cast one vote at the general meeting of shareholders. The voting rights attached to any shares held by us or our direct or indirect subsidiaries are suspended as long as they are held in treasury. Dutch law does not permit cumulative voting for the election of directors.

Voting rights may be exercised by shareholders or by a duly appointed proxy holder (the written proxy being acceptable to the chairman of the shareholders' meeting) of a shareholder, which proxy holder need not be a shareholder. In accordance with the DCGC, we should give our shareholders the possibility to grant a proxy to an independent party prior to the general meeting of shareholders. Our Articles of Association do not limit the number of shares that may be voted by a single shareholder. If a usufruct or pledge over shares was granted prior to the time such shares were acquired by us, the holders of such rights shall have the voting rights attached to such shares if certain requirements are met.

In accordance with Dutch law and generally accepted business practices, our Articles of Association do not provide quorum requirements generally applicable to general meetings of shareholders.

Resolutions of the general meeting of shareholders are adopted by a simple majority of votes cast without quorum requirement, except where Dutch law or our articles of association provides for a special majority and/or quorum in relation to specified resolutions.

The chairman of the general meeting of shareholders decides on the method of voting and may determine the voting procedure. The determination made by the chairman of the general meeting of shareholders with regard to the results of a vote is decisive. However, where the accuracy of the chairman's determination is contested immediately after it has been made, a new vote shall take place if the majority of the general meeting of shareholders so requires or, where the original vote did not take place by response to a roll call or in writing, if any party with voting rights present at the meeting so requires.

The Board keeps a record of the resolutions passed at each general meeting of shareholders. The record is available at our office for inspection by any person entitled to attend general meetings of shareholders and upon request a copy of or extract from the record will be provided to such person at no more than the cost price.

Our Articles of Association and Dutch law provide that resolutions of the Board concerning a material change in the identity or character of the Company or our business are subject to the approval of the general meeting of shareholders. Such changes include in any event:

- transferring the business or materially all of the business to a third-party;
- entering into or terminating a long-lasting alliance of the Company or of a subsidiary either with another entity or company, or as a fully liable partner of a limited partnership or partnership, if this alliance or termination is of significant importance for the Company; and
- acquiring or disposing of an interest in the capital of a company by the Company or by a

subsidiary with a value of at least one-third of the value of the assets, according to the balance sheet with explanatory notes or, if the Company prepares a consolidated balance sheet, according to the consolidated balance sheet with explanatory notes in the Company's most recently adopted annual accounts.

The absence of such approval of the general meeting of shareholders does not affect the powers of representation of the Board or the CEO.

None of the shares in the capital of the Company has special control rights. There are no restrictions on voting rights.

8.4 SPECIAL VOTING SHARES

On October 1, 2024 the Company received a request from Casino to terminate the Company's founders high voting plan which allows founding shareholders of the Company (including Casino) and their permitted transferees to receive twice as many voting rights in the Company's general meeting as the number of ordinary shares held by them and which are registered in the Company's special founders' share register for that purpose. As a consequence of Casino's request, all DRs for Special Voting Shares held by the Foundation were cancelled for no consideration. Subsequently, all Special Voting Shares held by the Foundation were transferred to the Company for no consideration and the Foundation was dissolved. In connection with the foregoing, the Articles of Association were amended to remove all references to the Special Voting Shares. The deed of amendment was executed on January 23, 2025 Consequently on the same date all Special Voting Shares were cancelled.

8.5 REPURCHASE BY THE COMPANY OF ITS SHARES

Under Dutch law, we may not subscribe for newly issued shares in our own capital. We may acquire our shares, subject to applicable provisions and restrictions of Dutch law and our Articles of Association, to the extent that:

- such shares are fully paid up;
- such shares are acquired for no valuable consideration, or such repurchase would not cause our shareholders' equity to fall below an amount equal to the sum of the paid-up and called-up part of the issued share capital and the reserves we are required to maintain pursuant to Dutch law or our Articles of Association; and
- after the acquisition of shares, we and our subsidiaries would not hold, or would not hold as pledgees, shares having an aggregate nominal value that exceeds 50% of our issued share capital.

Other than shares acquired for no valuable consideration or by universal succession, the Board may acquire shares only if our general meeting of shareholders has authorized the Board to do so. An authorization by the general meeting of shareholders for the acquisition of shares can be granted for a maximum period of 18 months. Such authorization must specify the number of shares that may be acquired, the manner in which these shares may be acquired and the price range within which the shares may be acquired. No authorization of the general meeting of shareholders is required if listed ordinary shares are acquired by us with the intention of transferring such ordinary shares to our employees or employees of a group company pursuant to an arrangement applicable to them.

The most recent resolution adopted by our general meeting of shareholders in this respect was adopted in the AGM held on May 26, 2023, pursuant to which the Board is authorized to acquire up to 50% of our issued share capital from time to time, by any means for an 18-month period from May 26, 2023, for a price per share not exceeding 110% of the market price of the ordinary shares (with the market price deemed to be the average of Euronext Paris closing price on each of the ten consecutive days of trading preceding the second day prior to the date the acquisition is agreed upon by the Company), exclusive of any fees, commissions or other expenses related to such acquisitions, and otherwise in accordance with the terms specified at the time of the authorization.

8.6 CAPITAL REDUCTIONS; CANCELLATIONS

At a general meeting, our shareholders may resolve to reduce our issued share capital by (i) cancelling shares or (ii) reducing the nominal value of the shares by virtue of an amendment to our Articles of Association. In either case, this reduction would be subject to applicable statutory provisions. A resolution to cancel shares may only relate to shares held by the Company itself or in respect of which the Company holds the depository receipts. In order to be approved, a resolution to reduce the capital requires approval of a simple majority of the votes cast at a general meeting of shareholders if at least half the issued capital is represented at the meeting or at least two-thirds of the votes cast at the general meeting of shareholders if less than half of the issued capital is represented at the general meeting of shareholders.

A reduction in the number of shares without repayment and without release from the obligation to pay up the shares must be effectuated proportionally on shares of the same class (unless all shareholders concerned agree to a disproportional reduction). A resolution that would result in a reduction of capital requires approval of the meeting of each group of holders of shares of the same class whose rights are prejudiced by the reduction. In addition, a reduction of capital involves a two-month waiting period during which creditors have the right to object to a reduction of capital under specified circumstances.

8.7 GENERAL MEETINGS OF SHAREHOLDERS

General meetings of shareholders are held in Amsterdam, Rotterdam, The Hague or in the municipality of Haarlemmermeer (Schiphol Airport), the Netherlands. All shareholders and others entitled to attend general meetings of shareholders are authorized to attend the general meeting of shareholders, to address the meeting and, in so far as they have such right, to vote, either in person or by proxy.

We must hold at least one general meeting of shareholders each year, to be held within six months after the end of our fiscal year. A general meeting of shareholders shall also be held within three months after the Board has considered it to be likely that the Company's equity has decreased to an amount equal to or lower than half of its paid up and called up capital and whenever the board of directors so decides. If the Board has failed to ensure that such general meetings of shareholders as referred to in the preceding sentences is held in a timely fashion, each shareholder and other person entitled to attend general meetings of shareholders may be authorized by the Dutch court to convene the general meeting of shareholders.

The Board may convene additional extraordinary general meetings of shareholders whenever the Board so decides. Pursuant to our Articles of Association, one or more shareholders and/or others entitled to attend general meetings of shareholders, alone or jointly representing at least (i) ten percent of our issued share capital or (ii) ten percent of the ordinary shares in our issued share capital, may on their application, be authorized by the Dutch court to convene a general meeting of shareholders. The Dutch court will disallow the application if it does not appear that the applicants have previously requested that the Board convenes a shareholders' meeting, and the board of directors has not taken the necessary steps so that the shareholders' meeting could be held within eight weeks after the request.

In accordance with the DCGC, shareholders who have the right to put an item on the agenda for our general meeting or to request the convening of a general meeting shall not exercise such rights until after they have consulted our Board. If exercising such rights may result in a change in our strategy (for example, through the dismissal of one or more of our directors), our Board must be given the opportunity to invoke a reasonable period of up to 180 days to respond to the shareholders' intentions. If invoked, our Board must use such response period for further deliberation and constructive consultation, in any event with the shareholder(s) concerned and exploring alternatives. At the end of the response time, our Board shall report on this consultation and the exploration of alternatives to our general meeting. The response period may be invoked only once for any given general meeting and shall not apply (i) in respect of a matter for which a response period has been previously invoked or (ii) if a shareholder holds at least 75% of our issued share capital as a consequence of a successful public bid.

Moreover, our Board can invoke a cooling-off period of up to 250 days when shareholders, using their right to have items added to the agenda for a general meeting or their right to request a general meeting, propose an agenda item for our general meeting to dismiss, suspend or appoint one or more directors (or to amend any provision in our articles of association dealing with those matters) or when a public offer for our company is made or announced without our support, provided, in each case, that our Board believes that such proposal or offer materially conflicts with the interests of our company and its business. During a cooling-off period, our general meeting cannot dismiss, suspend or appoint directors (or amend the provisions in our articles of association dealing with those matters) except at the proposal of our Board. During a cooling-off period, our Board must gather all relevant information necessary for a careful decision-making process and at least consult with shareholders representing 3% or more of our issued share capital at the time the cooling-off period was invoked, as well as with our Dutch works council (if we or, under certain circumstances, any of our subsidiaries would have one). Formal statements expressed by these stakeholders during such consultations must be published on our website to the extent these stakeholders have approved that publication. Ultimately one week following the last day of the cooling-off period, our Board must publish a report in respect of its policy and conduct of affairs during the cooling-off period on our website. This report must remain available for inspection by shareholders and others with meeting rights under Dutch law at our office and must be tabled for discussion at the next general meeting. Shareholders representing at least 3% of our issued share capital may request the Enterprise Chamber for early termination of the cooling-off period. The Enterprise Chamber must rule in favor of the request if the shareholders can demonstrate that:

- our Board, in light of the circumstances at hand when the cooling-off period was invoked, could not reasonably have concluded that the relevant proposal or hostile offer constituted a material conflict with the interests of our company and its business;
- our Board cannot reasonably believe that a continuation of the cooling-off period would contribute to careful policymaking; or
- other defensive measures, having the same purpose, nature and scope as the cooling-off period, have been activated during the cooling-off period and have not since been terminated or suspended within a reasonable period at the relevant shareholders' request (i.e., no 'stacking' of defensive measures).

General meetings of shareholders are convened by a notice which includes an agenda stating the items to be discussed. For the AGM the agenda is to include, among other things, the adoption of our annual accounts, the appropriation of our profits and proposals relating to the composition and filling of any vacancies of the Board and disclosure of remuneration. In addition, the agenda for a general meeting of shareholders includes such items as have been included therein by the Board. Pursuant to our Articles of Association, one or more shareholders and/or others entitled to attend general meetings of shareholders, alone or jointly representing at least (i) three percent of the issued share capital or (ii) three percent of the ordinary shares of our issued share capital (or, in each case, such lower percentage as the Articles of Association may provide), have the right to request the inclusion of additional items on the agenda of shareholders' meetings. Such requests must be made in writing, substantiated and received by us no later than on the 60th day before the day the relevant shareholder meeting is held. No resolutions are to be adopted on items other than those which have been included in the agenda.

We will give notice of each general meeting of shareholders by publication on our website, and in any other manner that we may be required to follow in order to comply with Dutch law, and applicable stock exchange requirements. The holders of registered shares may be convened for a shareholders' meeting by means of letters sent to the addresses of those shareholders as registered in our shareholders' register, or, subject to certain statutory requirements and restrictions, by electronic means. We will observe the statutory minimum convening notice period for a general meeting of shareholders, which is currently forty-two days, and we will publish the following information on our website, and leave such information available on our website for a period of at least one year: (i) the notice convening the general meeting of shareholders, including the place and time of the meeting, the agenda for the meeting and the right to attend the meeting, (ii) any documents to be submitted to the general meeting of shareholders, (iii) any proposals with respect to resolutions to be adopted by the general meeting of shareholders or, if no proposal will be submitted to the general meeting of shareholders, an explanation by the Board with respect to the items on the agenda, (iv) to the extent applicable, any draft resolutions with respect to items on the agenda proposed by a shareholder as well as particulars provided to us concerning the shares and short positions that are, or are deemed to be, at the disposal of such shareholder, (v) to the extent applicable, a format proxy statement and a form to exercise voting rights in writing and (vi) the total number of outstanding shares and voting rights in our capital on the date of the notice convening the general meeting of shareholders.

A record date (*registratiedatum*) of 28 calendar days prior to a general meeting of shareholders applies, with the purpose to establish which shareholders and others with meeting rights are entitled to attend and, if applicable, vote in the general meeting of shareholders. The record date and the manner in which shareholders can register and exercise their rights will be set out in the convocation notice of the general meeting. Our Articles of Association provide that a shareholder must notify the Company in writing of his or her identity and his or her intention to attend (or be represented at) the general meeting of shareholders, such notice to be sent after the 28th day prior to the general meeting and to be received by us ultimately on the third trading day prior to the general meeting. If this requirement is not complied with or if upon direction of the Company to that effect no proper identification is provided by any person wishing to enter the general meeting of shareholders, the chairman of the general meeting of shareholders may, in his sole discretion, refuse entry to the shareholder or his proxy holder.

Pursuant to our Articles of Association, the general meeting of shareholders is chaired by the chairman of the Board. If the chairman of the Board is absent, the directors present at the meeting shall appoint one of them to be chairman of the general meeting of shareholders. If none of the directors is present at the general meeting of shareholders, the general meeting of shareholders shall appoint its own chairman. Directors may attend a general meeting of shareholders and shall, in that capacity, have an advisory vote at these meetings. The chairman of the meeting may decide at his discretion to admit other persons to the meeting. The chairman of the meeting shall appoint another person present at the shareholders' meeting to act as secretary and to minute the proceedings at the meeting. Each director may instruct a civil law notary to draw up a notarial report of the proceedings at the Company's expense, in which case no minutes need to be taken. The chairman of the general meeting is authorized to eject any person from the general meeting of shareholders if the chairman considers that person to disrupt the orderly proceedings. The general meeting of shareholders shall be conducted in the English language.

8.8 AMENDMENTS OF ARTICLES OF ASSOCIATION

The general meeting of shareholders may resolve to amend our Articles of Association. A resolution taken by the general meeting of shareholders to amend our Articles of Association requires a simple majority of the votes cast.

8.9 DIVIDENDS AND OTHER DISTRIBUTIONS

To date, we have never declared or paid cash dividends to our shareholders. We have no present plan to pay dividends on our ordinary shares for the foreseeable future and currently intend to reinvest all future earnings, if any, to finance the operation of our business and to expand our business. Under Dutch law, we may only pay dividends to the extent our shareholders' equity exceeds the sum of our paid-up and called-up share capital plus the reserves required to be maintained by Dutch law or our Articles of Association. Any future determination relating to our dividend policy will be made at the discretion of our board of directors and will depend on a number of factors, including future earnings, capital requirements, contractual restrictions, financial condition, future prospects and other factors our board of directors may deem relevant from time to time.

8.10 DIVIDEND RIGHTS

To the extent any profits remain after reservation by our board of directors, these will be at the disposal of the general meeting of shareholders for distribution to the holders of ordinary shares in proportion to the aggregate nominal value of their ordinary shares.

8.11 PROFIT APPROPPRIATION

The Board proposes to appropriate the loss for the period to the "other reserves".

8.12 MAJOR SHAREHOLDERS

Please refer to chapter 1.5 elsewhere in this annual report.

9. AGREEMENT BETWEEN SHAREHOLDERS

9.1 AGREEMENTS KNOWN TO US WHICH MAY RESULT IN RESTRICTIONS ON THE TRANSFER OF SECURITIES AND/OR VOTING RIGHTS

There are – as far as the Company is aware – no agreements involving a shareholder of Cnova that could lead to a restriction of the transferability of share or of voting rights on shares.

9.2 MATERIAL AGREEMENTS TO WHICH THE COMPANY IS A PARTY AND WHICH ALTER OR TERMINATE UPON A CHANGE OF CONTROL OF THE COMPANY

There are no material agreements to which we are a party that alter or terminate upon a change of control over the Company.

9.3 ANTI-TAKEOVER PROVISIONS

Under Dutch law, various protective measures against takeovers are possible and permissible, within the boundaries set by Dutch statutory law and Dutch case law. Our Articles of Association do not include or provide for any such protective measures.

10. EVENTS AFTER THE BALANCE SHEET DATE

For information regarding subsequent events, see Note 27 to the consolidated financial statements include elsewhere in this annual report.

11. DEFINITIONS

In this annual report, the terms “Cnova,” “we,” “us,” “our” and “the Company” refer to Cnova N.V. and, where appropriate, its subsidiaries. Any reference to “our brands” or “our domain names” in this annual report includes the brands “Cdiscount” and related domain names, which are either registered in the names of our Parent Companies or in the name of Cdiscount as more fully described herein. Additionally, unless the context indicates otherwise, the following definitions apply throughout this annual report:

Name	Definition
AFM..	Dutch Authority for the Financial Markets
AMF..	French Autorité des Marchés Financiers
Casino	Casino, Guichard-Perrachon S.A.
Casino Group..................................	Casino, Guichard-Perrachon S.A. and its subsidiaries.
CBD or GPA......................................	Companhia Brasileira de Distribuição and, where appropriate, its subsidiaries (together, commonly known as Grupo Pão de Açúcar)
Cdiscount..	Cdiscount S.A. and, where appropriate, its subsidiaries
Cdiscount Group..........................	Cdiscount Group S.A.S. (formerly Casino Entreprise S.A.S.) and, where appropriate, its subsidiaries
Éxito	Almacenes Éxito S.A. and, where appropriate, its subsidiaries
Founding Shareholders...........	Casino, CBD, Via Varejo, Éxito and certain former managers of Nova Pontocom.
Parent Company..........................	Casino
SEC	United States Securities and Exchange Commission
Via Varejo...	Via Varejo S.A. and, where appropriate, its subsidiaries
Voting Depository	Stichting Cnova Special Voting Shares

We also have a number of other registered trademarks, service marks and pending applications relating to our brands. Solely for convenience, trademarks and trade names referred to in this annual report may appear without the “®” or “™” symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent possible under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display other companies’ trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies. Each trademark, trade name or service mark of any other company appearing in this annual report is the property of its respective holder.

12. FORWARD-LOOKING AND OTHER INFORMATION

This annual report includes other statistical, market and industry data and forecasts which we obtained from publicly available information, independent industry publications and reports that we believe to be reliable sources. These publicly available industry publications and reports generally state that they obtain their information from sources that they believe to be reliable, but they do not guarantee the accuracy or completeness of the information. Although we believe that these sources are reliable, we have not independently verified the information contained in such publications. Certain estimates and forecasts involve uncertainties and risks and are subject to change based on various factors, including those discussed under "Risk Management and Risk Factors" in this annual report.

This annual report may contain forward looking statements that are based on our management's beliefs and assumptions and on information currently available to our management. -Forward looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, potential market opportunities and the effects of competition. -Forward looking- statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "seeks," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would" or similar expressions that convey uncertainty of future events or outcomes and the negatives of those terms. These statements include, but are not limited to, statements regarding:

- our ability to compete successfully in our highly competitive market;
- our ability to attract and retain talented personnel.
- our ability to maintain and enhance our brands, as well as our customer reputation;
- our ability to develop state-of-the-art technology, to make continuous improvement to our mobile platform successfully and to monetize traffic from mobile activity;
- our ability to achieve growth in the higher-margin areas of our business, including our marketplace and home furnishings product category;
- our ability to maintain and grow our existing customers base, to increase repeat orders from our customers and to grow our CDAV (« Cdiscount à Volonté », our client loyalty program) customer base;
- our ability to maintain good relations with our vendors and the ability of our vendors to maintain their commercial position;
- our ability to increase direct sales product assortment and marketplace offering successfully and continuously;
- our ability to successfully optimize, operate and manage our fulfillment centers;
- our ability to protect our sites, networks and systems against security breaches;
- the extent to which we can benefit from the relationships with our Parent Companies;
- the extent to which our sites are affected by significant interruptions or delays in service;
- our ability to develop new sources of revenues or enhance the existing ones, including the development of new B2B services;
- our ability to continue the use of our domain names and prevent third parties from

acquiring and using domain names that infringe on our domain names;

- our ability to comply with European, French and other laws and regulations relating to privacy and data protection;
- our ability to comply with additional or unexpected laws and regulations applying to our business, including consumer protection laws and tax laws; and
- Going concern assessment

The forward-looking statements contained in this annual report reflect our views as of the date of this annual report about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause events or our actual activities or results to differ significantly from those expressed in any forward-looking statement.

Cnova operates in highly volatile market environments, subject to rapid technological or competition-driven changes and difficult macro-environment. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, results, actions, levels of activity, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements, including, but not limited to, those factors described in “4. Risk Management and Risk Factors.”

All of the forward-looking statements included in this annual report are based on information available to us as of the date of this annual report. Unless we are required to do so under applicable laws, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

13. RESPONSIBILITY STATEMENT AND IN-CONTROL STATEMENT

In accordance with the EU Transparency Directive, as incorporated in chapter 5.1A of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*), the Board declares that, to the best of its knowledge:

- The Consolidated Financial Statements, together with the stand-alone Company Financial Statements, give a true and fair view of the assets, liabilities, financial position and results of Cnova N.V. and its affiliated companies included in the consolidated financial statements, taken as a whole, at December 31, 2024;
- The Annual Report gives a true and fair view of the position as per the balance sheet date, and the development and performance of the business during the 2024 financial year of Cnova N.V. and its affiliated companies included in the consolidated financial statements, taken as a whole; and
- The Annual Report describes the principal risks and uncertainties that Cnova N.V. and its affiliated companies included in the consolidated financial statements face.

For the purpose of complying with provision 1.4.3 DCGC, the Board believes that, to the best of its knowledge, on the basis of reports and information provided to the Board, (i) the Annual Report provides sufficient insight into any failings in the effectiveness of the internal risk management and control system, as described in “Risk Management and Risk Factors,” (ii) the internal risk management and control system, as described in “Risk Management and Risk Factors” provides reasonable assurance that Cnova's financial reporting does not contain any error of material importance, (iii) based on Cnova's state of affairs as at the date of the Annual Report, it is justified that Cnova's financial reporting is prepared on a going concern basis and (iv) the Annual Report states those material risks and uncertainties that are relevant to the expectation of Cnova's continuity for a period of twelve months after the date of the Annual Report.

Any material failings in, material changes to, and/or material improvements of the risk management and control systems, as described in “Risk Management and Risk Factors,” which have been observed, made and/or planned, respectively, during 2024, have been discussed with the audit committee and with the Board.

It should be noted that the foregoing does not imply that this system and these procedures provide absolute assurance as to the realization of operational and strategic business objectives, or that they can prevent all misstatements, inaccuracies, errors, fraud and non-compliance with legislation, rules and regulations.

Thomas Métivier, CEO and executive director

Steven Geers, executive director

Silvio J. Genesini

Bernard Oppetit

14. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS OF CNOVA N.V.

Consolidated income statements

for the years ended December 31, 2023 and 2024

€ thousands	Notes	December 31, 2023	December 31, 2024
Net sales	7	1 196 657	1 039 099
Cost of sales	7	(834 542)	(674 772)
Gross Margin		**362 115**	**364 327**
Operating expenses			
Fulfillment	7	(126 283)	(125 748)
Marketing	7	(69 317)	(78 788)
Technology and content	7	(138 627)	(134 915)
General and administrative	7	(42 886)	(42 082)
Operating losses before strategic and restructuring, litigation, impairment and disposal of assets costs		**(14 998)**	**(17 206)**
Strategic and restructuring costs	8	(3 487)	(4 664)
Litigation profits/losses	8	1 452	(3 125)
Impairment and disposal of assets	8	(22 565)	(6 944)
Change in scope of consolidation	8	(118)	(118)
Other non-recurring costs	8	-	-
Operating loss		**(39 716)**	**(32 057)**
Financial income	9	1 066	569
Financial expense	9	(58 726)	(58 400)
Loss before tax		**(97 376)**	**(89 889)**
Income tax expense	10	(28 627)	(3 050)
Share of profit/losses of associates		73	(17)
Net loss from continuing operations		**(125 930)**	**(92 956)**
Net loss from discontinuing operations, net of tax	5	(3 723)	(1 503)
Net loss for the period		**(129 653)**	**(94 460)**
Attributable to Cnova equity owners		(125 595)	(94 186)
Attributable to non-controlling interests		(4 058)	(274)
Attributable to the owners continuing		(121 872)	(92 683)
Attributable to non-controlling interests continuing		(4 058)	(274)
Attributable to the owners discontinuing		(3 723)	(1 503)
Attributable to non-controlling interests discontinuing		-	-

Earnings (losses) per share

In €	Notes	December 31, 2023	December 31, 2024
Basic losses per share	3	(0,36)	(0,27)
Basic losses per share – continuing operations		(0,35)	(0,27)
Diluted losses per share		(0,36)	(0,27)
Diluted losses per share – continuing operations		(0,35)	(0,27)

Consolidated statements of comprehensive income

for the years ended December 31, 2023 and 2024

€ thousands	December 31, 2023	December 31, 2024
Net loss for the year	**(129 653)**	**(94 460)**
Items that may subsequently be recycled to profit or loss		
Foreign currency translation	4	39
Items that will not be reclassified to profit or loss		
Actuarial gains	(1 005)	(189)
Other comprehensive losses/gain for the year, net of tax	**(1 001)**	**(150)**
Total comprehensive losses for the year, net of tax	**(130 654)**	**(94 610)**
Attributable to Cnova equity owners	(126 529)	(94 339)
Attributable to non-controlling interests	(4 125)	(271)

Consolidated balance sheets

as of December 31, 2023 and 2024

(€ thousands)	**Notes**	**December 31, 2023**	**December 31, 2024**
ASSETS			
Cash and cash equivalents	11	11 021	14 767
Trade receivables, net	12	92 667	79 202
Inventories, net	13	100 544	97 377
Current income tax assets		1 834	1 200
Other current assets, net	12	85 835	72 267
Restricted cash	12	59 065	66 553
Total current assets		**350 966**	**331 366**
Deferred tax assets	10	15 012	12 493
Right of use assets, net	14	71 429	64 407
Property and equipment, net	15	16 412	14 127
Other intangible assets, net	16	208 385	185 237
Goodwill	17	60 736	58 245
Other non-current assets, net	12	7 134	6 241
Total non-current assets		**379 108**	**340 750**
Assets held for sale		**1**	**1**
TOTAL ASSETS		**730 075**	**672 117**
EQUITY AND LIABILITIES			
Current provisions	19	4 498	4 874
Trade payables		252 912	191 435
Current financial debt	21	183 598	41 095
Current lease liability	14	30 978	20 664
Current tax and social liabilities		55 271	51 319
Other current liabilities	21	205 125	212 248
Total current liabilities		**732 382**	**521 635**
Pension and other LT employee benefits obligations	20	6 424	7 338
Non-current provisions	19	357	201
Non-current financial debt	21	416 917	677 999
Non-current lease liability	14	64 399	55 038
Other non-current liabilities	21	16 145	13 076
Deferred tax liabilities	10	53	23
Total non-current liabilities		**504 295**	**753 675**
Liabilities directly associated with the assets held for sale		-	(0)
Share capital		17 261	17 261
Reserves, retained earnings and additional paid-in capital		(591 640)	(687 617)
Equity attributable to equity holders of Cnova		**(574 379)**	**(670 356)**
Non-controlling interests		**67 776**	**67 163**
Total equity	18	**(506 603)**	**(603 193)**
TOTAL EQUITY AND LIABILITIES		**730 074**	**672 117**

Consolidated statements of cash flows

€ thousand	2023	2024
Net loss attributable to equity holders of the Parent	(121 872)	(92 683)
Net loss attributable to non-controlling interests	(4 058)	(274)
Net loss continuing for the year	**(125 930)**	**(92 956)**
Depreciation and amortization expense	96 183	89 344
(Gains) losses on disposal of non-current assets and impairment of assets	15 763	7 144
Other non-cash items	(1 053)	3 884
Financial expense, net	57 659	57 831
Current and deferred tax expenses	28 627	3 050
Income tax	(2 475)	(51)
Change in operating working capital	(146 279)	(37 764)
Inventories of products	*45 190*	*1 793*
Trade payables	*(173 911)*	*(56 128)*
Trade receivables	*(14 182)*	*17 371*
Other	*(3 376)*	*(800)*
Net cash from/(used in) operating activities of continuing operations	**(77 505)**	**30 481**
Net cash from/(used in) operating activities of discontinued operation	**(3 743)**	**(4 870)**
Purchase of property, equipment & intangible assets	(63 300)	(56 508)
Purchase of non-current financial assets	(69)	-
Proceeds from disposal of prop., equip., intangible assets & non-current financial assets	3 136	2 900
Disposal/acquisition of subsidiaries, net of cash acquired (Notes 4 and 5)	7 103	(400)
(Payments)/redemption of loans granted (including to related parties)	155 190	(989)
Net cash from/(used in) continuing investing operations	**102 060**	**(54 997)**
Net cash from discontinued investing operations	**1 688**	**3**
Dividends paid to the non-controlling interests	-	-
Proceeds from loan received	45 410	181 083
Additions to financial debt	7 000	95
Repayments of financial debt	(200)	-
Repayments of lease liability	(26 549)	(28 440)
Interest paid on lease liability	(7 118)	(4 312)
Interest paid	(43 704)	(46 270)
Net cash from/(used in) continuing financing operations	**(25 161)**	**102 156**
Net cash used in discontinued financing operations	**(1 097)**	**(1)**
Effect of changes in foreign currency translation adjustments	3	**52**
Change in cash and cash equivalents from continuing operations	**(603)**	**77 692**
Change in cash and cash equivalents from discontinued operations	**(3 152)**	**(4 868)**
Cash and cash equivalents, net, at beginning of period	**(54 341)**	**(58 097)**
Cash and cash equivalents, net, at end of period (Note 11)	**(58 097)**	**14 728**

Consolidated statements of changes in equity

for the years ended December 31, 2023 and 2024

€ thousands (before appropriation of profit)	Number of shares	Share capital	Additional paid in capital	Retained earnings	Foreign currency translation	Actuarial gains and losses	Equity holders of the Parent	Non-controlling interests	Total consolidated equity
As of December 31, 2022	**345 210 398**	**17 261**	**448 649**	**(912 946)**	**(72)**	**(852)**	**(447 960)**	**71 848**	**(376 113)**
Other comprehensive income/(loss) for the period	-	-	-	-	4	(938)	(934)	(67)	(1 001)
Net profit/(loss) for the period	-	-	-	(125 595)	-	-	(125 595)	(4 058)	(129 653)
Consolidated comprehensive income/(loss) for the period	**-**	**-**	**-**	**(125 595)**	**4**	**(938)**	**(126 529)**	**(4 125)**	**(130 654)**
Dissolution of subsidiaries (1)	-	-	-	127	-	-	127	54	181
Other movements	-	-	-	-	-	(16)	(16)	-	(16)
As of December 31, 2023	**345 210 398**	**17 261**	**448 649**	**(1 038 415)**	**(68)**	**(1 806)**	**(574 378)**	**67 777**	**(506 601)**
Other comprehensive income/(loss) for the period	-	-	-	-	39	(192)	(153)	3	(150)
Net profit/(loss) for the period	-	-	-	(94 186)	-	-	(94 186)	(274)	(94 460)
Consolidated comprehensive income/(loss) for the period	**-**	**-**	**-**	**(94 186)**	**39**	**(192)**	**(94 339)**	**(271)**	**(94 610)**
Dissolution of subsidiaries (2)	-	-	-	(1 702)	-	-	(1 702)	(226)	(1 928)
Other movements	-	-	-	62	-	-	62	(117)	(55)
As of December 31,2024	**345 210 398**	**17 261**	**448 649**	**(1 134 240)**	**(29)**	**(1 998)**	**(670 356)**	**67 163**	**(603 193)**

(1) CDiscount Ecuador, CDiscount Uruguay
(2) Neosys

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Description of reporting entity

Cnova N.V. (hereafter "Cnova" or the "Company") is a Dutch public limited liability company (naamloze vennootschap) incorporated (CCI Number 60776676) and domiciled in the Netherlands at Strawinskylaan 3051, 1077ZX Amsterdam. It is listed on Euronext Paris since January 23, 2015.

At December 31, 2024, Casino Guichard Perrachon SA owned directly 98,8% of Cnova's share capital.

At December 31, 2024, Cnova's ultimate parent company is France Retail Holdings S.à.r.l. (an entity ultimately controlled by Mr. Daniel Křetínský).

The Group consolidated financial statements of Cnova and its subsidiaries (collectively, the Group) for the year ended December 31, 2024 were authorized for issue in accordance with a resolution of the directors on April 17, 2025.

The Group consists of leading e-commerce operations in France and other countries in Western Europe with headquarters in the Netherlands.

Note 1 Significant accounting policies, judgments, estimates and assumptions

1.1 Basis of preparation of Cnova consolidated financial statements

1.1.1 General framework

Cnova has prepared these consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), and part 9 of the Dutch Civil Code.

All Cnova's entities have a December 31 year-end.

1.1.2 Material uncertainties related to going concern assumption

a. Introduction

Cnova's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate value creation and return to its shareholders.

The Company monitors capital on the basis of the carrying amount of equity plus its loans (including loans due to Casino), less cash and cash equivalents as presented on the face of the balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure. Cnova manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

b. Financial position and highlights

As of December 31, 2024, net financial debt amounted to €704 million and net current assets / liabilities are negative by €190 million. Cash (used in)/from continuing operating activities was positive €30 million in 2024 compared to negative €78 million in 2023, hence a positive variation of €108 million mostly resulting from a lower working capital variation in 2024 compared to 2023.

The total equity is negative €603 million at December 31, 2024, mostly as the net of positive €466 million capital and negative €1 134 million in retained earnings (cumulated losses). The negative equity was €507 million at December 2023, mostly as the net of positive €466 million of capital and €1 038 million cumulated losses in retained earnings (cumulated losses).

c. Significant available credit facilities to fund operations

As of December 2024, the Company had a credit line of €700 million with its parent, Casino Guichard-Perrachon set to cover the needs of the Company (Current Account Agreement with Casino Finance). As part of the Current Account Agreement between Casino Finance, and Cnova and its subsidiaries, unused credit lines amounted to €77 million as of December 31, 2024. On January 20, 2025, the credit line was increased to €850 million (+€150 million). The term of the Current Account Agreement with Casino Finance is the earliest of July 2027 and the maturity of Casino senior facility agreement, being at least March 2027. The Current Account Agreement can only be terminated earlier by mutual consent. In addition, Casino Guichard-Perrachon confirmed on January 20, 2025 that it will provide financial support to Cnova N.V. to assist the company in meeting its liabilities as and when they fall due up to a maximum of €100 million in addition to the abovementioned amount of €850 million and only to the extent that funds are not otherwise available to Cnova N.V. to meet such liabilities until at least June 30, 2026.

In addition, Cnova benefits from state-guaranteed loans “PGE” for €60m and overdraft facilities for €70m. These lines are secured until March 2026, extended until March 2027 conditioned to Casino complying with covenants (except €12,5 million).

Finally, Cnova benefits from €20m inventory financing until September 2029.

d. Evolution of net financial debt during 2024

Cnova’s change in net financial debt amounted to €(115) million in 2024 vs. €(217) million in 2023, i.e. +€102 million – please refer to 1.6 Financial review. The 2024 net financial debt increase resulted from Cnova cash needs, primarily drawn on lines within the Current account agreement with Casino Finance.

e. Conditions that may cast significant doubt on Cnova's ability to continue as a going concern after March 2026

The company has an inadequate capital structure in relation to its amounts of outstanding debts, which could compromise the mid-term business plan, particularly after March 2026, because the extension of the State Guaranteed Loan and Bank overdrafts until March 2027 is conditioned to Casino Group complying with covenants.

The assumption that Casino Group would meet the covenants is a key judgement in the going concern assessment performed by management and is not within Cnova’s management’s control.

The 2024 consolidated financial statements of Casino Group were approved by its Board of Directors on February 27, 2025 on a going concern basis considering in particular the cash flow forecasts for the next twelve months and the drawdowns of financing facilities in compliance with bank covenants once the covenant holiday ends (i.e. September 2025), as reported in the Casino Group's audited consolidated financial statements.

Compliance by Casino Group with covenants in December 2025 would allow a one-year extension of state-guaranteed loans and bank overdrafts until March 2027.

In addition, as the company is dependent on Casino Group to fund the liquidity needs of the company through the aforementioned Current Account Agreement and financial support, non-compliance with the covenants by Casino Group as of September 2025, after an 18-month covenant holiday of Casino Group, and each period thereafter, may result into a risk of a liquidity shortage for the company, particularly after March 2026 when the State Guaranteed Loan and Bank overdrafts are no longer secured.

Therefore a material uncertainty exists that may cast significant doubt on Cnova's ability to continue as a going concern after March 2026.

f. Management's plans to mitigate the effect of the conditions and evaluation of the significance of the conditions in relation to the going concern assessment

The company has initiated discussions with its main shareholder about a potential recapitalization including converting (part of) the debt into equity. However, considering that no decision has been made to date, current conditions may indicate a material uncertainty that may cast significant doubt on Cnova's ability to continue as a going concern after March 2026 and, therefore, Cnova may not be able to realize its assets and discharge its liabilities in the normal course of business.

Refer to section 2.2.(iii) "Risks related to our relationships with the Casino Entities" and to Note 27 of the consolidated financial statements.

g. Basis of preparation

Despite the identified material uncertainty, the Board of Directors expects a positive outcome of discussions with its main shareholder about the recapitalization, but as mentioned the outcome remains uncertain. In addition the Board of Directors assumes that Casino Group would meet the covenants at September 2025 and each period thereafter which however is not within Cnova's management's control. Therefore, the Board of Directors of Cnova considered it is appropriate to prepare the 2024 year-end consolidated financial statements under the going concern assumption and didn't include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate.

h. Significant judgements and assumptions made by management in the going concern assessment

Management of Cnova assumes no significant deterioration in performance compared to the business plan and cash flow forecast, as approved in December 2024 by the Board of Directors. It should be noted that these cash flow forecast inherently involve significant assumptions and uncertainties at Cnova level.

The cash pool arrangement (Current Account Agreement) immediately terminates if Casino no longer controls, directly or indirectly, Casino Finance or Cnova or its European subsidiaries, as the case may be, or in case of bankruptcy of a party. At balance sheet date and at the date of preparation of these financial statements Management has no indications relating to the events as described above.

The determination of whether there are material uncertainties is a significant judgement made by management based on the business plan and cash flow forecast and the available credit facilities referred to above.

The application of the going concern assumption as a basis of preparation is a significant judgement based on the expectation of a positive outcome of the discussions about recapitalization with the main shareholder and compliance with covenants at the Casino Group level.

1.1.3 Standards and interpretations published with effect from January 1, 2024

The Group applies the accounting standards and amendments that are effective for annual periods beginning on or after 1 January 2024:

- **IAS 1** amendments relating to classification of certain liabilities as current or non-current
- **IFRS 16** amendments introducing a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since 2019
- **IAS 7 and IFRS 7** amendments introducing additional disclosure requirements for companies that enter into these arrangements. However, they do not address the classification and presentation of the related liabilities and cash flows

These amendments had no material impact on the consolidated financial statements. All new implementations in 2024 have been considered, however these did not result in any material impact.

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

At this stage, there is no new IFRS Accounting Standards or amendments applicable on the 1 of January 2025.

1.1.4 Standards and interpretations published but not yet mandatory

The following pronouncements from the IASB applicable to Cnova will become effective for future reporting periods and have not yet been adopted by the group. The EU has not communicated adoption dates concerning these amendments:

- **IAS 21** to clarify when a currency is exchangeable into another currency, and how a company estimates a spot rate when a currency lacks exchangeability. The Group does not expect the application of these standard, amendments or interpretations to have a material impact on its Consolidated Financial Statements.

- **IFRS 18** sets out requirements for the presentation and disclosure of information in financial statements. Subject to adoption by the European Commission, it will be effective for reporting periods beginning on or after January 1, 2027 and will apply retrospectively. The Group is currently evaluating all impacts this new standard will have on the presentation of the income statement and the notes to the consolidated financial statements. It is too early to assess whether this standard will have a material impact on the financial statements.

The Group does not expect the application of these standards, amendments or interpretations to have a material impact on its Consolidated Financial Statements.

1.2 Accounting convention and use of estimates

1.2.1 Accounting convention

The consolidated financial statements have been prepared using the historical cost convention on the basis described above in the "Description of reporting entity" and the "Basis of preparation of Cnova consolidated financial statements".

The consolidated financial statements are presented in thousands of euros. The figures in the tables have been rounded to the nearest thousand euros and include individually rounded data. Consequently, the totals and subtotals may not correspond exactly to the sum of the reported amounts.

1.2.2 Use of judgments, estimates and assumptions

The preparation of Cnova's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgments
In the process of applying Cnova's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements;

Topic	Nature of the judgement
Going concern	- Refer to Note 1.1.2. "Material uncertainty related to going concern assumption"
Revenue recognition from marketplace transactions	- Classification of Cnova as an agent (versus a principal), considering its primary responsibility in providing the goods to the consumer, its latitude in establishing prices, and the inventory risk - Timing of the satisfaction of performance obligations, transaction price, and amounts allocated to performance obligations - Evaluation when the customer obtains control of the promised goods or services
Capitalized development costs	- Commercial and technical feasibility of development projects - Useful life of projects based on probable service lifetime
Discontinued operations	- Qualification relying on a cash generating unit, an operating segment as per IFRS8 before aggregation and a net result of at least €1 million (positive or negative)
Classification of assets and liabilities as current and non-current	- Definition of a standard operating cycle (or within 12 months) to estimate current assets All other assets or liabilities being classified as "non current"

Lease	- Determination of discount rate and the lease term for the purpose of measuring the lease liability. - The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or not to exercise the option to terminate the lease

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of resulting in material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Cnova based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of Cnova. Such changes are reflected in the assumptions when they occur.

Topic	Nature of assumptions
Impairment of goodwill & other intangible assets	- Valuation methods and underlying hypothesis - Please refer to note 16 and 17 for further details
Deferred tax	- Determination of the amount of deferred assets that can be recognized, based upon the timing and the level of future taxable profits together with future tax planning strategy
Provisions & contingencies	- Estimation of probability of the outcome, timing and amount based on the fact known at the balance sheet date
Revenues	- Underlying assumptions considering cut-off for B2C activities, rebates (based on the specific terms and conditions of the contracts concerned),
Receivables	- Estimation of the recoverability of marketplace receivables

Note 2 Significant events of the period

- **<u>Casino Restructuring termination and change in Cnova Control</u>**

On March 27, 2024, Casino, Guichard-Perrachon ("Casino") announced the effective completion of its financial restructuring. All the transactions provided for in Casino's accelerated safeguard plan approved by the Paris Commercial Court on February 26, 2024 have been implemented on March 27, 2024.

The completion of Casino's financial restructuring resulted in a change of control of Casino group (the "Group") to France Retail Holdings S.à.r.l. (an entity ultimately controlled by Mr. Daniel Křetínský) ("FRH"). Consequently, FRH has acquired indirectly (via Casino Guichard-Perrachon S.A.) 99.27% of the voting rights in Cnova, thus acquiring predominant control (overwegende zeggenschap) over Cnova. FRH is a special purpose vehicle set up by a consortium consisting of EP Equity Investment III S.à.r.l. ("EP"), Fimalac and Attestor, and is controlled by EP, a company controlled (via EP Equity Investment S.à.r.l and EP Investment S.à.r.l) by Mr. Daniel Křetínský.

Consequently, Cdiscount has obtained on February 27, 2024 the “constat” from the Paris Commercial Court of the conciliation protocol with its core banking pool providing for an extension of terms for the state-guaranteed loans “PGE” and the maintenance of overdraft facilities.

- **<u>Termination of warehouses’ leases</u>**

Over the past two years, Cnova has undertaken several initiatives aiming at optimizing warehouse costs, notably through the close monitoring of warehouses capacities to adapt to business levels. Between January 1st, 2023 and December 31st, 2024, 7 warehouses have been closed, representing -237k sqm. In 2024, Cnova completed early termination of two of the four leases hereabove mentioned, and did not renew a lease arriving to expiration date.

- **<u>Cnova NV squeeze out process</u>**

On October 17th, 2024, Casino initiated statutory buyout proceedings (*uitkoopprocedure*) in accordance with Article 2:92a of the Dutch Civil Code (the "DCC") at the Enterprise Chamber of the Amsterdam Court of Appeal, the Netherlands, (the "Enterprise Chamber"), for the purpose of acquiring all issued shares in Cnova N.V. In the buyout proceedings, Casino requested the Enterprise Chamber to implement the transfer of the Cnova shares held by the minority shareholders of Cnova to Casino, for a buyout price of EUR 0.09 per share (plus statutory interest as from 30 June 2024). On February 11, 2025 the Enterprise Chamber granted the request. On March 31, 2025 Casino announced that the settlement period for the minority shareholders to voluntarily offer their shares to Casino for a period of 10 weeks would open on April 2, 2025. Casino and Cnova also announced their intention to delist Cnova from Euronext Paris following the successful completion of the buy-out procedure.

- **<u>Termination of double voting right structure</u>**

On October 1, 2024, Cnova announced it has received a request from Casino to terminate the Company’s founders high voting plan which allows founding shareholders of the Company (including Casino) and their permitted transferees to receive twice as many voting rights in the Company’s general meeting as the number of ordinary shares held by them and which are registered in the Company’s special founders’ share register for that purpose. As a consequence of Casino’s request, all depository receipts issued by Stichting Cnova Special Voting Shares (the “Foundation”) for special voting shares in Cnova’s capital held by the Foundation were cancelled for no consideration. Subsequently, all Special Voting Shares held by the Foundation were transferred to Cnova NV for no consideration and the Foundation was dissolved. An EGM was held on November 15, 2024 in which the Company’s shareholders approved the cancellation of all special voting shares. Consequently on January 23, 2025, all special voting shares were cancelled.

- **<u>Financing operations</u>**

<u>Term extension of the Current Account Agreement with Casino Finance</u>

On January 20th, 2025, the Current Account Agreement with Casino Finance was revised from €700 million to €850 million. Its maturity remains the earliest of July 2027 and the maturity of Casino senior facility agreement, being at least March 2027.

<u>Term extension of financial support by Casino Finance</u>

On January 20th, 2025, the term of the €100 million comfort letter providing financial support to assist the company in meeting its liabilities as and when they fall due to a maximum of € 100 million in addition to the abovementioned amount of €850 million and only to the extent that money is not otherwise available to the Company to meet such liabilities was extended from at least June 30, 2025 to at least June 30, 2026.

- **Final award in Via Varejo arbitration**

On 8 July 2020 Via Varejo commenced an arbitration procedure against Cnova NV claiming an undocumented amount of approximately BRL 65 million concerning labor and consumer claims that allegedly were of Cnova's responsibility and generated indemnifiable losses. On December 14, 2023, the Arbitral Tribunal issued its final award, pursuant to which Cnova NV was held to indemnify Via Varejo for an amount of BRL 14,5 million (€ 2,7 million), increased with monetary adjustment, and decreased with a compensation for legal and other fees incurred by Cnova NV in the course of the procedure. Cnova filed a motion for clarification of the award on February 26th, 2024, asking the Tribunal for further clarification of the indemnification amount's composition and the calculation for the monetary adjustment. On May 14, 2024 an addendum to the Final Award was issued, concluding a net liability for Cnova of 27,4 MM BRL (€ 4,8 million).

- **M&A operations**

Disposal of Cnova France's stake in Neosys

Neosys share capital was previously owned at 51% by Cnova France and at 49% by Syspread. Neosys is an IT services provider that owned two subsidiaries at 100%: Neosys Tunisie and Neotech Solutions. On February 28th, 2024, Cnova France closed the disposal of its 51% stake in Neosys to Syspread.

BeezUp minority shares buyout

BeezUp share capital was previously owned at 87.2% by Cnova France and at 12.8% by three minority shareholders, which owned respectively 6.7%, 5.4% and 0.7% of BeezUp share capital. BeezUp is specialized in e-commerce feeds management, enabling e-merchants to access a range of marketplaces in an automated and aggregated manner. On July 1st, 2024, the three minority shareholders exercised their put options. On July 25th, 2024, Cnova France closed the acquisition of the 12.8% minority stake in BeezUp.

- **Ongoing Tax audit on Cdiscount SA**

Since mid-2024, Cdiscount SA is under a tax audit covering the years 2021 to 2023, so far a first notification was made resulted in 0,1m€ expense for Cdiscount.

Note 3 Earnings per share

Earnings per share for the year ended December 31, 2024, is €(0,26), which is entirely linked to continuing operations.

€ thousands	2023	2024
Gains (losses) attributable to ordinary equity holders of the parent for basic earnings and adjusted for the effect of dilution (1)	**(125 595)**	**(91 195)**

	2023	2024
Weighted average number of ordinary shares for basic EPS including DSU (1) (refer to Note 18)	**345 210 398**	**345 210 398**
Dilutive instruments	—	—
Weighted average number of ordinary shares adjusted for the effect of dilution	**345 210 398**	**345 210 398**

(1) On November 19, 2014, Cnova granted to certain executives of Cnova deferred stock units (DSU). Since the DSU are non-forfeitable (refer to Note 18), the expense related to the fair value of services rendered has been recorded in 2014.

The total number of shares after the cancellation of shares received as part of the 2016 reorganization is 345 210 398.

Note 4 Business combinations and equity transactions

a. Accounting policies

The consolidated financial statements include the accounts of all entities in which Cnova has a controlling financial interest.

▪ Consolidated Entities

Control is achieved when Cnova is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee.

Specifically, Cnova controls an investee if and only if Cnova has:
- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When Cnova has less than a majority of the voting or similar rights of an investee, Cnova considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- Cnova’s voting rights and potential voting rights.

Cnova re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of an entity begins when Cnova obtains control over the entity and ceases when Cnova loses control of the entity.

▪ Associates

Associates are companies in which Cnova exercises significant influence over financial and operational policies without having control. They are accounted for by using the equity method. Goodwill related to these entities is included in the carrying amount of the investment in the associate.

- **Business combination**

The consideration transferred in a business combination is measured at fair value, which is the sum of the acquisition-date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer. Identifiable assets acquired and liabilities assumed are measured at their acquisition-date fair values. Acquisition-related costs are accounted for as expenses in the periods in which they are incurred.

Any excess of the aggregate of consideration transferred and the amount of non-controlling interests in the transaction over the fair value of the identifiable assets acquired and liabilities assumed is recognized as goodwill. For each business combination, Cnova may elect whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments: Recognition and Measurement, is measured at fair value with the changes in fair value recognized in the income statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The provisional amounts recognized on the acquisition date may be adjusted retrospectively if information about facts and circumstances that existed as of the acquisition date is still needed to finalize the measurement of the business combination. However, the measurement period shall not exceed one year from the acquisition date. The subsequent acquisition of non-controlling interests does not give rise to the recognition of additional goodwill.

b. Transactions in 2024

- **Disposal of Cnova France's stake in Neosys**

Neosys share capital was previously owned at 51% by Cnova France and at 49% by Syspread. Neosys owned two subsidiaries at 100%: Neosys Tunisie and Neotech Solutions. On February 28th, 2024, Cnova France closed the disposal of its 51% stake in Neosys to Syspread.

- **BeezUp minority shares buyout**

On July, 2024, acquisition of BeezUp minority shares by Cdiscount (1 501 shares), in line with irrevocable commitment, for 467k€.

c. Transactions in 2023

- **Disposal of Carya (1001pneus website)**

1001pneus, previously owned at 100% by Cnova Group, is specialized in the purchase, distribution and sale of tires, accessories and automotive parts for all types of vehicles, by all means, notably via computer networks (including the Internet) in Europe. On December 21, Cnova closed the 1001Pneus disposal to MPSA. This transaction enables Carya SAS to pursue its development and find synergies with its new shareholder, who also operates in the automotive sector.

Note 5 Assets held for sale and discontinued operations

a. Accounting principle

A non-current asset (or disposal group) shall be classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale must be highly probable. The asset (or disposal group) shall be measured at the lower of carrying amount and fair value less costs to sell, and depreciation on such assets to cease; and shall be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the income statement.

A discontinued operation is a disposal group to be abandoned that either has been disposed of, or is classified as held for sale, and (a) represents a separate major line of business or geographical area of operations, (b) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or (c) is a subsidiary acquired exclusively with a view to resale. The results and cash flows of such disposal group shall be presented as discontinued operations at the date on which it ceases to be used. This presentation shall apply for prior periods presented in the financial statements so that the disclosures relate to all operations that have been discontinued by the end of the reporting period for the latest period presented.

b. Breakdown

Activities reported as discontinued operations are the following :

- **International segment abandoned**: legal entities, mainly located in South America and Africa, which have been (or are in process of being) wound up
- **2016 reorganization**: costs incurred by Cnova NV and related to the 2016 reorganization agreement
- **Haltae**: business acquired end of 2018 (commercial name: Stootie), which is under restructuration since 2021, merged into Cdiscount end of 2023
- **Carya**: company sold in 2023

Results from discontinued operations are presented in the following tables for 2024 and 2023:

2024

€ thousands	**International segment abandoned**	**2016 reorganization**	**Total**
Net sales	-	-	-
Cost of sales	-	-	-
Operating expenses	(18)	-	(18)
Operating income/(loss) before other costs	**(18)**	**-**	**(18)**
Other operating income/(loss)	-	(1 485)	(1 485)
Operating income/(loss)	**(18)**	**(1 485)**	**(1 503)**
Financial net Income/(expense)	-	-	-
Income/(loss) before tax	**(18)**	**(1 485)**	**(1 503)**
Income tax expense	-	-	-
Net profit (loss) for the year	**(18)**	**(1 485)**	**(1 503)**
Net profit/(loss) from discontinuing activities	**(18)**	**(1 485)**	**(1 503)**

2023

€ thousands	**International segment abandoned**	**2016 reorganization**	**Haltae**	**Carya**	**Total**
Net sales	-	-	-	53 375	53 375
Cost of sales	-	-	-	(48 882)	(48 882)
Operating expenses	(17)	-	(83)	(4 860)	(4 960)
Operating income/(loss) before other costs	**(17)**	**-**	**(83)**	**(367)**	**(467)**
Other operating income/(loss)	(66)	(2 197)	246	(152)	(2 169)
Operating income/(loss)	**(83)**	**(2 197)**	**163**	**(519)**	**(2 636)**
Financial net Income/(expense)	(155)	**-**	(369)	(555)	(1 079)
Income/(loss) before tax	**(238)**	**(2 197)**	**(206)**	**(1 074)**	**(3 715)**
Income tax expense	(8)	**-**	-	-	(8)
Net profit (loss) for the year	**(246)**	**(2 197)**	**(206)**	**(1 074)**	**(3 723)**
Net profit/(loss) from discontinuing activities	**(246)**	**(2 197)**	**(206)**	**(1 074)**	**(3 723)**

The net cash flows incurred by discontinued operations are as follows for 2024 and 2023:

€ thousands	International segment abandoned	2016 reorganization	Total
Net profit (loss) for the year	(18)	(1 485)	(1 503)
Depreciation & amortization expense			-
Other non-cash items			-
Financial expense, net			-
Current and deferred tax expenses			-
Income tax			-
Change in operating working capital			-
Operating	(18)	(1 485)	(1 503)
Purchase of property, equipment & intangible assets			-
Purchase of non current financial assets			-
Disposal/(Acquisition) of subsidiaries, net of cash			-
Payments of loans granted			-
Investing	-	-	-
Additions to financial debt			-
Interest paid			-
Financing	-	-	-
Net cash (outflow) / inflow	(18)	(1 485)	(1 503)

2023

€ thousands	International segment abandoned	2016 reorganization	Haltae	Carya	CCV	Total
Net profit (loss) for the year	(246)	(2 197)	(206)	(1 074)	-	(3 723)
Depreciation & amortization expense	29		32	803	169	1 033
(Gains)/losses on disposal of non-current assets			(63)		-	(63)
Other non-cash items		1 750			-	1 750
Financial expense, net	155		369	555	-	1 080
Current and deferred tax expenses	8				-	8
Income tax	(8)				-	(8)
Change in operating working capital	(92)	365	(114)	(3 982)	-	(3 823)
Operating	(154)	(82)	18	(3 698)	169	(3 746)
Purchase of property, equipment & intangible assets				(573)	-	(573)
Purchase of non current financial assets				(170)	-	(170)
Disposal/(Acquisition) of subsidiaries, net of cash				2 435	-	2 435
Payments of loans granted					-	-
Investing	-	-	-	1 692	-	1 692
Additions to financial debt					-	-
Interest paid	(172)		(369)	(555)	-	(1 096)
Financing	(172)	-	(369)	(555)	-	(1 096)
Net cash (outflow) / inflow	**(326)**	**(82)**	**(352)**	**(2 561)**	**169**	**(3 150)**

Note 6 Operating segments

In accordance with IFRS 8 – Operating Segments, segment information is disclosed on the same basis as the Group's internal reporting system used by the chief operating decision maker (the Chief Executive Officer) in deciding how to allocate resources and in assessing performance.

The Group only has one reportable segment "E-commerce". This segment is comprising Cdiscount, C-Logistics, Octopia, Cnova N.V. holding company and other subsidiaries of Cnova and corresponds to the consolidated financial statements of Cnova.

Management assesses the performance of this segment on the basis of GMV (Gross Merchandise Volume), Operating profit/(loss) before strategic and restructuring, litigation, impairment and disposal of assets costs and EBITDA. EBITDA (earnings before interest, taxes, depreciation and amortisation) is defined as Operating profit/(loss) before strategic and restructuring, litigation, impairment and disposal of assets costs plus recurring depreciation and amortisation expense.

Segment assets and liabilities are not specifically reported internally for management purposes, however as they correspond to consolidated balance sheet they are disclosed elsewhere in the financial statements.

Segment information is determined on the same basis as the consolidated financial statements.

€ millions	**December 31, 2023**	**December 31, 2024**
GMV	2 804	2 665
Net sales	1 197	1 039
Operating profit/(loss) before other costs	(15)	(17)
EBITDA	81	72

Note 7 Main components of operating profit

a. Accounting policies

Revenue recognition
Net sales include revenue from product sales and services (either business to consumer direct sales or business to business transactions), marketplaces sales (commissions) and other revenues. Revenue is measured at the contract price, corresponding to the consideration to which the Group expects to be entitled in exchange for the supply of goods or services. The transaction price is allocated to the performance obligations in the contract, which represent the units of account for revenue recognition purposes. Revenue is recognized when the performance obligation is satisfied, i.e. when control of the good or service passes to the customer. Revenue may therefore be recognized at a specific point in time or over time (based on the stage of completion).

The specific recognition criteria described below must also be met before revenue is recognized.

b. Product sales and services (Business to consumer direct sales)

Business to consumer direct sales consist of sales of products on Cdiscount.com to end customers.

Other Revenues from product and service sales encompass related shipping fees, net of promotional discounts, rebates, and return allowances, are recognized when the performance obligation is performed. The performance obligation is performed at delivery of the order by the customer or for our loyalty program CDAV (Cdiscount à volonté) over the length of the subscription.

Consolidated entities periodically provide incentive offers to customers to encourage purchases. Such offers include current discount offers, such as percentage discounts off current purchases by customers, inducement offers, such as offers for future discounts subject to a minimum current purchase, and other similar offers. Current discount offers, when accepted by customers, are treated as a reduction to the sale price of the related transaction, while inducement offers, when accepted by customers, are treated as a reduction to sale price based on estimated future redemption rates. Redemption rates are estimated using Cnova's historical experience for similar inducement offers. Current discount offers and inducement offers are presented as a net amount in product sales.

c. Marketplace sales (commissions)

As part of transactions through marketplaces, it is assessed whether it is appropriate to record the gross amount of the product sold and its related costs or the net amount as a commission, based on the analysis of the obligation in the arrangement.

The recognition of revenue as a gross or net amount requires judgement taking into consideration facts and circumstances based on a list of indicators proposed by IFRS 15 "Revenue from Contracts with Customers". In performing this analysis, Cnova reviews the following indicators, i.e. whether the entity:

- has the primary responsibility for providing the goods or services to the customer or for fulfilling the order;
- has inventory risk before or after the customer order, during shipping or on return;
- has latitude in establishing prices, either directly or indirectly, for example by providing additional goods or services; and
- has control of a promised good or service before it is transferred to the customer

As of December 31, 2024, Cnova considers that it is acting as agent for Marketplace sales.

d. Other revenues

Other revenues mainly consist of advertising sales, client's instalment payments "CB4X" service fee, insurance sales for which we are acting as agent and MKP fulfillment revenue.

We exclude revenues from items that are returned or expected to be returned and orders that are cancelled.

Cost of sales

Cost of sales consist of costs related to direct sales business, including purchase price of consumer products or services sold to customers from direct sales, inbound shipping charges to fulfillment centers and outbound shipping charges from fulfillment centers to pick-up locations or directly to end customers, fees payable to pick-up locations, packaging supplies, gains related to discounts obtained from suppliers, advertising and marketing services to suppliers and costs for lost, stolen or damaged goods received. Shipping charges to receive products from suppliers are included in inventory and recognized as cost of sales upon sale of products to customers. In addition, warehouse reception and storage costs are not incorporated into inventory valuation on the balance sheet but directly expensed through the income statement as fulfillment costs.

Supplier rebates, contributions to common marketing or advertising campaigns are measured based on contracts signed with suppliers. They are billed in instalments over the year. At each year-end, an accrual is recorded for the amount receivable or payable, corresponding to the difference between the value of the services rendered to the supplier and the sum of the instalments billed during the year. They are considered as a reduction of the prices paid for the products and, therefore, recorded as a reduction of the inventory cost.

Fulfillment expenses
Fulfillment costs consist of costs incurred in operating and staffing our fulfillment centers and customer service centers, payment processing, after sales costs and extended warranties. The costs related to operating fulfillment centers include warehousing costs and preparation costs, which include picking, packaging and preparing customer orders, and payroll and related expenses. In addition, warehouse reception and storage costs are not incorporated into inventory valuation on the balance sheet but directly expensed through the income statement as fulfillment costs. Payment processing costs include credit card fees and fees paid to FLOA in relation to our payment-in-instalments program in France on direct sales products. This program is administered internally by Cdiscount for both its direct sales and marketplace products. After sales costs consist primarily of preparing and resending products that are returned to suppliers to be repaired. Extended warranties costs include costs to third parties who repair or replace products for which an extended warranty was sold.

Marketing expenses
Marketing costs consist of online and offline advertising, such as display advertising and search engine optimization, fees paid to third party marketing services and payroll and related expenses for personnel engaged in marketing.

Technology and content expenses
Technology and content expenses consist of technology infrastructure expenses, payroll and related expenses for employees involved in application, product, and platform development, category expansion, editorial content, purchasing (including expenses and payroll related to the overall purchasing activity of the consolidated entities), merchandising selection, systems support and digital initiatives.

Technology and content costs are expensed as incurred. Capitalized development costs are amortized over time, including software used to upgrade and enhance Cnova's websites and applications supporting the business.

General and administrative expenses
General and administrative expenses consist of payroll and related expenses for management, including management equity incentive plans, management fees paid to Cnova's Parent Companies for shared services, employees involved in general corporate functions, including accounting, finance, tax, legal, and human resources, costs associated with use by these functions of facilities and equipment, such as depreciation expense, short-term or low value leases rent, and general labour costs. Professional fees and other general corporate costs are also included as general and administrative costs.

e. Breakdown

Net Sales

€ thousands	2023	2024
Product sales	853 276	696 856
Marketplace sales (commissions)	189 102	177 809
Other revenues	154 279	164 434

Net sales	**1 196 657**	**1 039 099**

The CB4X (four-instalments payment program) contract generated fees recorded in other revenues for €21,8 million in 2024 (€22,7 million in 2023).

Contract assets, costs and liabilities

€ thousands	2023	2024
Contract assets	**-**	**-**
Contract costs	**-**	**-**
Amounts received in advance of delivery	(2 443)	(3 264)
Amounts arising from customer loyalty programs	(1 791)	(1 993)
Refund liability	(351)	(451)
Deferred revenue	(43 964)	(31 445)
Total Contract liabilities	**(48 548)**	**(37 153)**

<u>Contract liabilities:</u>
For internet sales, revenue is recognized when control of the goods or services is transferred to the customer, being at the point the goods are delivered to the customer. When the customer initially purchases the goods online the transaction price received at that point by the Group is recognized as contract liability until the goods have been delivered to the customer.

A contract liability arises in respect of vouchers applicable on future orders given to clients into a purchase contract as these vouchers provide a benefit to customers that they would not receive without entering into a purchase contract and the promise to provide vouchers to the customer is therefore a separate performance obligation. A contract liability is recognized for revenue relating to the vouchers at the time of the initial sales transaction.

The refund liability relates to customers' right to return products within 14 days of purchase. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognized for those products expected to be returned. The Group uses its accumulated historical experience to estimate the number of returns. A corresponding right to return goods asset is recognized in inventory with associated impact on cost of sales (Refer to Note 13).

Deferred revenue relates mainly to:
- €13 200 thousands for our CDAV loyalty program for which revenue is recognized over time even though the customer pays up-front in full for the service. A contract liability is recognized for revenue relating to the CDAV service at the time of the initial sales transaction and is released over the service period.
- €12 131 thousands for deferred revenue linked to FLOA transaction (for the €17 million 10-years exclusivity period)
- €6 090 thousands for billing in advance of set up costs for certain MAAS and Cdiscount clients for which the performance obligation has not yet been performed.

The following table shows how much of the revenue recognized in the current reporting period relates to brought – forward contract liabilities. There was no revenue recognized in the current reporting period that related to performance obligations that were satisfied in a prior year.

€ thousands	2023	2024
Amounts received in advance of delivery	2 976	2 443
Amounts arising from customer loyalty programs	3 792	1 791
Refund liability	505	351
Deferred revenue	23 428	25 197
Total revenue recognized that was included in the contract liability balance at the beginning of the period	**30 701**	**29 782**

Contract assets and costs are included in other current or non-current assets and contract liabilities in other current or non-current liabilities. (cf. Note 12 and 21).

Cost of Sales

€ thousands	2023	2024
Purchases and shipping costs	(788 624)	(671 820)
Change in inventories	(45 918)	(2 952)
Cost of sales	**(834 542)**	**(674 772)**

Expenses by nature and function

€ thousands	Fulfillment	Marketing	Technology and content	General and administrative	2023
Employee benefits expense	(42 198)	(15 813)	(36 369)	(22 496)	(116 876)
Other expenses	(55 431)	(53 229)	(39 039)	(16 354)	(164 054)
Depreciation and amortization expense	(28 654)	(275)	(63 219)	(4 036)	(96 183)
Total as of December 31, 2023	**(126 283)**	**(69 317)**	**(138 627)**	**(42 886)**	**(377 113)**

€ thousands	Fulfillment	Marketing	Technology and content	General and administrative	2024
Employee benefits expense	(55 527)	(12 775)	(34 889)	(22 464)	(125 655)
Other expenses	(45 765)	(65 788)	(39 153)	(15 827)	(166 533)
Depreciation and amortization expense	(24 456)	(224)	(60 873)	(3 791)	(89 344)
Total as of December 31, 2024	**(125 748)**	**(78 788)**	**(134 915)**	**(42 082)**	**(381 533)**

The following table presents the breakdown of other fulfillment costs, other marketing costs and other tech and content costs.

€ thousands	2023	2024
Operation of fulfillment centers and other	(42 532)	(36 585)
Payment processing	(6 261)	(4 616)
Customer service centers	(6 638)	(4 564)
Fulfillment costs	**(55 431)**	**(45 765)**
Online and offline marketing costs	(53 816)	(64 652)
Other marketing costs	586	(1 136)
Marketing costs	**(53 229)**	**(65 788)**
Technology infrastructure	(31 462)	(35 892)
Other technology and content costs	(7 578)	(3 262)
Technology and content costs	**(39 039)**	**(39 153)**

Note 8 Other operating expenses

a. Accounting policy

This caption covers two types of items:

- Income and expenses which, by definition, are not included in an assessment of a business unit's recurring operating performance, such as gains and losses on disposals of non-current assets, impairment losses on non-current assets, and income/expenses related to changes in the scope of consolidation (for example, transaction costs and fees for acquisitions of control, gains and losses from disposals of subsidiaries, remeasurement at fair value of previously-held interests).
- Income and expenses arising from major events occurring during the period that would distort analyses of the Group's recurring profitability. They are defined as significant items of income and expense that are limited in number, unusual or abnormal, whose occurrence is rare. Examples include restructuring costs (such as reorganisation costs) and provisions and expenses for litigation and risks (including discounting adjustments).

b. Breakdown

€ thousands	December 31, 2023	December 31, 2024
Head office restructuring	(1 869)	(2 494)
Strategic fees	(2 289)	(628)
Provision and costs on onerous contracts	4 537	(1 474)
Conciliation costs	(3 816)	36
Other	(50)	(104)
Strategic and restructuring cost	**(3 487)**	**(4 664)**
Indemnity received (Octopia)	2 000	-
DGCCRF penalty	-	(3 000)
Other litigations	(548)	(125)
Litigation costs	**1 452**	**(3 125)**
Gain/loss on disposal of assets	(4 995)	1 647
Cost of early termination of leases	(7 647)	(2 687)
Impairment of IT development costs	(6 100)	(6 444)
Impairment on investment in associates	(3 833)	-
Other	10	540
Impairment and disposal of assets	**(22 565)**	**(6 944)**
Amortization of fair value adjustments (PPA)	(118)	(118)
Other	-	-
Change in scope of consolidation	**(118)**	**(118)**
Total	**(24 718)**	**(14 851)**

- **Strategic and restructuring costs**

In 2023, we had €3,5 million of restructuring and strategic costs, of which €3,8 million conciliation fees, €1,9 million of head office restructuring and €2,3 million of strategic fees (including fees in connection with the management control transformation plan), offset by €4,5 million net gain on onerous contracts (provision reversal and reduction of lease liability).

In 2024, we had €4,6 million of restructuring and strategic costs, of which €2,5 million of head office restructuring, €1,5 million of provision and costs on onerous contracts, and €0,6 million of strategic fees.

- **Litigation costs**

In 2023, the net positive impact of litigation amounted to €1,5 million, of which €2,0 million related to an indemnity received by Octopia as a compensation for breach of contract.

In 2024, litigation amounted to €3,1 million mostly due to a project of sanction of €3 million concerning a control on deadlines related to payment of invoices in 2019 at Cdiscount SA. *Please refer to Subsequent Event* section for further information.

- **Impairment and disposal of assets**

In 2023, we had €22,6 million costs, of which €7,6 million loss cost of early termination of lease (see Note 14), €5,0 million loss on disposal of Carya, €3,8 million depreciation of investments in associates (see Note 12), €6,1 million impairments of certain IT development costs at Cdiscount in relation to projects that are no longer used or have been replaced by new IT developments and €0,4 million of other fixed assets write-offs.

In 2024, we had €6,9 million costs, of which a €6,4 million write off assets, €1,6 million gain on disposal of assets and €2,7 million costs of early termination lease.

- **Change in scope of consolidation**

In 2023 and 2024, change in scope of consolidation includes amortization of fair value adjustments recognized in purchase price allocation for €0,1 million each year.

Note 9 Financial income and expense

Accounting policy

Finance income and expense correspond to all income and expenses generated by cash and cash equivalents and loans and borrowings during the period, including income from cash and cash equivalents, gains and losses on disposals of cash equivalents, interest expense on loans and borrowings, gains and losses on interest rate hedges (including the ineffective portion) and related currency effects, interest expense on lease liability, trade payable – structured program costs and costs related to the sale of receivables, including the fees related to the installment program CB4X at Cdiscount.

€ thousands	**2023**	**2024**
Interest income from cash and cash equivalents	-	73
Foreign exchange gain	83	62
Interest revenue on loan	557	-
Other financial income	427	434
Total finance income	**1 066**	**569**
Interest expense on borrowings (including cash pool balance with Casino)	(25 227)	(32 914)
Interest expense on lease liability	(7 116)	(4 312)
Foreign exchange loss	(197)	(115)
Costs related to sales of receivables	(25 968)	(20 321)
Other financial expense	(218)	(738)
Total finance expense	**(58 726)**	**(58 400)**

Note 10 Taxes

a. Accounting policy

- **Current income tax expense**

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where Cnova operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes are recognized using the provisions of IAS 12 "Income Taxes." Balances of deferred taxes recognized in prior periods are adjusted for the effect of any enacted changes in the income tax rate. Deferred tax assets correspond to future tax benefits arising from deductible temporary differences, tax loss carry forwards and certain consolidation adjustments that are expected to be recoverable.

Deferred tax liabilities are recognized in full for:

- taxable temporary differences, except where the deferred tax liability results from recognition of a non-deductible fair value
- loss on goodwill or from initial recognition of an asset or liability in a transaction which is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or the tax loss; and
- taxable temporary differences related to investments in entities and associates, except when Cnova controls the timing of the reversal of the difference, and it is probable that it will not reverse in the foreseeable future.

b. Breakdown

- **Income tax expenses**

Analysis of income tax expense:

€ thousands	**2023**	**2024**
Current taxes	(794)	235
Other taxes on income (i)	(703)	(795)
Deferred taxes	(27 129)	(2 490)
Total income tax loss recognized in the income statement	**(28 627)**	**(3 050)**
Tax on other income recognized in "Other comprehensive income"	-	-
Total income tax charge recognized in "Total comprehensive income"	**(28 627)**	**(3 050)**

(i) CVAE is a French tax which is based on the value added reported in French entities. CVAE is considered to meet the definition of a tax on income as defined in IAS 12 and is therefore reported as income tax.

Income tax expense decreased from € 28,6 million in 2023 to € 3,0 million in 2024 mainly due to the € 26,0 million reduction of deferred tax assets recognized on C-Logistics tax losses carried forward in 2023.

No deferred tax assets were recognized for Cdiscount loss and other compagnies.

Reconciliation of theoretical and actual tax expense

€ thousands	2023	2024
Loss before tax and share of profits of associates	**(97 376)**	**(89 889)**
Gain before tax and share of profits of associates in tax integration discontinued activities (C Chez Vous)	**-**	**-**
Nominal income tax rate (i)	**25,80%**	**25,80%**
Income tax benefit	**25 123**	**23 191**
Effect of tax rates in foreign entities (i)	20	22
Unrecognized deferred taxed assets arising from tax loss of the period	(25 987)	(23 345)
Non-deductible expenses	(990)	(270)
CVAE net of income tax	(522)	(590)
Tax credits	193	61
Deferred taxed assets arising (reverse) from tax loss of previous period	(25 995)	(1 405)
Other	(469)	(715)
Actual income tax credit / (expense)	**(28 627)**	**(3 050)**

(i) The tax rate corresponds to the rate applicable to Cnova NV. The effect of tax rates in foreign entities is mainly related to the difference with the French income tax rate of 25,83%

- **Deferred taxes**

Change in deferred tax assets

€ thousands	2023	2024
As of January 1	**42 171**	**15 012**
Benefit (expense) for the period on continuing operations	(1 164)	(2 327)
Benefit (expense) recognized in equity	-	(192)
Deferred tax reversal	(25 995)	**-**
As of December 31	**15 012**	**12 493**

Change in deferred tax liabilities

€ thousands	2023	2024
As of January 1	**1 262**	**53**
Expense (benefit) for the period	(30)	(30)
Business combination or loss of control (Note 3)	(1 179)	
As of December 31	**53**	**23**

Recognized and unrecognized deferred tax assets

The tax losses carried-forward have no expiry date but their use is limited in France by law to €1 million plus 50% of the taxable income for the year.

In 2018, Cnova has reorganized its legal structure to create a subsidiary that operates the logistics for the group and performs the warehouse operations and shipments to customers.

This has resulted in the reverse merger of Cdiscount Group in Cdiscount SA and the creation of C-Logistics. C-Logistics has received:

- on January 1, 2019 a partial contribution of logistics' net assets from Cdiscount and,
- on February 1, 2019 C Chez Vous shares in a contribution from Easydis, a subsidiary of Casino in charge of logistics for Casino France

After this reorganization, C-Logistics is owned 84% by the Cnova Group and 16% by Easydis.
tangibl
C-Logistics operates on a cost-plus basis, meaning that all costs incurred will be reinvoiced with a fixed rate margin for external and internal costs mainly to Cdiscount.

Cdiscount has requested (i) the transfer of net operating losses ("NOLs") from Cdiscount Group to Cdiscount SA through the reverse merger and (ii) the transfer of NOL from Cdiscount SA to C-Logistics. These transfers were both subject to obtaining a ruling from the French tax authorities ("FTA") for both steps: the reverse merger and the allocation to C-Logistics. The acceptance process encompasses the review by the FTA of the methodology applied to allocate losses between its logistics activity and core activities as well as the review of the losses allocated to the logistics. Such rulings were requested in September 2018, the first ruling was obtained in August 2019 and the second ruling was obtained in July 2020.

As per these rulings CDiscount requested the transfer of approximately €200 million of NOLs to C-Logistics.

Based on the IAS 12 analysis performed in 2018, €38 million of deferred tax assets related to tax losses were recognized in 2018 out of the €50 million requested in the tax rulings (€200 million at the French tax rate of 25% applicable from 2022). In 2020, an additional deferred tax asset has been recognized for €5,5m due to the obtention of the second ruling as the amount agreed of €171m was higher than the originally estimated amount of €150m.

In 2023, a revision of C-Logistics business plan and a shorter recoverability period (8 years vs 15 years) has led to a €26 million derecognition of the deferred tax assets previously recognized.

In 2024, our impairment analysis did not reveal any additional impairment required.

As of December 31, 2024, Cnova had €753 million of unused unrecognized tax loss carried forwards which includes tax losses related to tax credits (€186 million of unrecognized deferred tax assets), compared to €639 million and €165 million respectively in 2023.

Note 11 Net cash, cash equivalents and restricted cash

Accounting policy

Cash and cash equivalents consist of cash on hand and short-term investments.

To be classified as a cash equivalent, investment securities must be short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Breakdown

€ thousands	2023	2024
Cash equivalents	-	5 229
Cash	11 021	9 538
Cash and cash equivalents (1)	**11 021**	**14 767**
Bank overdrafts (2)	(69 118)	(40)
Net cash and cash equivalents	**(58 097)**	**14 728**
Restricted cash (3)	59 065	66 553
Net cash and cash equivalents and restricted cash	**968**	**81 281**

(1) Cash equivalents are mainly composed of financial investments referred to as highly liquid Bank Certificate of Deposits. Bank overdrafts arise from settlement of promissory notes that are due to suppliers and are repayable on demand to banks when such promissory notes are presented by suppliers for settlement.

(2) Bank overdrafts involve five financial institutions with maturity from first demand repayment to two months. These sources of financing are secured until March 2026 (see Notes 1.1.2 and 21)

(3) We are required to pledge or otherwise restrict a portion of our cash, cash equivalents as collateral for amounts due to third party sellers in certain jurisdictions. For France this restricted cash is held by Cnova Pay, an entity under the supervision of ACPR, the French prudential supervision and resolution authority which monitor the bank and insurance companies in France. We classify cash, cash equivalents with use restrictions of less than twelve month as Other current assets, net.

Breakdown of cash and cash equivalents by currency

€ thousands	2023	%	2024	%
Euro	10 764	97,7%	14 683	99,4%
US dollar	134	1,2%	79	0,5%
Other	123	1,1%	5	0,0%
Cash and cash equivalents	**11 021**		**14 767**	

Note 12 Financial assets

a. Accounting policies

Financial assets are classified into three categories:

- financial assets at amortized cost;
- financial assets at fair value through other comprehensive income
- financial assets at fair value through profit or loss.

Financial assets are classified as current if they are due in less than one year and non-current if they are due in more than one year.

Recognition and measurement of financial assets

Financial assets are initially measured at fair value plus directly attributable transaction costs in the case of instruments not measured at fair value through profit or loss. Directly attributable acquisition costs of financial assets measured at fair value through profit or loss are recorded in the income statement.

Financial assets at amortized cost

Financial assets are measured at amortized cost when (i) they are not designated as financial assets at fair value through profit or loss, (ii) they are held within a business model whose objective is to hold assets in order to collect contractual cash flows and (iii) their contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI" criterion). They are subsequently measured at amortized cost, determined using the effective interest method, less any impairment losses. Interest income, exchange gains and losses, impairment losses and gains and losses arising on derecognition are all recorded in the income statement. This category primarily includes trade receivables, cash and cash equivalents as well as other loans and receivables. Long-term loans and receivables that are not interest-bearing or that bear interest at a below-market rate are discounted when the amounts involved are material.

Financial assets at fair value other comprehensive income

This category comprises debt instruments and equity instruments.

- debt instruments are measured at fair value through OCI when (i) they are not designated as financial assets at fair value through profit or loss, (ii) they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and (iii) they give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI" criterion). Interest income, exchange gains and losses and impairment losses are recorded in the income statement. Other net gains and losses are recorded in OCI. When the debt instrument is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified to profit or loss.
- equity instruments that are not held for trading may also be measured at fair value through OCI. This method may be chosen separately for each investment. The choice is irrevocable. Dividends received are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other gains and losses are recorded in OCI and are never reclassified to profit or loss.

Cnova does not hold any material assets in this category

Financial assets at fair value through profit or loss

All financial assets that are not classified as financial assets at amortized cost or at fair value through OCI are measured at fair value through profit or loss. Gain and losses on these assets, including interest or dividend income, are recorded in the income statement.

Cnova does not hold any material assets in this category

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short-term investments. To be classified as cash equivalents under IAS 7, investments must be:
- short-term investments;
- highly liquid investments;
- readily convertible to known amounts of cash;
- subject to an insignificant risk of changes in value.

Cnova typically uses interest bearing bank accounts.

Impairment of financial assets

IFRS 9 requires the recognition of lifetime expected credit losses on financial assets. This impairment model applies to financial assets at amortized cost, contract assets and debt instruments at fair value through OCI.

The main financial assets concerned are trade receivables relating to B2B customers and Marketplace vendors. For trade receivables, Cnova applies the simplified approach provided for in IFRS 9. This approach consists of estimating lifetime expected credit losses on initial recognition, usually using a provision matrix that specifies provision rates depending on the number of days that a receivable is past due.

Derecognition of financial assets

Financial assets are derecognized in the following two cases:
- the contractual rights to the cash flows from the financial asset have expired; or,
- the contractual rights have been transferred. In this latter case:
    - if substantially all the risks and rewards of ownership of the financial asset have been transferred, the asset is derecognized in full;
    - if substantially all the risks and rewards of ownership are retained by the Group, the financial asset continues to be recognized in the statement of financial position for its total amount.

Factoring programs
Cnova relies on 2 receivables discounting programs with its banks.
One contract (Eurofactor) met the conditions for derecognition of financial assets under IFRS 9 as at December 31, 2024. Cnova considers that there is no risk of discounted receivables being cancelled by credit notes or being set off against liabilities. The other risks and rewards associated with the receivables have been transferred to the bank. Consequently, as substantially all the risks and rewards have been transferred at the balance sheet date, the receivables are derecognized.
The second contract (La Banque Postale) did not meet the conditions for derecognition of financial assets as at December 31, 2024. The related financing was therefore considered as a financial liability and included in net financial debt for an amount of €4,2 million as at December 31, 2024 compared to €6,9 million as at December 31, 2023. The previous factoring program with La Banque Postale, in force in 2022, used to meet the conditions for derecognition of financial assets under IFRS 9.

CB4X payments instalments

Under the agreement between Cdiscount and FLOA, Cdiscount fully transfers the credit risk of the instalments related to the instalment payment program in France to FLOA. Continued involvement is limited to €9,5 million at December 31, 2024 (€6,8 million in 2023) corresponding to the dilution risk calculated on the basis of past experience (risk of goods return and risk of fraud).

b. Breakdown of trade receivables

€ thousands	2023	2024
Trade receivables	109 897	98 530
Accumulated impairment losses on trade receivables	(17 229)	(19 328)
Trade receivables	**92 667**	**79 202**

Cnova carries out non-recourse receivables sale, refer to Note 9.

Accumulated impairment losses on trade receivables

€ thousands	2023	2024
Accumulated impairment losses on trade receivables		
As of January 1	**(17 358)**	**(17 229)**
Charge	(5 622)	(7 389)
Write off	5 751	5 290
As of December 31	**(17 229)**	**(19 328)**

c. Other current assets, net

€ thousands	2023	2024
Cashpooling accounts with Casino (Note 26) and other accrued interests *	46	44
Current accounts with other related parties	8 858	1 025
Tax receivables	30 846	26 016
Other receivables	36 775	33 024
Accumulated impairment losses on other assets	(2 737)	(3 090)
Prepaid expenses	12 047	15 247
Contract costs	-	-
Other current assets	**85 835**	**72 267**

** Other current assets included in Net financial debt*

Prepaid expenses mainly include prepaid purchases, other occupancy costs and insurance premiums.

d. Restricted cash

Restricted cash went from € 59 million to € 67 million between 2023 and 2024. It is linked to Cnova Pay activity and corresponds to cash and cash equivalents pledged as collateral for amounts due to third party sellers in certain jurisdictions with use restriction of less than twelve month.

e. Other non-current assets, net

€ thousands	2023	2024
Financial assets at fair value through profit or loss	10	-
Investment in associates..	3 833	3 764
Accumulated impairment losses on investment in associates	(3 833)	(3 764)
Other financial assets	5 801	5 569
Prepaid expenses	1 323	742
Contract costs	-	-
Other	-	(69)
Other non-current assets	**7 134**	**6 242**

Investment in associates is related to the 5% remaining interest in C Chez Vous accounted using the equity method since 2022. At end of 2023, this investment has been fully impaired, considering the reduction of volumes subcontracted.

Financial assets at fair value through profit or loss

Movements for the period

€ thousands	2023	2024
At 1 January	**10**	**10**
Increases	—	—
Decreases	—	-10
At 31 December	**10**	**0**

Note 13 Inventories, net

Accounting policies

Inventories, consisting of products available for sale, are recorded at cost, net of supplier discounts, including purchase costs, costs of conversion and other costs incurred in bringing inventories to their present location and condition. Costs of products sold are measured using the weighted average cost method.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. If the net realizable value is lower than cost, a valuation allowance is recorded for the difference.

As of December 2024, the amount of pledged inventories amounts to €39 million vs. €36 million at 2023 year end.

Breakdown

€ thousands	2023	2024
Products in warehouses	103 100	98 731
Right to return goods asset	221	-
Valuation allowance of products held in inventory	(2 777)	(1 354)
Inventories	**100 544**	**97 377**

No reversal of unused write-down was recorded in 2024 and 2023.

The right to returned goods asset represents the Group's right to recover products from customers where customers exercise their right o' return under the Group's 14 day returns policy. The Group uses its accumulated historical experience to estimate the amount of return.

Note 14 Leases

a. Accounting policies

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a

physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

b. Amounts recognized in profit or loss

€ thousands	**2023**	**2024**
Interest on lease liabilities	(7 118)	(4 312)
Expenses related to short-term leases	(644)	(804)
Expense related to leases of low value assets, excluding short-term leases of low value assets	(6 629)	(4 436)
Total amount recognized in profit of loss	**(14 391)**	**(9 552)**

Amounts recognized in the statement of cash flows

Total cash outflow of leases was €32m for 2024 and €34m for 2023.

c. Right of use

Breakdown

	2023			**2024**		
€ thousands	**Gross**	**Depreciation And impairment**	**Net**	**Gross**	**Depreciation And impairment**	**Net**
Real estate.........................	224 082	(156 552)	67 530	158 049	(100 075)	57 974
Vehicles and equipment	29 238	(25 339)	3 899	16 640	(10 207)	6 433
Right of use, net	**253 320**	**(181 891)**	**71 429**	**174 689**	**(110 282)**	**64 407**

Movements for the period

€ thousands	Real estate	Vehicles and equipment	Total
As of January 1, 2023	**106 665**	**9 155**	**115 820**
Business combination or loss of control	103	-	103
Additions related to new leases	-	-	-
Decreases related to existing leases	(2 419)	(73)	(2 492)
Lease modifications	(15 664)	(952)	(16 616)
Depreciation for the period	(19 355)	(4 231)	(23 586)
Impairment reversal (losses) recognized during the period	(1 800)	-	(1 800)
As of December 31, 2023	**67 530**	**3 899**	**71 429**
Business combination or loss of control			
Additions related to new leases		2 437	2 437
Decreases related to existing leases			
Lease modifications	7 838	3 822	11 660
Depreciation for the period	(17 899)	(3 725)	(21 624)
Impairment reversal (losses) recognized during the period	505		505
As of December 31, 2024	**57 974**	**6 433**	**64 407**

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

d. Lease liability

€ thousands	**2023**	**2024**
Maturity analysis – contractual undiscounted cash flows		
Less than one year	33 584	24 646
One to five years	58 395	48 219
More than five years	14 621	7 068
Total undiscounted lease liabilities at December 31	**106 600**	**79 933**
Lease liabilities included in the statement of financial position at December 31	**95 377**	**75 702**
Of which current	**30 978**	**20 664**
Of which non-current	**64 399**	**55 038**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The discount rate is calculated using a risk-free yield curve and a spread. The risk-free yield curve, spread and rating are updated quarterly. The discount rate is tied to the weighted average date for repayment of the outstanding lease commitment.

Lease payments included in the measurement of the lease liability comprise:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease term corresponds to the non-cancellable period, together with the period covered by any option to extend the lease, if the Group is reasonably certain to exercise that option, and the period covered by any option to terminate the lease, if the Group is reasonably certain not to exercise that option.

The Group has French "3/6/9" type leases. Important characteristics of these lease are:

- the contract duration is 9 years (although 12 years for certain Cnova lease contracts)
- the lessee has the option to exit at the end of the third and sixth year, and
- the lessor has no cancellation option during contract duration.

At the end of the lease (in general end of the ninth year), the lessee has the right to ask for the renewal of the lease that the lessor can either accept or reject.

For this type of lease, unless a renewal option exercisable by the lessee alone is set out in the agreement, the lease term does not exceed the contract duration (9 or 12 years).

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

e. Specification

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery or real estate that have a lease term of 12 months or less and leases of low-value assets, including small IT and warehouse equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group has opted for a separate presentation on the face of the statement of financial position under lease agreements related to the right of use and the lease debt.

Real estate

The Group leases land, buildings and warehouses for its office space and fulfillment operations. The leases of office space and warehouses typically run for a period of 9 to 12 years.

Most of those leases are 3/6/9 type contracts, those contracts include:

- the option to exit at the end of the third and sixth years and ninth year (for 12 years contracts) except if it has been explicitly abandoned by the lessee in the contract
- No renewable option

The lease term retained for those contracts is the contract duration (9 or 12 years) unless we are reasonably certain to exercise our option to terminate the lease.

In 2023, Cnova completed discussions with some of C-Logistics lessors to negotiate the early termination of 4 warehouses' leases. Consequently, in application of IFRS 16, the lease liability has been reduced by € 24 million and the right of use by € 28 million, for a P&L impact of € (4) million, including € (1,8) million impairment loss.

In 2024, Cnova completed early termination of two of the four leases hereabove mentioned, and did not renew a lease arriving to expiration date.

Vehicles and equipment

The Group leases vehicles, warehouse equipment and IT equipment, with terms of three to five years. In some cases, the Group has options to purchase the assets at the end of the contract term.

The Group also leases small IT equipment's (laptop, warehouse notepads) and small machinery with contract terms of one to three years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

f. Sale and leaseback

The group has sale & leaseback contracts in which IT and warehouse equipment were sold and leased back for periods of 3 to 6 years.

Note 15 Property and equipment, net

Accounting policies

Property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Items of property and equipment are depreciated on a straight-line basis over their estimated useful lives. The main useful lives are as follows:

Asset category	Depreciation period (years)
Building fixtures and fittings............	5 to 10
Technical installations, machinery and equipment	5 to 10
Computer equipment..................	3 to 5

An item of property and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an asset is determined as the difference between the net sale proceeds, if any, and the carrying amount of the asset. It is recognized in profit or loss when the asset is derecognized under "Gain (Loss) from disposal of non-current assets."

Breakdown

	2023			2024		
€ thousands	**Gross**	**Depreciation and impairment**	**Net**	**Gross**	**Depreciation And impairment**	**Net**
Buildings, fixtures , fittings and other*......................	46 261	(35 109)	11 152	42 537	(32 013)	10 524
Technical installations, machinery and equipment	13 233	(7 974)	5 260	10 060	(6 457)	3 603
Property, plant and equipment, net..	**59 495**	**(43 083)**	**16 412**	**52 597**	**(38 470)**	**14 127**

*including assets in progress for €0,3m in 2023 and €1,7m in 2022.

Movements for the period

€ thousands	**Buildings, Fixtures, Fittings and other**	**Technical Installations, machinery and equipment**	**Total**
As of January 1, 2023	**15 867**	**3 249**	**19 115**
Business combination or loss of control..............................	(42)		**(42)**
Increases and separately acquired property, plant and equipment	2 078	1 833	**3 911**
Property, plant and equipment disposed of during the period..	(52)	(421)	**(473)**
Depreciation for the period...	(2 929)	(1 312)	**(4 241)**
Impairment reversal (losses) recognized during the period	(1 852)		**(1 852)**
Reclassifications of assets in progress................................	(1 937)	1 937	**-**
Reclassifications and other movements	19	(24)	**(5)**
As of December 31, 2023	**11 152**	**5 262**	**16 412**
Business combination or loss of control..................................	(14)	(15)	**(29)**
Increases and separately acquired property, plant and equipment	3 359	172	**3 531**
Property, plant and equipment disposed of during the period..	(59)	(840)	**(899)**
Depreciation for the period...	(2 885)	(1 356)	**(4 241)**
Impairment reversal (losses) recognized during the period	(627)		**(627)**
Reclassifications of assets in progress..	(406)	406	**-**
Reclassifications and other movements	4	(26)	**(22)**
As of December 31, 2024...	**10 524**	**3 603**	**14 125**

Note 16 Other intangible assets, net

Accounting policies

Intangible items are recognized as intangible assets when they meet the following criteria:

- the item is identifiable and separable;
- Cnova has the capacity to control future economic benefits from the item; and
- the item will generate future economic benefits.

Intangible assets consist mainly of purchased software, software developed for internal use, customer lists and trademarks.

Initial recognition

Intangible assets acquired separately by Cnova are measured at cost and those acquired in business combinations are measured at fair value.

Trademarks that are created and developed internally are not recognized on the balance sheet. Intangible assets are amortized on a straight-line basis over their estimated useful lives.

Development expenditures on internal use software and website development are recognized as an intangible asset when Cnova can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Its intention to complete and its ability to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset;
- The ability to measure reliably the expenditure during development; and
- The ability to use the intangible asset generated.

Amortization

Following initial recognition of the intangible asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. Development expenditures on internal use software and website development are amortized over periods ranging from 3 to 10 years.

Indefinite life intangible assets (including purchased trademarks) are not amortized but are tested for impairment at each year-end or whenever there is an indication that their carrying amount may not be recovered.

Derecognition

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an asset is determined as the difference between the net sale proceeds, if any, and the carrying amount of the asset. It is recognized in profit or loss when the asset is derecognized under “Gain (Loss) from disposal of non-current assets.”

Breakdown

	2023			2024		
€ thousands	**Gross**	**Amortization and impairment**	**Net**	**Gross**	**Amortization And Impairment**	**Net**
Trademarks	3 984	-	3 984	3 984	-	3 984
Licenses, software and website	444 829	(262 825)	182 003	431 185	(275 928)	155 257
Other*	24 700	(2 302)	22 398	28 316	(2 320)	25 996
Other intangible assets, net	**473 513**	**(265 128)**	**208 385**	**463 485**	**(278 248)**	**185 237**

*including assets in progress (net) for €22,4m in 2023 and €26,0m 2024.

Movements for the period

€ thousands	**Trademarks**	**License, software and website costs**	**Other**	**Total**
As of January 1, 2023	**9 484**	**173 510**	**50 246**	**233 240**
Business combination or loss of control	(5 500)	(1 307)	(599)	**(7 406)**
Increases and separately acquired intangible assets		39 406	18 284	**57 690**
Intangible assets disposed of during the period				**-**
Amortization for the period		(69 393)	(2)	**(69 395)**
Impairment reversal (losses) recognized during the period (continuing operations)		(5 751)		**(5 751)**
Reclassifications of assets in progress		45 531	(45 531)	**-**
Reclassifications of assets held for sale				**-**
Reclassifications and other movements		7		**7**
As of December 31, 2023	**3 984**	**182 003**	**22 398**	**208 385**
Business combination or loss of control	-	-	-	-
Increases and separately acquired intangible assets		220	48 038	**48 258**
Intangible assets disposed of during the period				**-**
Amortization for the period		(65 875)	(18)	**(65 893)**
Impairment reversal (losses) recognized during the period (continuing operations)		(5 542)		**(5 542)**
Translation adjustment		961	(961)	**-**
Reclassifications of assets in progress (internally developed intangible assets)		43 461	(43 461)	**-**
Reclassifications of assets held for sale				**-**
Reclassifications and other movements		29	-	**29**
As of December 31, 2024	**3 984**	**155 257**	**25 996**	**185 237**

Trademark is mostly composed of Continental Edison. As this brand is essential to the identity of the Cnova business and is used and maintained in the normal course of operations, an indefinite useful life is retained.

Impairment loss on license, software and website costs

As part of follow-up of impairment indicators, some intangible asset values were revised and resulted in the recognition of impairment losses of:

- €4,9 million in 2023 related to the write off of obsolete IT development costs for Cdiscount.
- €2,3 million in 2024 related to the write off of obsolete IT development costs for Cdiscount.

Impairment loss on intangible assets with an indefinite useful life

No evidence of impairment was noted regarding Continental Edison and Oceanic brands.

Note 17 Goodwill

a. Accounting policies

At acquisition date, goodwill is measured in accordance with Note 4. Goodwill is allocated to the cash generating unit or groups of cash-generating units that benefit from the synergies of the combination, based on the level at which the return on investment is monitored for internal management purposes. Goodwill is not amortized but is tested for impairment at each year-end, or whenever there is an indication that it may be impaired. Impairment losses on goodwill are not reversible. The method used by Cnova to test goodwill for impairment is described in Note 17. Negative goodwill is recognized directly in the income statement for the period of the business combination, once the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities have been verified.

Goodwill and other intangible assets with an indefinite useful life are tested for impairment at least once a year, as of December 31 and when circumstances indicate that the carrying value may be impaired. Other assets are tested whenever there is an indication that they may be impaired.

Cash Generating Units (CGUs)
A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Cnova has defined cash-generating units as business units.

Recoverable amount
The recoverable amount of an asset is the higher of its fair value less cost of disposal and its value in use. It is generally determined separately for each asset. When this is not possible, the recoverable amount of the group of CGUs to which the asset belongs is used.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This has been measured through:

• The market capitalization of Cnova that amounted to c. €50m as of December 31, 2024. Considering that only 1% of the shares of Cnova are floating on Euronext, the market capitalization may differ from fair value, we believe Value in use is more representative of the value of the Cash Generating Units.

• Recent transactions notably CGP shares buyout by Casino resulting in an induced equity valuation of €30m. Considering that valuation was not shared at Cnova level, we believe Value in use is more representative of the value of the Cash Generating Units.

Value in use is the present value of the future cash flows expected to be derived from continuing use of an asset plus a terminal value. It is determined internally or by external experts based on:

• Cash-flow projections contained in financial budgets/forecasts approved by management

and cash flows beyond the projection period are estimated by applying a constant or decreasing growth rate; and
• The terminal value determined by applying a perpetual growth rate to the final cash flow projection.

The cash flow projections and terminal value are discounted at long-term after-tax market rates reflecting market estimates of the time value of money and the specific risks associated with the asset.

For goodwill impairment testing purposes, the recoverable amounts of CGUs or groups of CGUs are determined at year end.

Impairment
An impairment loss is recognized when the carrying amount of an asset or the CGU to which it belongs is greater than its recoverable amount. Impairment losses are recorded as an expense under the caption “Impairment of assets” in the income statement.

Impairment losses recognized in a prior period are reversed if, and only if, there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognized. However, the increased carrying amount of an asset attributable to a reversal of an impairment loss may not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Impairment losses on goodwill cannot be reversed.

b. Breakdown

	2023			2024		
€ thousands	**Gross**	**Impairment**	**Net**	**Gross**	**Impairment**	**Net**
E-Commerce	60 736	-	60 736	58 245	-	58 245
Goodwill	**60 736**	**-**	**60 736**	**58 245**	**-**	**58 245**

There is currently only one CGU, denominated “E-Commerce”.

c. Movements for the period

€ thousands	**2023**	**2024**
Carrying amount As of January 1	**60 736**	**60 736**
Goodwill recognized during the period...........	-	-
Disposal of Neosys (see Note 2)		(2 491)
Impairment losses recognized during the period	-	-
Carrying amount As of December 31..............	**60 736**	**58 245**

A €2,4m goodwill was recognized at acquisition of Neosys by Cnova, it was removed in a context of Neosys disposal.

d. Goodwill impairment losses

The tests carried out as of December 31, 2023 and 2024 did not reveal any impairments of goodwill.

€ thousands	**E Commerce 2023**	**E Commerce 2024**
Carrying Value of Goodwill allocated to the group of units	**60 736**	**58 245**
Carrying amount of intangible assets with indefinite useful lives allocated to the group of units	3 984	3 984
Basis on which the unit's (group of units') recoverable amount has been determined	Value in use	Value in use
Key assumptions	GMV Growth EBITDA Growth Gross Margin rate	GMV Growth EBITDA Growth Gross Margin rate
Management approach to determining the value for key assumptions	Past experience External sources in information	Past experience External sources in information
Period over which management projected cash flows based on financial budgets/forecasts approved by the management	5 Years	4 Years
Growth rate used to extrapolate cash flows	2,0%	2,0%
Discount rate applied to the cash flow projections	10,1%	9,6%

Sensitivity analysis

The main assumptions described above are used for measuring the CGUs that are tested for impairment. Sensitivity analyses are performed to assess the effect on the calculations of changes in the assumptions. The method used consists of testing the effect of the following changes in assumptions:

- 100 basis point increase in the discount rate compared to the assumptions used
- 100 basis point decrease in the perpetuity growth rate compared to the assumptions used
- 50 basis point decrease in EBITDA margin (measure of business performance) compared to the assumptions used

The sensitivity tests did not reveal any potential need to recognize (additional) impairment losses.

Note 18 Consolidated equity

a. Accounting policies

Consolidated Equity is attributable to two categories of owners: the equity holders of Cnova and the owners of the non-controlling interests.

Transactions with the owners of non-controlling interests resulting in a change in the owners' percentage interest without loss of control only affect equity. Cash flows arising from changes in ownership interests in a fully consolidated entity that do not result in a loss of control (including increases in percentage interest) are classified as cash flows from financing activities.

In the case of an acquisition of an additional interest in a fully consolidated entity, Cnova recognizes the difference between the acquisition cost and the carrying amount of the non-controlling interests as a change in equity attributable to owners of Cnova. Transaction costs are also recognized in equity. The same treatment applies to transaction costs relating to disposals without loss of control.

In the case of disposals of controlling interests involving a loss of control, Cnova derecognizes the whole of the ownership interest and recognizes any investment retained in the entity at its fair value. The gain or loss on the entire derecognized interest (interest sold and interest retained) is recognized in income statement. Cash flows arising from the acquisition or loss of control of a consolidated entity are classified as cash flows from investing activities.

b. Foreign currency transactions and translation

The consolidated financial statements are presented in euros. Each Cnova entity determines its own functional currency, and all their financial transactions are measured in that currency.

Foreign currency translation

The financial statements of entities that use a functional currency different from the reporting currency are translated into euros as described below:

- assets and liabilities, including goodwill and fair value adjustments, are translated into euros at the closing rate, corresponding to the spot exchange rate at the balance sheet date; and
- income statement and cash flow items are translated into euros using the average rate of the period unless significant variances occur.

The resulting exchange differences are recognized directly within a separate component of equity. When a foreign operation is disposed of, the cumulative amount of the exchange differences in consolidated equity relating to that operation is recycled to the income statement.

Intragroup loans for which settlement is neither planned nor likely to occur in the foreseeable future are, in substance, a part of the investment in that foreign operation and are accounted for as part of the investment and the exchange differences arising on these loans are recognized in the same component of equity as discussed above.

Foreign currency transactions are converted into the functional currency using the exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate and the resulting exchange differences are recognized in the income statement under “Exchange gains and losses”. Non-monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate at the transaction date.

c. Capital management

Cnova’s capital management objectives are to ensure Cnova’s ability to continue as a going concern and to provide an adequate value creation and return to shareholders.

Cnova monitors capital based on the carrying amount of equity plus its loans (including current account agreement with Casino Finance), less cash and cash equivalents as presented on the face of the balance sheet.

Cnova manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, Cnova may adjust its dividend policy, issue new shares, or sell assets to reduce debt.

d. Breakdown

Share capital

At December 31, 2024, the share capital of Cnova is composed of 345,210,398 shares with a par value of €0,05.

Notes to the consolidated statement of comprehensive income

€ thousands	2023	2024
Exchange differences	**4**	**39**
Change in translation differences during the period	4	39
Actuarial gains and losses	**(1 005)**	**(189)**
Change during the period	(1 005)	-
Income tax (expense)/benefit	-	(189)
Total	**(1 001)**	**(150)**

Those items have no tax impact.

Non-controlling interests

€ thousands	C-Logistics	Other	Total
As of January 1, 2023	**72 669**	**(821)**	**71 848**
% of non-controlling interests	*15,96%*		
Net result	(3 958)	(100)	(4 058)
Other comprehensive Income	(55)	(12)	(67)
Dividends granted		-	-
Other		53	53
As of December 31,2023	**68 656**	**(879)**	**67 776**
% of non-controlling interests	15,96%		
Net result	(74)	(200)	(274)
Other comprehensive Income		3	3
Dividends granted		-	-
Dissolution of subsidiaries (1)		(226)	(226)
Other	-	(117)	(117)
As of December 31, 2024	**68 582**	**(1 419)**	**67 163**
% of non-controlling interests	15,96%		

Profit appropriation

The Board proposes to appropriate the loss for the period to the retained earnings.

Note 19 Provisions

A provision is recorded when Cnova has a present obligation (legal or constructive) as a result of a past event, the amount of the obligation can be reliably estimated, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are discounted when the related adjustment is material.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within Cnova's control, or present obligations whose settlement is not expected to require an outflow of resources embodying economic benefits. Contingent liabilities are not recognized in the balance sheet (except when they are assumed through a business combination) but are disclosed in the notes to the financial statements.

Breakdown and movements

€ thousands	January 1, 2023	Increases	Reversals (used)	Reversals (surplus)	Business combination or loss of control	Translation adjustment	Other	December 31, 2023
Onerous contracts	5 595	-	(2 671)	(2 924)	-	-	-	-
Claims and litigation	4 544	4 041	(3 544)	-	(181)	2	(7)	4 855
Total	**10 139**	**4 041**	**(6 215)**	**(2 924)**	**(181)**	**2**	**(7)**	**4 855**
of which short-term	*9 149*	*3 937*	*(5 485)*	*(2 924)*	*(175)*	*2*	*(5)*	*4 498*
of which long-term	*990*	*104*	*(730)*	*-*	*(6)*	*-*	*-*	*357*

€ thousands	January 1, 2024	Increases	Reversals (used)	Reversals (surplus)	Business combination or loss of control	Translation adjustment	Other	December 31, 2024
Onerous contracts	-	-	-	-	-	-	-	-
Claims and litigation	4 855	7 501	(6 500)	(749)	(32)	-	-	5 075
Total	**4 855**	**7 501**	**(6 500)**	**(749)**	**(32)**	**-**	**-**	**5 075**
of which short-term	*4 498*	*7 341*	*(6 404)*	*(529)*	*(32)*	*-*	*-*	*4 874*
of which long-term	*357*	*160*	*(96)*	*(220)*	*-*	*-*	*-*	*201*

Note 20 Pension and other post-employment benefit obligations

a. Defined contribution plan

Under defined contribution plans, Cnova pays fixed contributions into a fund and has no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Contributions to these plans are expensed as incurred. The total liability for the year relating to defined contribution plans is €7,3 million in 2024 (2023: €7,5 million).

b. Defined benefit plans

Regarding defined benefit plans, mainly French consolidated entities are concerned as their employees are notably entitled to compensation paid on retirement. Cnova's obligation is measured using the projected unit credit method based on the provisions of existing plans. Under this method, each period of service gives rise to an additional unit of benefit entitlement and each unit is measured separately to build up the final obligation. The final obligation is then discounted. The obligation is measured by independent actuaries annually for the most significant plans and for the employment termination benefit, and regularly for all other smaller plans. Assumptions include expected rate of future salary increases, estimated average working life of employees, life expectancy and staff turnover rates.

Actuarial gains and losses arise from the effects of changes in actuarial assumptions and experience adjustments (differences between results based on previous actuarial assumptions and what has actually occurred). All actuarial gains and losses arising on defined benefit plans are recognized immediately in other comprehensive income.

The past service cost referring to the increase in an obligation following the introduction of a new benefit plan or modification of an existing plan is immediately expensed.

Expenses related to defined benefit plans are recognized in operating expenses (service cost) or other financial income and expense (net of obligation and plan assets).

Curtailments, settlements and past service costs are recognized in operating expenses or other financial income and expense depending on their nature. The liability recognized in the balance sheet is measured as the net present value of the obligation.

In France, an industry-specific agreement between employers and employees provides for the payment of allowances to employees at the date of retirement depending on the years of service rendered and their salary at the age of retirement.

Undiscounted future cash flows						
€ thousands	2025	2026	2027	2028	2029	> 2029
Pensions	82	82	106	256	318	60 883

c. Main assumptions used in determining total obligations related to defined benefit plans

Plans falling under defined benefit schemes are exposed to interest rate risk, rate of salary increase risk and mortality rate risk.

The following table summarizes the main actuarial assumptions used to measure the obligation:

	2023	**2024**
Discount rate	3,3%	3,3%
Expected rate of future salary increases	2,5%	2,5%
Retirement age	64 to 65	64 to 65

The discount rate is determined by reference to the Bloomberg 15-year AA corporate composite index.

d. Sensitivity analysis

The impact of a variation of +/- 100 basis point on the discount rate would generate a change of respectively -8,0% and +8,8% of the total amount of the commitment.

The impact of a variation of +/- 50 basis point on the expected rate of future salary increases would generate a change of respectively +16,58% and -13,64% of the total amount of the commitment.

Reconciliation of liabilities in the balance sheet

€ thousands	**2023**	**2024**
As of January 1	5 030	6 424
Service cost for the period	169	473
Interest cost of the period	213	240
Actuarial gains or losses recognized in other comprehensive income	1 005	195
Business combination or loss of control	-	-
Other movements	7	7
As of December 31	**6 424**	**7 338**

Note 21 Financial liabilities and other liabilities

a. Accounting policies

Financial liabilities are classified into two categories as follows:
- borrowings recognized at amortized cost; and
- financial liabilities at fair value through profit or loss.

Financial liabilities are classified as current if they are due in less than one year and non-current if they are due in more than one year.

Recognition and measurement of financial liabilities

Financial liabilities recognized at amortized cost

Borrowings and other financial debt are recognized at amortized cost using the effective interest rate method. These liabilities may be hedged.

Debt issue costs and issue and redemption premiums are included in the cost of borrowings and financial debt. They are added or deducted from borrowings and are amortized using effective interest method.

Financial liabilities at fair value through profit or loss

These are financial liabilities intended to be held on a short-term basis for trading purposes. They are measured at fair value and gains and losses arising from remeasurement at fair value are recognized in profit or loss. For financial liabilities carried at fair value through profit or loss only loss arising from deterioration of company's own credit risk should be recognized through other comprehensive income.

b. Breakdown of financial debt

€ thousands	2023 Non-current Portion	2023 Current Portion	2023 Total	2024 Non-current Portion	2024 Current Portion	2024 Total
Current account agreement with Casino Finance (Conditions in note 26)	416 917	17 328	434 245	597 999	25 438	623 437
Bank overdrafts		69 118	69 118		40	40
State Guaranteed loan	-	63 472	63 472	60 000	1 858	61 858
Commitments to buy back NCI (1)		-	-		-	-
SPV loan (see Note 2)	-	20 000	20 000	20 000	-	20 000
Other financial liabilities (2)		13 680	13 680		13 758	13 758
Financial debt	**416 917**	**183 598**	**600 515**	**677 999**	**41 095**	**719 094**

(1) Other financial liabilities include 4,2m€ from the factoring program with La Banque Postale and 9,5m€ related to the dilution risk of CB4X payments instalments (see Note 12)

Changes in liabilities arising from financing activities:

€ thousands	Current account agreement with Casino Finance	State Guaranteed loans	Other financial liabilities	SPV loan	Total liabilities from financing activities
As of January 1, 2023	**384 036**	**61 678**	**15 005**	**13 000**	**473 719**
Additions to financial debt (1)	-	-		7 000	7 000
Repayments of financial debt (1)	-		(1 325)	-	(1 325)
Change in loan received (3)	44 827	-	-	-	44 827
Change in loan received - discontinued operations	-	-	-	-	-
Accrued interests, net	5 382	1 794		-	7 176
As of December 31, 2023	**434 245**	**63 472**	**13 680**	**20 000**	**531 397**
Additions to financial debt (1)	-	-		-	-
Repayments of financial debt (2)	-	(3 472)	78	-	(3 394)
Change in loan received (3)	175 727	-	-	-	175 727
Change in loan received - discontinued operations	-	-	-	-	-
Accrued interests, net	13 466	1 858		-	15 324
As of December 31, 2024	**623 437**	**61 858**	**13 758**	**20 000**	**719 054**

(1) Additions to financial debt correspond to the SPV loan increase for €7m in 2023 (refer to Note 2)
(2) Repayments of financial debt include the payment of State Guaranteed loan interests and the change in La Banque Postale factoring program and CB4X dilution risk reconsolidation (refer to Note 12)
(3) Change in loan received includes cash pool balances with Casino

Detail of main financial debt:

	Nominal amount (K€)	Nominal Interest Rate	Effective Interest rate	Issue date	Due date	2023	2024
Term loan with Casino[1]	300 000	3,90%	3,90%	August 5, 2020	July 31, 2027[3]	300 000	300 000
Cash pool balances with Casino[2]	Maximum of 400 000	€STR 1 month + 1,50%	€STR 1 month + 1,50%	August 5, 2020	July 31, 2027[3]	116 917	297 999
State Guaranteed loan	60 000	Euribor + 1,0%[4]	4,95%	August 2020	March 27, 2026, or March 27, 2027 (except €12.5m) if Casino complies with covenants	60 000	60 000

(1) The Term Loan with Casino was updated on January 20, 2025: nominal amount from €300m to €450m (+€150m) and interest rate from 3,90% to 7,65%
(2) The Cash pool balances with Casino was updated on January 20, 2025: interest rate from STR+1,50% to STR+1,75%
(3) The earliest of July 2027 and the maturity of Casino senior facility agreement, being at least March 2027
(4) Average rate across banks

The State Guaranteed Loan had an initial maturity of 1 year that has been extended to 6 years. A €60m tranche was repaid in August 2022. A €30m tranche was scheduled to be repaid in August 2023 but was postponed following the conciliation outcome regarding reprofiling of repayment. The full repayment of €60m is to occur in March 2027 if Casino Group complies with covenants in December 2025 to allow one-year extension of state-guaranteed loans and bank overdrafts except for €12.5m – otherwise March 2026. Cnova has €70 million bank overdrafts available out of which €0 million were used at December 31, 2024 vs. €69 million at December 31, 2023. Refer to Note 1.1.2.

c. Other liabilities

	2023			2024		
€ thousands	**Non-current**	**Current**	**Total**	**Non-current**	**Current**	**Total**
Amounts due to suppliers of PP&E	-	11 467	11 467	-	6 175	6 175
Other liabilities towards marketplace sellers[1]	-	133 286	133 286	-	144 712	144 712
Other liabilities................	1 565	25 885	27 450	85	35 857	35 942
Contract liabilities	15 874	32 674	48 548	12 782	24 371	37 153
Deferred income	(1 294)	1 813	519	208	1 133	1 342
TOTAL	**16 145**	**205 125**	**221 270**	**13 076**	**212 248**	**225 324**

Note 1 : Includes the counterpart of restricted cash pledged for the debt towards marketplace sellers (refer to Note 11).

Note 22 Fair value of financial instruments

a. Accounting principles

Fair value measurements are determined following the provisions of IFRS 13 "Fair Value Measurement" which defines the following fair value hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

- inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2);
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value of financial instruments traded in an active market is the quoted price on the balance sheet date. A market is considered as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are classified as Level 1.

The fair value of financial instruments which are not quoted in an active market (such as over-the-counter derivatives) is determined using valuation techniques. These techniques use observable market data wherever possible and make little use of Cnova's own estimates. If all the inputs required to calculate fair value are observable, the instrument is classified as Level 2.

If one or more significant inputs are not based on observable market data, the instrument is classified as Level 3.

b. Financial assets

	2023				Carrying amount		Total
€ thousands	**Carrying amount (A)**	**Non financial assets (B)**	**Total Financial assets (A-B)**	**Assets held for trading**	**Loans and receivables**	**AFS - mesured at fair value**	**Fair value**
Other non-current assets	7 134	1 323	**5 811**	-	5 801	10	5 811
Trade receivables	92 667		**92 667**	-	92 667		92 667
Other current assets *	144 900	43 855	**101 045**	-	101 045		101 045
Cash and cash equivalents	11 021		**11 021**	-	11 021		11 021

	2024				Carrying amount		Total
€ thousands	**Carrying amount (A)**	**Non financial assets (B)**	**Total Financial assets (A-B)**	**Assets held for trading**	**Loans and receivables**	**AFS - mesured at fair value**	**Fair value**
Other non-current assets	6 241	742	**5 499**	-	5 499	-	5 499
Trade receivables	79 202		**79 202**	-	79 202		79 202
Other current assets *	138 820	41 371	**97 449**	-	97 449		97 449
Cash and cash equivalents	14 767		**14 767**	-	14 767		14 767

*including:
- receivables on rebates from suppliers for €9,1m in 2023 and €4,4m in 2024
- social and tax receivables for €32,0m in 2023 and €26,2m in 2024

c. Financial liabilities

	2023			Carrying amount			Total
€ thousands	Carrying amount (A)	Non financial liabilities (B)	Total Financial liabilities (A-B)	Liabilities at amortized cost	Liabilities designated at fair value	Hedging instruments	Fair value
Financial debt	600 515		**600 515**	600 515	-	-	584 414
Trade payables	252 912		**252 912**	252 912	-	-	252 912
Other current liabilities	205 125	34 487	**170 638**	170 638	-	-	170 638
Other non-current liabilities	16 145	14 580	**1 565**	1 565	-	-	1 565

	2024			Carrying amount			Total
€ thousands	Carrying amount (A)	Non financial liabilities (B)	Total Financial liabilities (A-B)	Liabilities at amortized cost	Liabilities designated at fair value	Hedging instruments	Fair value
Financial debt	719 094		**719 094**	719 094	-	-	713 566
Trade payables	191 435		**191 435**	191 435	-	-	191 435
Other current liabilities	212 248	25 505	**186 743**	186 743	-	-	186 743
Other non-current liabilities	13 076	12 990	**85**	85	-	-	85

Assets and liabilities are classified at Level 2.

Note 23 Financial risk management objectives and policies

The main risks associated with Cnova’s financial instruments are market risks (interest rate, currency and equity), counterparty risk and liquidity risk.

a. Market risk

Interest rate risk

Interest rate risk refers to the risk that cash flows associated with financial instruments will be impacted due to changes in market interest rates. The Group’s interest rate risk arises principally from borrowings issued at variable rates; they expose the Group to cash flow interest rate risk unless they are offset by cash and cash equivalents deposits (including short-term investments) earning interest at variable interest rates.

Interest rate sensitivity: risks associated with variable-rate financial instruments

The impact (before tax effect) on profit (loss) for the period of a 50-basis point increase or decrease in the €STR interest rate, based on the variable rate financial instruments held by the Group, with all other variables held constant, was estimated to €0,8 million and €0,5 million respectively for the periods ended December 31, 2024 and December 31, 2023.

The impact (before tax effect) on profit (loss) for the period of a 50-basis point increase or decrease in the EURIBOR 3-months interest rate, based on the variable rate financial instruments held by the Group (State Guaranteed loan), with all other variables held constant, was estimated to €0,6 million and €0,8 million respectively for the periods ended December 31, 2024 and December 31, 2023.

Exposure to foreign exchange risk

Exchange rates against the euro	2023		2024	
	Closing rate	Average rate	Closing rate	Average rate
US dollar (USD)	1,1050	1,0818	1,0389	1,0821
British pound sterling (GBP)	0,8691	0,8688	0,8292	0,8452
Moroccan Dirham (MAD)	10,9178	10,9550	10,5252	10,7563

Equity risk

Cnova has no exposure to equity securities price risk as we have no such investment.

b. Counterparty risk

Cnova is not exposed to significant counterparty risks in its operating activities and its short-term investment activities.

Counterparty risk related to trade receivable

Customer receivables are regularly monitored and Cnova’s exposure to the risk of bad debts is considered as limited because of the number of customers Cnova has through its operations.

Trade receivables (gross amount) break down as follows by maturity:

		Receivables past due on the balance sheet date							
	Receivables not yet due not impaired	Receivables not more than one month past due	Receivables between one and six months past due	Receivables more than six months past due	Receivables overdue	Doubtful receivables	GROSS TOTAL	Impairment losses	NET TOTAL
€ thousands	**(A)**				**I**	**(–)**	**(D)=(A)+(B)+(C)**	**(E)**	**(D) − (E)**
2023………..	83 242	5 517	3 651	257	9 425	17 229	**109 896**	(17 229)	92 667
2024 ……….	70 593	5 234	2 842	533	8 609	19 328	**98 530**	(19 328)	79 202

Receivables past due can vary substantially in length of time overdue depending on the type of customer, i.e. consumers or public authorities. Impairment policies are determined on an entity-by-entity basis according to customer type. As indicated above, Cnova believes that it has no material risk in terms of credit concentration.

Counterparty risk related to other assets

Other assets, mainly comprising tax receivables, and repayment rights are neither past due nor impaired.

Credit risk on other financial assets—mainly comprising cash and cash equivalents and financial assets at fair value through P&L—corresponds to the risk of failure by the counterparty to fulfil its obligations. The maximum risk is equal to the instruments’ carrying amount. Cnova’s cash management policy consists of investing cash and cash equivalents with diversified first category counterparties.

c. Liquidity risk

Cnova manages liquidity risk through the daily follow-up of cash flows, control of financial assets and liabilities maturities and a close relationship with main financial institutions. As of December 31, 2024, Cnova's liquidity is also depending on the financing from its parent company Casino, see Note 26.

The Current Account Agreement with Casino Finance represented €700 million available liquidity as of December 2024. Hence unused credit lines amounted to €77 million as of December 31, 2024. On January 20, 2025, the credit line was increased to €850 million (+€150 million). Considering this increase, unused credit lines amounted to €227 million as of December 31, 2024.

Exposure to liquidity risk
The table below shows a maturity schedule for financial liabilities, including principal and interest but excluding discounting.

2023

€ thousands	Maturity						
	Due within one year	Due in one to two years	Due in two to three years	Due in three to five years five years	Due to beyond five years	2023 Total	Carrying amount
Borrowings and bank overdrafts	69 118					**69 118**	69 118
Cash pool balances with Casino	17 328		416 917			**434 245**	434 245
State Guaranteed loan	63 472					**63 472**	63 472
Other financial liabilities	33 680					**3**3 68**0**	33 680
Trade payables and other liabilities	424 270	845				**425 115**	425 115
Total	607 868	845	416 917	-	-	**1 025 631**	1 025 631

2024

€ thousands	Maturity						
	Due within one year	Due in one to two years	Due in two to three years	Due in three to five years five years	Due to beyond five years	2024 Total	Carrying amount
Borrowings and bank overdrafts (1)	40					40	40
Cash pool balances with Casino	25 438		597 999			623 437	623 437
State Guaranteed loan (1)	1 858	60 000				61 858	61 858
Other financial liabilities	13 758			20 000		33 758	33 758
Trade payables and other liabilities	378 179	85				378 264	378 264
Total	**419 274**	**60 085**	**597 999**	**20 000**	**-**	**1 097 358**	**1 097 358**

1) Bank overdrafts, State Guaranteed loan and SPV loan were classified as Current financial liabilities as at December, 31, 2023, pending completion of Casino Group financial restructuring. Following its completion in March 2024, Bank overdrafts and State Guarantee loan are secured at least until end of March 2026 (+ 1 possible extension year depending on Casino covenants, except for €12.5m) and SPV loan until September 2029, hence classified as such within as at December 31, 2024.

The company has an inadequate capital structure in relation to its amounts of outstanding debts, which could compromise the mid-term business plan, particularly after March 2026, because the extension of the State Guaranteed Loan and Bank overdrafts until March 2027 is conditioned to Casino Group complying with covenants. Current conditions may indicate a material uncertainty that may cast significant doubt on Cnova's ability to continue as a going concern after March 2026 and, therefore, Cnova may not be able to realize its assets and discharge its liabilities in the normal course of business (refer to Note 1.1.2).

Trade payables do not include any liability related to reverse factoring arrangements in 2024 (nor 2023).

Note 24 Off-balance sheet commitments

Management believes that, to the best of its knowledge, there were no off-balance sheet commitments as of December 31, 2023 and 2024, other than those described below, likely to have a material impact on Cnova's current or future financial position.

Commitments given

The amounts disclosed in the table below represent the maximum potential amounts (not discounted) that Cnova might have to pay in respect of commitments given. They are not netted against sums which Cnova might recover through legal actions or counter-indemnities received.

€ thousands	**2023**	**2024**
Firm purchase commitments(i)	—	—
Other commitments(ii)	20 000	20 000
Due:	—	—
Within one year	—	—
Due in one to five years	—	—
Due beyond five years	20 000	20 000
Total commitments given	**20 000**	**20 000**

(i) Reciprocal commitments

(ii) Linked to the SPV financing (see Note 2).

Commitments received

Cnova received in a letter dated January 20, 2025, the extension of the financial support of Casino Guichard-Perrachon at least up to June 30, 2026. Please refer *Material uncertainties related to going concern assumption* for further details.

Note 25 Contingencies

In the normal course of its business, Cnova is involved in several legal proceedings with third parties or with the tax authorities in certain countries. Provisions are set aside to cover these proceedings when Cnova has a legal, contractual or constructive obligation towards a third party at year-end, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

On 8 August 2016, Via Varejo S.A. ("Via Varejo"), Cnova Comércio Eletrônico S.A. ("Cnova Brazil") (Via Varejo and Cnova Brazil jointly referred to as "Via Varejo") and Cnova entered into a reorganization agreement, aiming to combine the e-commerce business operated by Cnova Brazil with Via Varejo's brick and mortar activities (the "2016 Reorganization Agreement"). Pursuant to the 2016 Reorganization Agreement, Cnova Brazil was reorganized within Via Varejo with the consequence that Cnova Brazil became wholly owned by Via Varejo. As part of the 2016 Reorganization Agreement, we are exposed to a 6-year indemnification obligation as of 31 October 2016 to Via Varejo which indemnification limitation has been reduced, subject to all terms and conditions of the Reorganization Agreement, to $50 million on 31 October 2017. Any failure by the Company to satisfy indemnification obligations could result in potential claims and legal proceedings raised by Via Varejo. These events could potentially harm our reputation and/or have a material adverse effect on our business, financial condition, results of operations or prospects.

In respect of this indemnification obligation, Via Varejo commenced an arbitration procedure against Cnova NV on 8 July 2020 claiming an undocumented amount of approximately BRL 65 million concerning labor and consumer claims that allegedly were of Cnova's responsibility and generated indemnifiable losses. On December 14, 2023, the Arbitral Tribunal issued is final award, pursuant to which Cnova NV was held to indemnify Via Varejo for an amount of BRL 14,5 million (€2,7 million), increased with monetary adjustment, and decreased with a compensation for legal and other fees incurred by Cnova NV in the course of the procedure. Cnova filed a motion for clarification of the award on February 26th, 2024, asking the Tribunal for further clarification of the indemnification amount's composition and the calculation for the monetary adjustment. On May 14, 2024 an addendum to the Final Award was issued, concluding a net liability for Cnova of 27,4 MM BRL (€ 4,8 million).

Note 26 Related Party Transactions

The following transactions were carried out with related parties (consisting of Casino and its subsidiaries):

	2023		2024	
€ thousands	**Transactions**	**Balance**	**Transactions**	**Balance**
Loans due from Parent Companies	(147 654)	8 844	(7 775)	1 069
Receivables	(6 427)	6 732	(2 556)	4 176
Loan due to Parent Companies	49 758	434 809	189 819	624 628
Payables	(7 313)	21 355	(5 246)	16 109
Expense	68 967	-	80 904	-
Income	17 044	-	5 062	-

a. Agreements Relating to our Shares

- **Special Voting Agreement**

On November 24, 2014, we, the Voting Depository, Casino, CBD, Via Varejo, Éxito, Mr. Germán Quiroga, and Mr. Eduardo Chalita, with acknowledgment by Nova HoldCo, Lux HoldCo and Dutch HoldCo entered into Special Voting Agreement. This agreement includes the contractual terms of the Double Voting Right Structure as di–cussed in "Other Information - 4 Special Voting Shares").

Pursuant to the Special Voting Agreement, the Special Voting Shares were automatically issued when our initial public offering was completed in November 2014. On October 1, 2024, Cnova announced it has received a request from Casino to terminate the Company's founders high voting plan which allows founding shareholders of the Company (including Casino) and their permitted transferees to receive twice as many voting rights in the Company's general meeting as the number of ordinary shares held by them and which are registered in the Company's special founders' share register for that purpose. As a consequence of Casino's request, all depository receipts issued by Stichting Cnova Special Voting Shares (the "Foundation") for special voting shares in Cnova's capital held by the Foundation were cancelled for no consideration. Subsequently, all Special Voting Shares held by the Foundation were transferred to Cnova NV for no consideration and the Foundation was dissolved. An EGM was held on November 15, 2024 in which the Company's shareholders approved the cancellation of all special voting shares. Consequently on January 23, 2025 all special voting shares were cancelled.

Registration Rights Agreement

On November 25, 2014, the Founding Shareholders and certain other members of our management entered into a registration rights agreement with us. The registration rights agreement provides Casino and Dutch HoldCo with demand registration rights that can be exercised once per twelve-month period and provides all shareholders party to the agreement with piggyback registration rights, which, in either case, if exercised, would impose on us an obligation to register for public resale with the SEC our ordinary shares that are held by such shareholders. The demand registration rights can be exercised at any time and include requests to register ordinary shares on a shelf registration statement once we become eligible to file a registration statement on Form F 3 or any successor or similar form and requests to effect takedowns from such shelf registration. The piggyback registration rights may be exercised when we propose to register any of our ordinary shares under the Securities Act by a preliminary prospectus, prospectus supplement or shelf registration statement (other than the registration statement we filed for our initial public offering, a registration on Form S 8 or F 4, or any successor or similar form relating to the ordinary shares issuable upon exercise of employee stock options or in connection with any employee benefit or similar plan or in connection with a direct or indirect acquisition by us of another entity). In each registration pursuant to the registration rights agreement, we are required to pay the registration expenses of the selling shareholders, other than underwriting discounts and commissions and applicable transfer taxes. In addition, we have agreed to indemnify the selling shareholders in any registration pursuant to the registration rights agreement against losses suffered by them in connection with any untrue or alleged untrue statement of a material fact contained in any registration statement, preliminary prospectus, final prospectus or summary prospectus or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statement therein not misleading, except insofar as the same may be caused by or contained in any information furnished in writing to us by such selling shareholder for use therein.

b. Operational and Synergy Agreements

- **Management Support and Strategic Advisory Agreement**

On June 4, 2014, we entered into a management support and strategic advisory agreement with certain companies of the Casino Group pursuant to which the relevant Casino Group companies agree to provide certain management support services, including general management, planning, financial and treasury planning and control, human resources, institutional promotion, legal and tax and public relations, as well as strategic advisory services. In consideration for these support and advisory services, we agreed to pay fees on a pro rata basis from the date of the 2014 Reorganization through the end of the year. The fees are assessed on a cost-plus basis, to be invoiced biannually. The estimated fees under the agreement are to be revised annually. To the extent that the relevant Casino Group companies incur costs or expenses either below or more than the estimated fee paid during the year, the relevant Casino Group companies will issue to us an additional invoice or a credit note. The management support and strategic advisory agreement is entered into for an indefinite term and may be terminated upon mutual consent, or by any party with 90 days' prior written notice. Additionally, in the event of a material breach, the non-breaching party may terminate the agreement with 15-day prior written notice to the breaching party (unless the breach is cured during this period). The agreement may also immediately terminate in the case of liquidation or bankruptcy of any of the parties.

- **Cdiscount EMC Commercial Partnership Agreement**

On May 14, 2014, EMC Distribution S.A.S. ("EMC"), the central purchasing entity for the Casino Group, and Cdiscount entered into a commercial partnership agreement, which was subsequently amended on March 27, 2015. Under this agreement, both parties undertake to implement buying synergies to increase the volume of everyday consumer goods ordered from certain suppliers. Each party also agrees to act on behalf of the other to negotiate the terms and conditions of certain frameworks agreements with suppliers. This agreement is effective until June 1, 2024 and is automatically renewable for another five-year period unless terminated with an 18-month prior notice.

- **EMC Distribution Supply Agreement**

On May 19, 2014, Cdiscount and EMC entered into a supply agreement, whereby EMC sells to Cdiscount imported Casino Group private label products and imported products from other suppliers. Cdiscount has no purchase volume obligation under the agreement.

- **DCF Commercial Partnership Agreements**

On May 19, 2014, Cdiscount and Distribution Casino France ("DCF") entered into two supply agreements, whereby DCF sells to Cdiscount Casino Group private label products and products from other suppliers and Cdiscount sells to DCF Cdiscount private label products and products from other suppliers. Pursuant to verbal binding agreements memorialized in draft agreements, the supply agreements were subsequently amended in 2015, to modify financial conditions. The agreements were subsequently amended on June 28, 2016 to detail and clarify financial conditions. Neither party has a purchase volume obligation under the agreements. Each party shall pay for the products "at cost" plus a decreasing margin (1,5% to 0%) depending on the portion represented by the purchasing entity purchase volume into the global non-food purchase volume made by the purchasing entity and the supplying entity. The agreements terminate on June 1, 2024 and are automatically renewable for successive 10-year periods unless terminated by either party with written notice sent two years prior to the expiration of the initial period.

- **DCF Purchasing Synergies**

On June 30, 2015, Cdiscount and DCF entered into a Purchase Synergy Agreement, whereby DCF, due to lower volumes compared to Cdiscount volumes, remunerates Cdiscount for the purchase conditions obtained through such grouped purchases for non-food products. DCF pays commission to Cdiscount at a rate based on the respective volumes purchased by DCF and Cdiscount compared to the total volume with common suppliers. In particular, (i) when DCF share in total volume is less than 20%, then the rate is at 1,5% of the total volume; (ii) when DCF share in total volume is between 20% and 35%, the rate is at 0,7%. If DCF share in total volume is higher than 35%, no remuneration is due. The agreement terminates on January 1, 2025 and is automatically renewable for successive five-year periods unless terminated by either party with written notice sent two years prior to the expiration of the initial period.

- **Cdiscount Casino International Agency Agreement**

Cdiscount and Casino International S.A.S. (“Casino International”), entered into an agency agreement that became effective on January 10, 2008. Under the terms of the agreement, Casino International, on an exclusive basis, (i) negotiates and sells on behalf of Cdiscount, but through International Retail and Trade Services (“IRTS”), a Swiss subsidiary of Casino acting itself as agent of Casino International, to international suppliers and small and medium sized companies, services offered by Cdiscount such as marketing studies and the sale of data; (ii) advises Cdiscount notably on international synergies and (iii) collects the sums paid by international suppliers and small and medium sized companies for services sold by Casino International on behalf of Cdiscount.

Under the terms of the agreement, Cdiscount reimburses Casino International each fiscal year for a portion of the expenses set forth in the financial statements of Casino International for the previous fiscal year.

Casino International undertakes to pay Cdiscount all the sums it collects on behalf of Cdiscount from international suppliers and small and medium sized companies for the services rendered by Cdiscount (after having retained its own remuneration). Subject to Casino International’s and IRTS’ prior consent, Cdiscount may directly invoice the international suppliers or small and medium sized companies and collect the applicable payments.

The agreement is automatically renewable each year for successive one-year periods unless terminated by either party with three months’ notice. Each party may terminate the agreement (i) in case of insolvency of a party or dissolution of IRTS, (ii) with 30 days’ notice in case of uncured breach and (iii) with three months’ notice in the following cases: change in the shareholding structure of Cdiscount leading to a decrease of the direct or indirect participation of Casino in Cdiscount, or the sale of the share capital or the business of Cdiscount to a third party outside of the Casino Group.

Pursuant to a verbal arrangement entered on March 27, 2015, effective as of January 1, 2015, this agreement has been extended to benefit certain additional Cnova subsidiaries, certain of which were disposed of since that date.

- **Cdiscount Easydis Agreement**

On January 24, 2013, Cdiscount entered into a logistics service agreement with Easydis S.A.S. (“Easydis”), which is an affiliate of Casino. Under the terms of the agreement, Easydis manages and operates the fulfillment center located in Andrézieux, France. Easydis handles receipt of inventory at the center, inspection of products from Cdiscount’s suppliers, storage of products, preparation of customer orders, management and conservation of inventory and shipping. The parties subsequently amended the agreement on May 16, 2014 to extend the scope of the services and on March 27, 2015, to provide for reviews of the pricing terms based on prevailing market rates.

The term of the agreement is six years, from June 1, 2014, until June 1, 2020. It is automatically renewable for successive six-year periods.

c. Cash Pooling Agreements

On July 1, 2014, Cnova entered into a Current Account Agreement with Casino Finance (previously named Polca Holding S.A.), a member of the Casino Group and the centralizing entity of a cash pool implemented among certain members of the Casino Group. Certain of Cnova’s European subsidiaries, including Cdiscount, Cdiscount Group and Cdiscount International, also acceded to the Current Account Agreement, respectively on August 1, 2014, October 17, 2014, and August 1, 2014. The purpose of the current account agreement is to improve the management of the parties’ working capital through: (i) obtaining cash advances from Casino Finance International to Cnova and its European subsidiaries and (ii) making Cnova and its European subsidiaries' cash surplus available to Casino Finance International. The parties have acknowledged that the cash flows under the agreement is driven by a common economic, social or financial interest in accordance with the global policy developed for the whole Casino Group and will consider the interest of each party. The current accounts are designed to daily record the cash flows between the parties, with all recorded claims netted off on a continuous basis, resulting in a single account balance. In connection with the increase of our net sales from the year ended December 31, 2013, to the year ended December 31, 2014, and working capital needs associated with our growth, the current account agreement between Cnova and Casino Finance International was amended on March 11, 2015, to increase the maximum size of the cash pool from €70 million to €250 million. There is no cap on the size of any given drawing from the cash pool. Considering Cnova and its European subsidiaries that have acceded to the current account agreement, the maximum size of the cash pool increased from €260 million to €440 million and an increase to €550 million was approved on December 8, 2017. On June 3, 2019 (i) all receivables and ancillary rights were assigned by Casino Finance International to Casino Finance, (ii) the cash pool was terminated and (iii) simultaneously Cnova acceded to a Cash Pool arrangement with Casino Finance.

On June 12, 2020, the parties entered into a Current Account Agreement Confirmation followed by a first amendment on July 7, 2020 and a second on December 21, 2020. The purpose of this agreement is to confirm, formalize and record the terms and conditions governing the advances made by Casino Finance to Cnova as well as to govern the granting a Term Loan of €150 million.

As per this agreement Cnova is authorized to use the current account to fund any cash shortfall for an outstanding amount of up to €400 million and is granted a Term loan of €150 million. The sum of the term loan and advances shall not be less than €220 million. Cash deposits made by Cnova to Casino Finance are governed by a separate Cash Deposit Agreement, under this agreement no deposits can be made if the sum of the Term Loan and advances under the current account agreement is above €220 million.

On March, 22, 2022, the Current Account Agreement Confirmation was amended and restated with a €150 million increase of the Term loan. As per the amended and restated agreement, Cnova is authorized to use the current account to fund any cash shortfall for an outstanding amount of up to €400 million and the Term loan amounts to €300 million.

On May 14, 2024, the Current Account Agreement Confirmation was amended and restated with a termination date updated to the earliest of July 2027 and the maturity of Casino senior facility agreement, being at least March 2027, or such other date as mutually agreed between parties.

On January 20, 2025, the Current Account Agreement Confirmation was amended and restated with (i) a €150 million increase of the Term Loan therefore amounting to €450 million and (ii) updated interest rates from 3,90% to 7,65% for the Term Loan and from STR+1,50% to STR+1,75% for the Current Account (for which the capacity remains €400 million).

Interests are accrued daily (but not compounded). Interest is calculated at a rate equal to (i) ESTER (floored at 0%) plus a margin of 1,75% for the Current account (advances and deposit) and (ii) 7,65% for the Term Loan.

Casino Finance and the Casino Group entities are parties to a cash pool agreement dated 2009 with Société Générale S.A. to implement the cash pool and ensure automatic cross border cash centralization between each participating company and Casino Finance as the pool leader. The agreement has been entered into for an indefinite period of time. Société Générale S.A. or Casino Finance may terminate the agreement at any time subject to a 30-day notice period.

d. Agreements with Directors and Officers

We have entered into indemnification and insurance agreements with our directors and certain of our executive officers. We and our subsidiaries have also granted various forms of equity-based compensation to certain executives and directors of our company and/or our subsidiaries.

Key management personnel compensation:

€ thousands	2023	2024
Salaries and other benefits excluding payroll taxes(i)	1 206	1 581
Payroll taxes on salaries and other benefits	495	638
Termination benefits	-	51
Total..	**1 701**	**2 270**

(i) Gross salaries, bonuses, discretionary and statutory profit sharing, benefits in kind and director's fees.

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to key management personnel. It relates to 3 managers in 2023 and 2024 (of which the 2 current executive directors of Cnova NV, refer to section 5. Remuneration report).

Note 27 Subsequent events

Delisting process

On October 17th, 2024, Casino initiated statutory buyout proceedings (*uitkoopprocedure*) in accordance with Article 2:92a of the Dutch Civil Code (the "DCC") at the Enterprise Chamber of the Amsterdam Court of Appeal, the Netherlands, (the "Enterprise Chamber"), for the purpose of acquiring all issued shares in Cnova N.V. In the buyout proceedings, Casino requested the Enterprise Chamber to implement the transfer of the Cnova shares held by the minority shareholders of Cnova to Casino, for a buyout price of EUR 0.09 per share (plus statutory interest as from 30 June 2024). On February 11, 2025 the Enterprise Chamber granted the request. On March 31, 2025 Casino announced that the settlement period for the minority shareholders to voluntarily offer their shares to Casino for a period of 10 weeks would open on April 2, 2025. Casino and Cnova also announced their intention to delist Cnova from Euronext Paris following the successful completion of the buy-out procedure.

Increased financing facility with Casino

As of December 2024, the Company had a credit line of €700 million with its parent, Casino Guichard-Perrachon set to cover the needs of the Company (Current Account Agreement with Casino Finance) and split between a Term loan for €300 million and Current account for €400 million.

On January 20, 2025, the agreement was amended and the credit line with increase to €850 million (+€150 million through the Term loan). In addition, as part of the same amended agreement, the interest rates were revised from 3.90% to 7.65% for the Term Loan and from STR+1.50% to STR+1.75% for the Current Account. The term of such agreement with Casino Finance remained unchanged, being the earliest of July 2027 and the maturity of Casino senior facility agreement, being at least March 2027.

Extended financial support from Casino

On January 20, 2025, Casino Guichard-Perrachon confirmed that it will provide financial support to

Cnova N.V. to assist the company in meeting its liabilities as and when they fall due up to a maximum of €100 million in addition to the abovementioned amount of €850 million and only to the extent that funds are not otherwise available to Cnova N.V. to meet such liabilities until at least June 30, 2026.

French administration control on Marketplace activity: French commercial code rules and PtoB EU regulation

The control is carried out as part of the French administration's (DGCCRF) national investigation plan on marketplaces/sellers relations, initiated in 2020 in the context of the entry into force of the European Platform to Business "PtoB" Regulation.

Cdiscount received on February 6, 2025 a notice of a project of injunction to modify or delate several articles of its Marketplace General Conditions (CGMAD). Cdiscount addressed its remarks to the administration to reconsider its position. In case the administration maintains the injunction "as it", the result will have an effect on the guarantee reserve provided in the CGMAD and other process concerning its Marketplace activity.

French administration control on legal deadlines on payment of invoices

A DGCCGF control started on August 2020, related to 2019 year. Cdiscount received on February, 6 2025 a notice of a project of a 3 million euro fine and a publication of this sanction on the DGCCRF's website. Cnova was given 2 months to contest and/or request a reduction in the quantum. Cdiscount requested an adjustment of the amount of this project of sanction.

New CFO appointment

On 4 March 2025, Cnova N.V. announced the appointment of Mrs. Marie Even as interim CFO. Marie Even has been Deputy CEO of Cdiscount since August 2020, overseeing the General Secretary and Cnova Pay, a financial entity managing marketplace financial flows and installment payments. In addition to this role, she was appointed interim Chief Financial Officer of Cnova. Since April 2024, she has also been in charge of Transformation.

Note 28 Main consolidated companies

The holding company

The ultimate holding company is Casino, owning directly 98.96% of Cnova shares and 99.45% of Cnova voting rights.

Subsidiaries

The main companies are listed below:

Company	December 31, 2023			December 31, 2024			
	% control	% interest	Consolidation method	% control	% interest	Consolidation method	Changes
The Netherlands							
Cnova	**100,00**	**Parent**		**100,00**	**Parent**		
France							
Cdiscount	100,00	99,68	FI	100,00	99,68	FI	
Cdiscount Afrique	100,00	100,00	FI	100,00	100,00	FI	
Cnova France SAS	100,00	100,00	FI	100,00	100,00	FI	

Cnova Pay	100,00	100,00	FI	100,00	100,00	FI	
BeezUP	100,00	87,22	FI	100,00	100.00	FI	Shares buyout
C-Logistics	100,00	84,04	FI	100,00	84,04	FI	
CChezVous	25,00	5,00	EQ	25,00	5,00	EQ	
Neosys	100,00	51,00	FI	0	0	FI	Shares Sold
Neotech Solutions	100,00	51,00	FI	0	0	FI	Shares Sold
Neosys Tunisie	100,00	51,00	FI	0	0	FI	Shares Sold
C-Shield	100,00	99,68	FI	100,00	99,68	FI	
C-Technology	100,00	99,68	FI	100,00	99,68	FI	
MAAS	100,00	99,68	FI	100,00	99,68	FI	
CLR	100,00	84,04	FI	100,00	84,04	FI	
CLV	100,00	84,04		100,00	84,04	FI	Created in 08/2023
Africa							
Cdiscount Côte d'Ivoire	100,00	100,00	FI	100,00	100,00	FI	

FI: fully integrated

EQ: equity method

Note 29 Auditor fees (Group)

The following table presents the total fees for professional services rendered by the Statutory Auditors for all controlled entities and recorded in the income statement for 2023 and 2024.

€ thousands	2023	2024
Audit fees for KPMG Accountants NV (1)	384	378
Audit fees for KPMG network (1)	1 165	987
Audit fees for DB3C	66	74
Audit related fees for KPMG (2)	0	113
Total	**1 615**	**1 552**

(1) Audit fees include fees for the review of the semi-annual report
(2) Including fees related to ESG Report

15. COMPANY FINANCIAL STATEMENTS OF CNOVA N.V AS AT AND FOR THE YEAR ENDED DECEMBER 31, 2024

Balance sheet at December 31, 2024

€ thousands	Notes	Dec. 31, 2023	Dec. 31, 2024
Financial fixed assets	7	391 047	10
Loans granted to subsidiaries	7	10 968	14 274
Total non-current assets		**402 015**	**14 284**
Other current assets	9	104 447	188 435
Cash and cash equivalents	10	92	15
Total current assets		**104 539**	**188 449**
Total assets		**506 554**	**202 734**
Share capital	11	17 260	17 260
Additional paid in capital		404 625	404 625
Retained earnings and reserves		(355 687)	(845 214)
Total equity	16	**66 197**	**(423 330)**
Other non-current liabilities	13	300 000	300 000
Total non-current liabilities		**300 000**	**300 000**
Trade payables and other	12	6 627	3 166
Other current liabilities	13	133 730	322 898
Total current liabilities		**140 357**	**326 064**
Total equity and liabilities		**506 554**	**202 734**

The accompanying notes are an integral part of these financial statements

Income statement for the year ended December 31, 2024

€ thousands	December 31, 2023	December 31, 2024
General and administrative expenses	(952)	(1 353)
Financial income	5 158	12 042
Financial expense	(279 946)	(498 398)
Foreign currency exchange result	(9)	1
Other income/ (expense)	(1 659)	(335)
Income tax (expenses)/benefit	-	-
Net result from continuing operations	(277 409)	(488 042)
Net result from discontinued operations (Note 5)	(2 197)	(1 485)
Net profit (loss) for the year	**(279 606)**	**(489 528)**

See Note 14

Statement of comprehensive income for the year ended December 31, 2024

€ thousands	December 31, 2023	December 31, 2024
Net profit (loss) for the year	**(279 606)**	**(489 528)**
Items that may subsequently be recycled to profit or loss	**-**	**-**
Foreign currency translation	-	-
Other comprehensive income/(loss) for the year	**-**	**-**
Total comprehensive income/(loss) for the year	**(279 606)**	**(489 528)**

See Note 15

The accompanying notes are an integral part of these financial statements

Cash Flow Statement for the year ended December 31, 20224

€ thousands	December 31, 2023	December 31, 2024
Net result from continuing operations	(277 409)	(488 042)
Depreciation and amortization expenses	-	-
(Gains)/losses on disposal of non-current assets	-	-
Financial income/(expenses), net	274 798	486 354
Change in operating working capital	(4)	(3 951)
Net cash from (used) in continuing operating operations	**(2 615)**	**(5 639)**
Net cash from (used) in discontinued operating operations	**(447)**	**(1 485)**
Interest received	2 245	4 982
Loan Cnova France	-	(3 306)
Change in cash advance granted to subsidiaries	57 461	(158 468)
Net cash from (used) continuing investing operations	**59 706**	**(156 792)**
Net cash from (used) discontinued investing operations	**-**	**-**
Change in cash advance received (including with related parties and subsidiaries)	(44 182)	181 083
Interest paid	(12 497)	(17 245)
Net cash from (used) continuing financing operations	**(56 679)**	**163 839**
Net cash from (used) discontinued financing operations	**-**	**-**
Change in cash and cash equivalents	**(35)**	**(77)**
Cash and cash equivalents at beginning of period	*127*	*92*
Cash and cash equivalents at end of period	*92*	*15*

The accompanying notes are an integral part of these financial statements

Statement of changes in Equity for the year ended December 31, 2024

€ thousands	Statutory capital	Additional paid in capital	Net result of the period	Retained earnings and other reserves	**Total Equity**
As of December 31, 2022	**17 260**	**404 625**	**(14 868)**	**(61 213)**	**345 804**
Allocation of prior year result	-	-	14 868	(14 868)	-
Other	-	-	-	-	-
Net profit (loss) for the period	-	-	(279 606)	-	(279 606)
As of December 31, 2023	**17 260**	**404 625**	**(279 606)**	**(76 081)**	**66 198**
Allocation of prior year result	-	-	279 606	(279 606)	-
Other	-	-	-	-	-
Net profit (loss) for the period	-	-	(489 528)	-	(489 528)
As of December 31, 2024	**17 260**	**404 625**	**(489 528)**	**(355 687)**	**(423 330)**

The accompanying notes are an integral part of these financial statements

Notes to the financial statements

The company financial statements should be read in conjunction with the consolidated financial statements

1. Description of reporting entity

Cnova N.V. (hereafter "Cnova") is a public limited liability company incorporated and domiciled in Netherlands (Strawinskylaan 3051, Amsterdam). It is listed on Euronext Paris from January 23, 2015 under ISIN NL0010949392. Cnova NV is registered with the Dutch Trade Register under registration number 60776676.

The financial statements of Cnova for the year ended December 31, 2024 were authorized for issue in accordance with a resolution of the directors on April 17, 2025.

Cnova and its subsidiaries (the "Group) consist of leading global e-commerce operations with headquarters in the Netherlands.

At December 31, 2024 and following the acquisition from GPA of the company CBD Luxembourg Holding which indirectly owned 34,0% of Cnova's share (see Note 2.3.1 of the Consolidated Financial Statements), Casino Guichard Perrachon SA owns directly 98,8% of Cnova's share capital and 99,3% of Cnova voting rights.

At December 31, 2023, Cnova's ultimate parent company is Euris SAS, from France. Following the effective completion of Casino Group financial restructuring on March 27, 2024, Cnova's ultimate parent company is France Retail Holdings S.à.r.l. (an entity ultimately controlled by Mr. Daniel Křetínský).

2. Significant accounting policies

2.1. Basis of preparation

The financial statements of Cnova have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) as issued by the International Accounting Standards Board (IASB) and Part 9 of the Dutch Civil Code.

The company financial statements have been prepared on a historical cost basis and are presented in euros and all values are rounded to the nearest thousand (€000), except when otherwise indicated.

Please refer to Note 1.1.2 "Material uncertainty related to going concern assumption" as included in the notes to the consolidated financial statements, which is applicable to the company financial statements of Cnova.

Foreign currency transactions and translation

Foreign currency transactions are converted into the functional currency using the exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate and the resulting exchange differences are recognized in the income statement under "Foreign currency exchange result". Non-monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate at the transaction date.

Capital management

Cnova's capital management objectives are to ensure Cnova's ability to continue as a going concern and to provide an adequate value creation and return to shareholders.

Cnova monitors capital on the basis of the carrying amount of equity plus its Cash pool balance with Casino, less cash and cash equivalents as presented on the face of the balance sheet.

€ thousands	**December 31, 2023**	**December 31, 2024**
Carrying amount of equity	66 197	(423 330)
Current account balance with Casino Finance (Long term)	300 000	300 000
Current account balance with Casino Finance (Short term)	116 916	297 999
Less: Cash and cash equivalents	(92)	(15)
Less: Cash deposit agreement with Casino Finance	-	0
Capital under management of Cnova	**483 021**	**174 654**

The 2024 decrease compared to 2023, is mainly caused by the impairment loss due to Cdiscount shares impairment (391 million euros) and current accounts impairment (82 million euros) partly offset by the increase of net financial debt of the Cnova group.

Management assesses Cnova's capital requirements to maintain an efficient overall financing structure while avoiding excessive leverage. Cnova manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, Cnova may adjust its dividend policy, issue new shares, or sell assets to reduce debt.

2.1.1. Main accounting policies

The following are the significant accounting policies applied by Cnova in preparing its company financial statements:

2.1.2. Current versus non-current classification

Cnova presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
  It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Cnova classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.1.3. Interest income

For financial instruments measured at amortized cost, interest income or expense is recorded using the effective interest rate method.

2.1.4. Dividends

Revenue is recognized when Cnova's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.1.5. Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted at the reporting date

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and it establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for: all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences. The carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.1.6. Investments in subsidiaries

Subsidiaries are investees that are controlled by the Company. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Investments in subsidiaries are carried in the company financial statements at cost less any impairment loss. The Company recognizes a dividend from a subsidiary in financial income when its right to receive the dividend is established.

Impairment

The Company determines at each reporting date whether there is objective evidence that the value of share on equity of subsidiaries is impaired. In case investments in subsidiaries are impaired, the impairment loss is presented in the line financial expenses in income statement.

2.1.7. Financial instruments

i) Financial assets

Financial assets are initially measured at fair value plus directly attributable transaction costs in the case of instruments not measured at fair value through profit or loss. Directly attributable acquisition costs of financial assets measured at fair value through profit or loss are recorded in the income statement.

Financial assets are classified as current if they are due in less than one year at the closing date and non-current if they are due in more than one year.

Financial assets are classified in the following three categories:

- financial assets at amortized cost;
- financial assets at fair value through other comprehensive income (FVOCI);
- financial assets at fair value through profit or loss.

The classification depends on the business model within which the financial asset is held and the characteristics of the instrument's contractual cash flows.

Financial assets at amortized cost

Financial assets are measured at amortized cost when (i) they are not designated as financial assets at fair value through profit or loss, (ii) they are held within a business model whose objective is to hold assets in order to collect contractual cash flows and (iii) their contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI" criterion).

They are subsequently measured at amortized cost, determined using the effective interest method, less any impairment losses. Interest income, exchange gains and losses, impairment losses and gains and losses arising on derecognition are all recorded in the income statement.

This category primarily includes other receivables, cash and cash equivalents as well as other financial assets at amortized cost

Fair value measurement

Fair value measurements are determined following the provisions of IFRS 13 "*Fair Value Measurement*" which defines the following fair value hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable either directly (i.e.

as prices) or indirectly (i.e. derived from prices) (Level 2);
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value of financial instruments traded in an active market is the quoted price on the balance sheet date. A market is considered as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are classified as Level 1.

The fair value of financial instruments which are not quoted in an active market (such as over-the-counter derivatives) is determined using valuation techniques. These techniques use observable market data wherever possible and make little use of Cnova's own estimates. If all the inputs required to calculate fair value are observable, the instrument is classified as Level 2.

If one or more significant inputs are not based on observable market data, the instrument is classified as Level 3.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short-term investments.

Impairment of financial assets

IFRS 9 requires the recognition of lifetime expected credit losses on financial assets. This impairment model applies to financial assets at amortized cost, contract assets and debt instruments at fair value through OCI. Cnova applies the simplified approach provided for in IFRS 9 for other receivables. This approach consists of estimating lifetime expected credit losses on initial recognition, usually using a provision matrix that specifies provision rates depending on the number of days that a receivable is past due.

Derecognition of financial assets

Financial assets are derecognized in the following two cases:
- the contractual rights to the cash flows from the financial asset have expired; or,
- the contractual rights have been transferred. In this latter case:
    - if substantially all the risks and rewards of ownership of the financial asset have been transferred, the asset is derecognized in full;
    - if substantially all the risks and rewards of ownership are retained by the Group, the financial asset continues to be recognized in the statement of financial position for its total amount

ii) Financial liabilities

Financial liabilities recognized at amortized cost

Borrowings and other financial liabilities at amortized cost are initially measured at the fair value of the consideration received, and subsequently at amortized cost, using the effective interest method. Transaction costs and issue and redemption premiums directly attributable to the acquisition or issue of a financial liability are deducted from the liability's carrying amount. The costs are then amortized over the life of the liability by the effective interest method.

Financial liabilities at fair value through profit or loss

They are measured at fair value and gains and losses arising from remeasurement at fair value are recognized in the income statement. Cnova does not hold any financial liabilities at fair value through profit of loss including derivatives.

2.1.8. Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

2.1.9. Provisions

General

Provisions are recognized when Cnova has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where Cnova expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Restructuring provisions

Restructuring provisions are recognized only when Cnova has a constructive obligation, which is when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and an appropriate timeline, and the employees affected have been notified of the plan's main features.

3. Significant accounting judgments, estimates and assumptions

The preparation of Cnova's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods.

3.1 Standards and interpretations published with effect from January 1, 2024

The Group applies the accounting standards and amendments that are effective for annual periods beginning on or after 1 January 2024:

- IAS 1 amendments relating to classification of certain liabilities as current or non-current
- IFRS 16 amendments introducing a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since 2019
- IAS 7 and IFRS 7 amendments introducing additional disclosure requirements for companies that enter into these arrangements. However, they do not address the classification and presentation of the related liabilities and cash flows

These amendments had no material impact on the consolidated financial statements. All new implementations in 2024 have been considered, however these did not result in any material impact.

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

At this stage, there is no new IFRS Accounting Standards or amendments applicable on the 1 of January 2025.

3.2 Standards and interpretations published but not yet mandatory

The following pronouncements from the IASB applicable to Cnova will become effective for future reporting periods and have not yet been adopted by the group. The EU has not communicated adoption dates concerning these amendments:

- **IAS 21** to clarify when a currency is exchangeable into another currency, and how a company estimates a spot rate when a currency lacks exchangeability. The Group does not expect the application of these standard, amendments or interpretations to have a material impact on its Consolidated Financial Statements.

- **IFRS 18** sets out requirements for the presentation and disclosure of information in financial statements. Subject to adoption by the European Commission, it will be effective for reporting periods beginning on or after January 1, 2027 and will apply retrospectively. The Group is currently evaluating all impacts this new standard will have on the presentation of the income statement and the notes to the consolidated financial statements. It is too early to assess whether this standard will have a material impact on the financial statements.

The Group does not expect the application of these standards, amendments or interpretations to have a material impact on its Consolidated Financial Statements.

3.3 Judgments

In the process of applying Cnova's accounting policies, management has made the following judgments, which could have the most significant effect on the amounts recognized in the financial statements:

- Refer to the judgements and assumptions in relation to the going concern assessment as included in Note 1.1.2 of the consolidated financial statements
- The analysis of the liquidity available to Cnova and its limitations
- Judgement in relation to plans of consortium/new controlling shareholder
- Valuation of investments in subsidiaries

3.4 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Cnova based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of Cnova. Such changes are reflected in the assumptions when they occur.

3.4.1 Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

4 Significant events

Refer to note 2.1 of consolidated financial statement for further details.

- **Cnova NV squeeze out process**

On 17 October 2024, Casino initiated statutory buyout proceedings (uitkoopprocedure) in accordance with Article 2:92a of the Dutch Civil Code (the "DCC") at the Enterprise Chamber of the Amsterdam Court of Appeal, the Netherlands, (the "Enterprise Chamber"), for the purpose of acquiring all issued shares in Cnova N.V. This is following the judgment that FRH and Casino received from the Enterprise Chamber on 20 June 2024, in which the Enterprise Chamber granted an exemption to FRH from making a mandatory tender offer. This exemption was subject to the condition that Casino would, within four months of this judgment, initiate statutory buyout proceedings (uitkoopprocedure) in accordance with Article 2:92a DCC. In the buyout proceedings, Casino requests the Enterprise Chamber to implement the transfer of the Cnova shares held by the minority shareholders of Cnova to Casino, for a buyout price of EUR 0.09 per share (or for a higher price which would be determined by the Enterprise Chamber), plus statutory interest as from 30 June 2024. Eight Advisory, valorization expert, was appointed by Casino in the context of the buyout proceedings and prepared a valuation report confirming the buyout price of EUR 0.09. At the moment of the buyout's initiation, Casino directly and indirectly (including treasury shares) held 341,175,496 Cnova shares, representing 98.83% of Cnova's share capital and voting rights. Shares held by the minority shareholders and subject to the statutory buyout proceeding represent 1.17% of Cnova's share capital, i.e. 4,034,902 shares. On February 11, 2025 the Enterprise Chamber granted the request. On March 31, 2025 Casino announced that the settlement period for the minority shareholders to voluntarily offer their shares to Casino for a period of 10 weeks would open on April 2, 2025. Casino and Cnova also announced their intention to delist Cnova from Euronext Paris following the successful completion of the buy-out procedure.

- **Increase in financing arrangement with Casino**

On January 20, 2025, the Current Account Agreement Confirmation between Casino Finance and Cnova NV was amended and restated with (i) a €150 million increase of the Term Loan therefore amounting to €450 million and (ii) updated interest rates from 3,90% to 7,65% for the Term Loan and from STR+1,50% to STR+1,75% for the Current Account (for which the capacity remains €400 million).

- **Impairment of Cdiscount shares and current accounts**

Impairment testing was carried out on the shares of Cnova subsidiaries and current accounts. A €391 million impairment was calculated at Cdiscount SA shares level with valuation based on discounted cash-flow method and a €82 million impairment on current accounts.

- **Final award in Via Varejo arbitration**

On 8 July 2020 Via Varejo commenced an arbitration procedure against Cnova NV claiming an undocumented amount of approximately BRL 65 million concerning labor and consumer claims that allegedly were of Cnova's responsibility and generated indemnifiable losses. On December 14, 2023, the Arbitral Tribunal issued its final award, pursuant to which Cnova NV was held to indemnify Via Varejo for an amount of BRL 14,5 million (€ 2,7 million), increased with monetary adjustment, and decreased with a compensation for legal and other fees incurred by Cnova NV in the course of the procedure. Cnova filed a motion for clarification of the award on February 26th, 2024, asking the Tribunal for further clarification of the indemnification amount's composition and the calculation for the monetary adjustment. On May 14, 2024 an addendum to the Final Award was issued, concluding a net liability for Cnova of 27,4 MM BRL (€ 4,8 million).

5 Discontinued operations

Result from discontinued operations is only related to costs incurred to support entities that are classified as discontinued operations.

Breakdown of result from discontinued operations is the following:

€ thousands	**Dec. 31, 2023**	**Dec. 31, 2024**
General and administrative expenses	(2 197)	(1 485)
Impairment gain (loss) on financial instruments	-	-
Gains (loss) on disposals	-	-
Net profit/(loss) from discontinuing operations*	**(2 197)**	**(1 485)**
Net impact on other comprehensive profit/(loss)	**(2 197)**	**(1 485)**

** Net profit/(loss) from discontinuing operations is mainly related to reserve legal fees with regards to the Via Vajero reorganization agreement*

6 Segment information

Cnova being a holding entity, it has no reportable segments.

7 Financial assets

€ thousands	**Dec. 31, 2023**	**Dec. 31, 2024**
Investments in subsidiaries	391 047	10
Loans granted to subsidiaries	10 968	14 274
End of year	**402 015**	**14 284**

7.1 Investments in subsidiaries

€ thousands	**Dec. 31, 2023**	**Dec. 31, 2024**
Beginning of the year	653 747	391 047
Contribution in kind	-	-
Increase in capital	-	-
Impairment loss	(262 700)	(391 037)
End of year	**391 047**	**10**

Cnova N.V. holds directly the following subsidiaries:

- Cdiscount SA, Bordeaux, France

- Cnova France, Saint Etienne, France

Recoverable value of investments is based on value in use. This value was determined by the discounted cash flows method, based on after-tax cash flows. In performing the estimation of cash flows, Cnova used internal and external analysis.

A €391 million impairment loss has been recognized on the shares of CDiscount SA at 2024 year end. The valuation of Cdiscount shares is derived from Group impairment testing (see Note 19 of the Group Consolidated Financial Statements).

Since the value of Cdiscount SA shares in Cnova NV's accounts has been fully impaired, a change of key assumptions (WACC, long-term growth rate, etc.) would not have any impact on the conclusion of the valuation exercise.

Company	**2023 % owned**	**2024 % owned**	**Cost *(€ 000)***
Cdiscount SA	99,68	99,68	653 737
Cnova France SAS	100	100	10

For a list of indirectly owned subsidiaries, joint ventures and associates and shareholding percentages, refer to Note 28 to the consolidated financial statements.

7.2 Loans granted to subsidiaries

€ thousands	**December 31, 2023**	**December 31, 2024**
Beginning of the year	10 741	10 968
Conversion of Cnova France cash advance to Long term loan	402	3 431
Issued (repayment) net	(175)	(125)
End of year	**10 968**	**14 274**

Long term loan to Cnova France has a maturity of 5 years ending at July 31, 2026 and bears interest at 3,9%.

8 Deferred tax assets

Cnova has determined that it cannot recognize deferred tax assets on the tax losses (including tax credits) carried forward. If Cnova was able to recognize all unrecognized deferred tax assets, equity would have increased by €22,5 million.

In 2023 and 2024, no tax is due. 2024 tax result is expected to be negative €4 167 million.

At December 31, 2024 the total unrecognized deferred tax assets was €22,5 million at the 25,8% tax rate applicable for Dutch companies from 2022 onwards.

Tax losses:

€ thousands	**Profit/(loss) begin**	**Movement**	**Profit/(loss) end**
2015	(51 469)		(51 469)
2016	-		-

2017	(8 934)		(8 934)
2018	-		-
2019	(2 278)		(2 278)
2020	(3 521)		(3 521)
2021	(6 084)		(6 084)
2022	(5 353)		(5 353)
2023 (1)	(5 351)		(5 351)
2024	-	(4 167)	(4 167)
Total	(82 990)	(4 167)	(87 157)

(1) 2023 amount was modified (previous amount (5 364) the definitive amount having been received post 2023 DAR. publication.

On 4 June 2021, the Netherlands published the Decree of 21 May 2021 in the Official Gazette, which provides for the implementation of the NOL carryforward changes that were proposed as part of the 2021 Tax Plan. This new legislation entered into force for financial years beginning on or after January 2022. With effect from 2022, any losses from years as of 2013 that have still not been set off can be carried-forward indefinitely. However, losses can only be fully carried-forward or carried-back up to an amount of EUR 1 million in taxable profit. If the profit exceeds this amount, the losses will only be able to be set off up to 50% of that higher taxable profit.

9 Other current assets, net

€ thousands	**December 31, 2023**	**December 31, 2024**
Other receivables	6 390	13 910
Including management fees with other entities of Cnova group		
Current cash advance granted to subsidiaries	98 057	174 525
Cash deposit agreement with Casino Finance	-	
Other current assets	**104 447**	**188 435**

The Current Account Agreement between Casino Finance, and Cnova NV and its subsidiaries, presented a credit line of €700 million as of December 2024 (€300 million with 3,90% interests (Term Loan) and a €400 million with €STR+1.50% interests). On January 20, 2025, this credit line was updated to €850 million (€450 million with 7,65% interests (Term Loan) and a €400 million with €STR +1,75% interests). The term of the Current Account Agreement with Casino Finance remained unchanged, being the earliest of July 2027 and the maturity of Casino senior facility agreement, being at least March 2027. The Current Account Agreement can only be terminated earlier by mutual consent. In addition, Casino Guichard-Perrachon confirmed through a letter dated January 20, 2025 that it will provide financial support to Cnova N.V. to assist the company in meeting its liabilities as and when they fall due up to a maximum of € 100 million in addition to the abovementioned amount of € 850 million and only to the extent that funds are not otherwise available to Cnova N.V. to meet such liabilities until at least June 30, 2026.

A separate Cash deposit agreement was entered into with Casino Finance where Cnova is authorized to make cash deposits with €STR +1,5% interests. No deposits shall be made by Cnova if the Term Loan and advances under the Current Account Agreement is above €220 million.

As Cnova has an unconditional right to defer the settlement of both the term loan and advances with Casino Finance the amount outstanding are presented as non-current financial liabilities.

At December 31st 2024, an impairment of current account of € 82 million was booked based on a DCF valuation of Cdiscount SA enterprise value.

10 Cash and cash equivalents

Cash and deposits of €15 thousand (€92 thousand in 2023) consist of time deposits and amounts held as bank balances. All bank balances and deposits are freely available.

11 Share capital

On November 20, 2018, 703 350 ordinary shares were issued pursuant to Deferred Stock Units (DSU), as a consequence, the share capital of Cnova comprised 345 210 398 ordinary shares with a par value of €0,05 at December 31, 2023 and December 31, 2024.

The Board of the Company proposes to appropriate the result for the period to the retained earnings.

12 Trade payables and other

Trade payables are amounts due to suppliers and are payable within 3 months.
Other current liabilities consist of sundry payables and mature within one year.

13 Other liabilities

€ thousands	December 31, 2023	December 31, 2024
Other liabilities	16 814	24 900
Cash pool balance with Casino – Short term	116 916	297 999
Cash advance received from subsidiaries	-	-
Other current liabilities	**133 730**	**322 898**

Change in Cash advance received from subsidiaries and cash pool balance with Casino

€ thousands	December 31, 2023	December 31, 2024
Beginning of the year	161 098	116 916
Issued (repayment) net – continued operation	(44 182)	181 083
Issued (repayment) net – discontinued operation	-	-
Reclassification as non-current liabilities	-	-
End of year	**116 916**	**297 999**

Cash pool balances with Casino and cash advance received from subsidiaries bear interest at €STR +1.75% since January 20, 2025 vs. €STR+1.50% previously.

€ thousands	December 31, 2023	December 31, 2024
Cash pool balance with Casino – Term loan	300 000	300 000
Cash pool balance with Casino – Advances	-	-
Other noncurrent liabilities	**300 000**	**300 000**

Please refer to note 9 for the disclosure of the conditions of the Term loan and Advances.

Change long term cash pool balance with Casino

€ thousands	December 31, 2023	December 31, 2024
Beginning of the year	300 000	300 000
Conversion of portion of cash pool balance to Term Loan	-	-
Reclassification of cash pool balance with Casino – Advance to non-current	-	-
Other movement	-	-
End of year	**300 000**	**300 000**

Term Loan with Casino bear interest at +7.65% since January 20, 2025 (vs. €STR+3,90% previously). Advances have been reclassified as non-current as Cnova now has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

€ thousands Financial liabilities	2023 Carrying amount (A)	Non financial liabilities (B)	Total Financial liabilities (A – B)	Liabilities at amortized Cost	Fair Value Level 1	Level 2	Level 3
Trade payables	6 627	-	**6 627**	6 627	-	**6 627**	-
Other current liabilities	133 730	-	**133 730**	133 730	-	**133 730**	-
Other non-current liabilities (1)	300 000	-	**300 000**	300 000	-	**283 898**	-

€ thousands Financial liabilities	2024 Carrying amount (A)	Non financial liabilities (B)	Total Financial liabilities (A – B)	Liabilities at amortized Cost	Fair Value Level 1	Level 2	Level 3
Trade payables	3 166	-	**3 166**	3 166	-	**3 166**	-
Other current liabilities...........	322 898	-	**322 898**	322 898	-	**322 898**	-
Other non-current liabilities...........	300 000	-	**300 000**	300 000	-	**294 472**	-

Off Balance Sheet liabilities

None

14. Notes to the income statement

14.1 Employees

The average number of employees of Cnova N.V. in full-time equivalents during 2024 was 1, like in 2023. The sum of salaries, social security charges and pension expenses for 2024 amounted to €440 thousand vs €378 thousand in 2023. This employee is based in the Netherlands.

14.2 Auditor fees

The following table presents fees for professional services rendered by KPMG for the audit of our financial statements. Audit related fees include ESG audit expenses.

€ thousands	2023	2024
Audit fees for KPMG Accountants NV	384	378
Audit fees for KPMG network	209	145
Audit related fees for KPMG	-	110
Total	**593**	**632**

15 Financial income and expense

The current cash advances to subsidiaries (see Note 9) generated a net gain of €12 042 thousands in 2024 and € 5 158 thousands in 2023.

The cash advance received from subsidiaries and cash pool balance with Casino (see note 19) generated an expense of €25 361 thousands in 2024 and €17 246 thousands in 2023. The increase is mostly related to higher drawings following Cnova financial debt increase.

Last, the 2024 financial result has been impacted by a €391 million impairment loss recognized on the shares of CDiscount SA (see Note 7).

16 Taxes

The taxable result for 2024 is estimated to be a loss of €4,2 million and no tax is due. Difference between domestic (25.8%) and effective tax rate (0%) is mostly related to unrecognized deferred tax assets.

17 Note to the statement of comprehensive income

No items are recognized in other comprehensive income.

18 Reconciliation between company and consolidated information

In accordance with 2:389 of Dutch Civil Code, the reconciliation of equity is the following:

€ thousands	December 31, 2023	December 31, 2024
Total company's equity	**66 198**	**(423 330)**

Retained earnings of subsidiaries	(640 576)	(247 026)
Total consolidated group equity	**(574 378)**	**(670 356)**

In accordance with 2:389 of Dutch Civil Code, the reconciliation of net result is the following:

€ thousands	**December 31, 2023**	**December 31, 2024**
Company's net profit (loss)	**(279 606)**	**(489 528)**
Net profit (loss) of subsidiaries and intercompany eliminations	153 549	395 342
Gain (loss) on disposal	-	-
Impairment of cash advance to subsidiaries	461	-
Total consolidated net profit (loss)	**(125 595)**	**94 186**

19 Related party transactions

Cnova N.V. has entered into arrangements with a number of its subsidiaries and affiliated companies in the course of its business. These arrangements relate to service transactions and financing agreements and were conducted at arm's length. Unless stated otherwise, the balances and transactions on the table below are mostly with subsidiaries.

€ thousands	**2023**		**2024**	
	Transactions	**Balance**	**Transactions**	**Balance**
Loan granted to subsidiaries	227	10 968	3 306	14 274
Other current assets (1)	100 727	104 342	165 932	270 274
Cash deposit with Casino	(155 518)	0	0	0
Cash Pool balance to Parent Company	50 156	134 160	189 201	323 361
Cash advance from subsidiaries	(89 592)	0	0	0
Cash pool balance with Casino - Long term	0	300 000	0	300 000
Payables	(184)	2 017	465	2 482
Expenses	17 414		25 393	
Incomes	5 281		12 648	

(1) Other current assets net includes the current account with CDiscount SA for €174 525 thousands in 2024, and €98 057 thousands In 2023,

20 Off-balance sheet commitments

Commitment given

Cnova NV has a commitment for his head office for a short-term lease expense of €36 thousands (including ancillary costs).

Commitment received

Cnova received in a letter dated January 20, 2025, the extension of the financial support of Casino Guichard-Perrachon at least up to June 30, 2026. Please refer *Material uncertainties related to going concern assumption* for further details.

21 Financial risk management objectives and policies

The main risks associated with Cnova's financial instruments are market risks (interest rate risk).

Market risk

Exposure to foreign exchange risk

Cnova NV is not exposed to currency translation risk.

Interest rate risk

Interest rate risk refers to the risk the cash flows associated with financial instruments will be impacted due to changes in market interest rates. Cnova's interest rate risk arises principally from borrowings issued at variable rates that expose Cnova to cash flow interest rate risk. As of December 31, 2023 and 2024, the Term loan had a fixed interest rate of 3,9% (revised to 7,65% since January 20, 2025). Other debts are subject to floating interest rates.

Interest rate sensitivity: risks associated with variable-rate financial instruments

The impact (before tax effect) on profit (loss) for the period of a 50-basis point increase or decrease in the €STR interest rate, based on the variable rate financial instruments held by Cnova, with all other variables held constant, was estimated to €0,1 million for 2024 and €0,1 million for 2023.

Counterparty risk

Cnova is not exposed to significant counterparty risks in its operating activities and its short-term investment activities. All receivables (see Note 9) are with Group companies.

Other current assets break down as follows by maturity:

2023		Other current assets past due on the balance sheet date				
€ thousands	Receivables not yet Due (A)	Receivables not more than one month past due	Receivables between one and six months past due	Receivables more than six months past due	Receivables overdue (B)	GROSS TOTAL (C)=(A)+(B)
Expected credit loss rate .	*0%*	*0%*	*0%*	*0%*		
Estimated total gross carrying amount at default	*104 447*	-	-	-	-	*104 447*
Expected credit loss	-	-	-	-	-	-

2024		Other current assets past due on the balance sheet date				
€ thousands	Receivables not yet Due (A)	Receivables not more than one month past due	Receivables between one and six months past due	Receivables more than six months past due	Receivables overdue (B)	GROSS TOTAL (C)=(A)+(B)
Expected credit loss rate .	*0%*	*0%*	*0%*	*0%*		
Estimated total gross carrying amount at default	*270 435*	-	-	-	-	*270 435*
Expected credit loss	-	-	-	-	-	-

Liquidity risk

Cnova manages liquidity risk through the daily follow-up of cash flows, control of financial assets and liabilities maturities and a close relationship with main financial institutions. As of December 31, 2024, Cnova's liquidity is also depending on the financing from its Parent Companies (Casino).

As part of cash pool agreement with Cnova and its subsidiaries updated since January 20, 2025, unused credit lines amounted to €227 million as of December 31, 2024. Current account with Casino bears interest at €STR +1,75% since January 20, 2025.

The term of the agreement is the earliest of July 2027 and the maturity of Casino senior facility agreement, being at least March 2027. The agreement can be terminated by mutual consent. In addition to the abovementioned agreement, Casino provided a €100 million comfort letter on January 20, 2025. The term of this comfort letter is at least June 30, 2026. Each agreement immediately terminates if Casino no longer controls, directly or indirectly, Casino Finance or Cnova or its European subsidiaries, as the case may be, or in case of bankruptcy of a party.

22 Directors' remuneration

The below tables show the compensation paid by us and our subsidiaries to our executive and non-executive directors in the 2024 fiscal year. We do not have any written agreements with any director providing for benefits upon the termination of such director's relationship with our company or our subsidiaries. Amounts are in euros unless otherwise stated.

Remuneration for executive directors

In 2024 fiscal year, Cnova's executive directors (Thomas Metivier and Steven Geers) total paid out remuneration amounted to €863 thousand.

In 2023 fiscal year, Cnova's executive directors (Thomas Metivier since his appointment as CEO, and Steven Geers) total paid out remuneration (comprising a combination of fixed and variable compensation, excluding payroll taxes born by subsidiaries of the company and including long term incentive plans that became payable in 2023) amounted to €819 thousand.

Remuneration of non-executive directors in €

Name	Director fees in 2023	Committee membership fees in 2023	Attendance fees in 2023
Jean-Yves Haagen	10 000	8 000	6 000
Ronaldo Iabrudi dos Santos Pereira	329		
Eleazar de Carvalho Filho	45 753	8 000	6 000
Christophe Hidalgo	9 151		
Josseline de Clausade	10 000		
Bernard Oppetit	50 000	25 000	18 000
Silvio Genesini	50 000	30 000	24 000
Guillaume Michaloux	8 849		
Emmanuel Grenier	5 041		

Name and title	Director fees in 2024	Committee membership fees in 2024	Attendance fees in 2024
Jean-Yves Haagen	2 384		
Josseline de Clausade	2 384		
Bernard Oppetit	50 000	33 000	24 000
Silvio Genesini	50 000	30 000	24 000
Béatrice Davourie	6 466		

Compensation of non-executive directors

For our eligible non-executive directors who do or did not serve within the Casino Group in any capacity other than as a director, namely Messrs. Oppetit and Genesini, the annual Board fee is higher than for those directors that do or did serve the Casino Groupe as an executive. The Board fee is supplemented by fees for service as committee chairperson and/or committee-membership as described below. As illustrated in the above table, the fixed compensation in cash for these non-executive directors amounts to EUR 50,000 annually. For all our other non-executive directors in 2024, that do or did serve the Casino Groupe as an executive namely Mr. Haagen and Mrs. De Clausade and Mrs. Davourie, a fixed annual Board fee of EUR 10,000 supplemented with fees related to committee memberships (if applicable) is awarded. This compensation is pro-rated in the event of an appointment or resignation in the course of a year.

Members of our audit committee receive a fixed annual retainer of EUR 15,000 and the chairman of the audit committee receives a fixed annual retainer of EUR 25,000. Members of our nomination and remuneration committee receive a fixed annual retainer of EUR 8,000, and the chairman of the nomination and remuneration committee receives a fixed annual retainer of EUR 15,000. In addition, members of the audit committee receive an attendance fee of EUR 3,000 per meeting and members of the nomination and remuneration committee receive an attendance fee of EUR 3,000 per meeting.

In March 2023 the Board created a special Board committee to address certain strategic initiatives. The members of this special committee are not entitled to an additional remuneration for their contribution to this committee.

Personal loans, advances and guarantees

The Company's current policy is not to grant any personal loans and guarantees to directors, and where the Company has appointed one, the Non-Board Co-CEO, except for travel advances, cash advances and use of a Company-sponsored credit card in the ordinary course of business and on terms applicable to the personnel as a whole. In addition, we have entered into indemnification agreements with our directors and certain of our executive officers.

23 Subsequent events

Delisting process

On October 17th, 2024, Casino initiated statutory buyout proceedings (*uitkoopprocedure*) in accordance with Article 2:92a of the Dutch Civil Code (the "DCC") at the Enterprise Chamber of the Amsterdam Court of Appeal, the Netherlands, (the "Enterprise Chamber"), for the purpose of acquiring all issued shares in Cnova N.V. In the buyout proceedings, Casino requested the Enterprise Chamber to implement the transfer of the Cnova shares held by the minority shareholders of Cnova to Casino, for a buyout price of EUR 0.09 per share (plus statutory interest as from 30 June 2024). On February 11, 2025 the Enterprise Chamber granted the request. On March 31, 2025 Casino announced that the settlement period for the minority shareholders to voluntarily offer their shares to Casino for a period of 10 weeks would open on April 2, 2025. Casino and Cnova also announced their intention to delist Cnova from Euronext Paris following the successful completion of the buy-out procedure.

Increased financing facility with Casino

As of December 2024, the Company had a credit line of €700 million with its parent, Casino Guichard-Perrachon set to cover the needs of the Company (Current Account Agreement with Casino Finance) and split between a Term loan for €300 million and Current account for €400 million.

On January 20, 2025, the agreement was amended and the credit line with increase to €850 million (+€150 million through the Term loan). In addition, as part of the same amended agreement, the interest rates were revised from 3.90% to 7.65% for the Term Loan and from STR+1.50% to STR+1.75% for the Current Account. The term of such agreement with Casino Finance remained unchanged, being the earliest of July 2027 and the maturity of Casino senior facility agreement, being at least March 2027.

Extended financial support from Casino

On January 20, 2025, Casino Guichard-Perrachon confirmed that it will provide financial support to Cnova N.V. to assist the company in meeting its liabilities as and when they fall due up to a maximum of €100 million in addition to the abovementioned amount of €850 million and only to the extent that funds are not otherwise available to Cnova N.V. to meet such liabilities until at least June 30, 2026.

New CFO appointment

On 4 March 2025, Cnova N.V. announced the appointment of Mrs. Marie Even as interim CFO. Marie Even has been Deputy CEO of Cdiscount since August 2020, overseeing the General Secretary and Cnova Pay, a financial entity managing marketplace financial flows and installment payments. In addition to this role, she was appointed interim Chief Financial Officer of Cnova. Since April 2024, she has also been in charge of Transformation.

Signature page to the 2024 Annual Report and Financial Statements of Cnova N.V.

THE BOARD OF DIRECTORS OF CNOVA N.V.

______________________	______________________
Steven Geers	Thomas Métivier
______________________	______________________
Silvio Genesini	Bernard Oppetit
______________________	
Béatrice Davourie	

16. OTHER INFORMATION

16.1 INDEPENDENT AUDITOR'S REPORT

To: the General Meeting of Shareholders and Board of Directors of Cnova N.V.

Report on the audit of the financial statements 2024 included in the Annual Report

Our opinion

In our opinion the accompanying financial statements give a true and fair view of the financial position of Cnova N.V. as at 31 December 2024 and of its result and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2024 of Cnova N.V. (the Company) based in Amsterdam, the Netherlands.

The financial statements comprise:

1. the consolidated and company balance sheet(s) as at 31 December 2024;
2. the following consolidated and company statement(s) for the year ended 31 December 2024: the income statement(s), the statement(s) of comprehensive income, the statement(s) of changes in equity and the statement(s) of cash flows; and
3. the notes comprising a summary of the significant accounting policies and other explanatory information to the financial statements.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Cnova N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of going concern, fraud and non-compliance with laws and regulations and the key audit matters was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1.1.2 'Going concern assumption' in the notes of the consolidated financial statements, which indicates that the Company has a structural inadequate capital structure in relation to its debts and is dependent on Casino Group's compliance with covenants on its financing facilities, which could compromise the mid-term business plan, particularly after March 2026. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

To determine that there is no situation of inevitable discontinuity and conclude on the adequacy of the going concern related disclosure, we have performed, inter alia, the following procedures:

- we considered whether the Board of Directors assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit and inquired the Board of Directors about the underlying key assumptions and principles;
- we evaluated the design and the implementation of internal controls related to the going concern assessment;
- we analyzed the budgeting process and compared actuals with budgets to evaluate the reliability of the Board of Directors' budgeting process. Furthermore, we reconciled the liquidity forecasts with the Business Plan 2025-2028;
- we evaluated the plausibility of assumptions relating to the forecasted available future cash flows from operating, financing and investment activities involving restructuring experts and professionals with specific knowledge in auditing going concern assessments;
- We performed stress testing with our evaluation of any reasonably possible scenarios arising from the uncertainties related to the structural inadequate capital structure in relation to the debts of the Company and the dependency on Casino Group's compliance with covenants on its financing facilities and consider the viability of the business to determine that there is no situation of inevitable discontinuity.
- We also inquired with management and inspected supporting documents, including the 2025 budget, first-quarter 2025 performance, the Current Account Agreement with Casino Finance, and the financial support letter from Casino Guichard-Perrachon.
- We instructed KPMG France in its capacity as joint auditor of the Casino Group to perform specific audit procedures in relation to the going concern assessment at the level of the Casino Group.
- We evaluated whether Note 1.1.2 'Going concern assumption' of the consolidated financial statements adequately describe the measures taken by the Board of Directors to mitigate the going concern risks and the key assumptions and estimates underlying them, also in relation to the findings of our procedures and the reporting framework requirements.

We find that the Board of Directors' assumptions and the abovementioned disclosure are acceptable and emphasize that the going concern of the Company is strongly dependent on Casino Group to fund the liquidity needs and to avoid possible discontinuity after March 2026.

Information in support of our opinion

Summary

Materiality
Consolidated financial statements
Materiality of EUR 8.75 million
0.8% of Net Sales
Company financial statements
Materiality of EUR 2.5 million
0.9% of Total assets

Group audit
Performed substantive procedures for 84% of total assets
Performed substantive procedures for 98% of revenue

Fraud and NOCLAR related risks
Fraud risks are identified for:
o management override of controls;

- rebates and similar agreements from suppliers; and
- revenue recognition related to cut-off.

No risk of material misstatements related to non-compliance with laws and regulations (NOCLAR) is identified.

Key audit matter
Rebates and similar agreements from suppliers

Opinion
Unqualified with emphasis of matter regarding material uncertainty related to going concern

Materiality

Based on our professional judgement we determined the materiality for the consolidated financial statements as a whole at EUR 8.75 million and for the company financial statements as a whole at EUR EUR 2.5 million. The materiality for the consolidated financial statement is determined with reference to net sales (0.8%). We consider net sales as the most appropriate benchmark since Cnova N.V. is a revenue-oriented entity with a volatile loss before tax over recent years.

The materiality for the company financial statements is determined with reference to the total assets (0.9%). Given the nature of the parent company's activities – the holding and financing of investments within the Company – we consider the use of the total asset benchmark as most appropriate in respect of the company financial statements.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Audit Committee of the Board of Directors that misstatements identified during our audit in excess of EUR 425,000 and EUR 125,000 for the consolidated and company financial statements respectively, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Cnova N.V. is the ultimate parent within the Cnova Group and its components. The financial information of this group is included in the consolidated financial statements of Cnova N.V.

This year, we applied the revised group auditing standard in our audit of the financial statements. The revised standard emphasizes the role and responsibilities of the group auditor. The revised standard contains new requirements for the identification and classification of components, scoping, and the design and performance of audit procedures across the group. As a result, we determine coverage differently and comparisons to prior period coverage figures are not meaningful.

We performed risk assessment procedures throughout our audit to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements. To appropriately respond to those assessed risks, we planned and performed further audit procedures, either at component level or centrally. We identified 5 components associated with a risk of material misstatement, for which we involved a component auditor. We as group auditor audited the remaining components. We set component performance materiality levels considering the component's size and risk profile.

We have performed substantive procedures for 98% of revenue and 84% of total assets. At group level, we assessed the aggregation risk in the remaining financial information and concluded that there is less than reasonable possibility of a material misstatement.

In supervising and directing our component auditor, we:

- Held risk assessment discussions with the component auditor to obtain their input to identify matters relevant to the group audit.
- Issued group audit instructions to the component auditor on the scope, nature and timing of their work, and received written communication about the results of the work they performed.
- Held meetings with the component auditor in person and virtually to discuss relevant developments, understand and evaluate their work and attend meetings with local management.
- Inspected the work performed by the component auditor and evaluated the appropriateness of audit procedures performed and conclusions drawn from the audit evidence obtained, and the relation between communicated findings and work performed. In our inspection we mainly focused on key audit matters, significant risks and key judgement areas.

We consider that the scope of our group audit forms an appropriate basis for our audit opinion. Through performing the procedures mentioned above we obtained sufficient and appropriate audit evidence about the Group's financial information to provide an opinion on the financial statements as a whole.

Audit response to the risk of fraud and non-compliance with laws and regulations

In section 2.2 'Risk Factors' of the Directors Report, the Board of Directors describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the Company and its business environment, and assessed the design and implementation of the Company's risk management in relation to fraud and non-compliance.

Our procedures included, among other things, assessing the Company's Code of Business Conduct and Ethics, whistleblowing procedures, internal audit reports, incidents register and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with the Board of Directors and other relevant functions, such as Internal audit, Risk & Control and the Legal Counsel. We have also incorporated elements of unpredictability in our audit such as screening and substantive testing of immaterial (expense) accounts.

In addition, we performed procedures to obtain an understanding of the legal and regulatory frameworks that are applicable to the Company and identified the following areas as those most likely to have a material effect on the financial statements: anti-money laundering legislation, anti-bribery and corruption laws and regulations, trade sanctions and export controls, labor and human right laws and data privacy legislation.

We, together with our forensics specialists, evaluated the fraud and non-compliance risk factors to consider whether those factors indicate a risk of material misstatement in the financial statements. We identified three fraud risks: management override of controls, rebates and similar agreements from suppliers and revenue recognition related to cut-off. For rebates and similar agreements from suppliers we refer to our identified Key Audit Matter. For management override of controls and revenue recognition we responded as follows:

- **Management override of controls (a presumed risk)**

  Risk:

  - The Board of Directors is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. The key opportunities for management manipulation are within the manual elements of the control environment, such as journal entries (within revenue accounts and rebates) and accounting estimates that require significant judgment.

  Responses:

  - We evaluated the design and the implementation of internal controls that mitigate fraud and non-compliance related risks, such as processes related to journal entries.
  - Made inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments

- We performed data analytical procedures to identify high-risk journal entries and evaluated key estimates and judgments for bias by the Company's management, including retrospective reviews of prior years' estimates. For identified high risk journal entries through our data analytics, we performed additional audit procedures to address these, including testing of transactions back to source information. High risk journal entries were tested relating to specific wording, reclassifications from EBIT to other income and expenses and procedures were performed to determine whether back posting of entries took place.
- We assessed the appropriateness of reporting transactions as part of the Strategic and restructuring costs caption in the consolidated financial statements (please refer to Note 8 'Other operating expenses' in the notes of the consolidated financial statements).

- **Revenue recognition (a presumed risk)**

  Risk:
  - Revenue recognition of business to consumer revenue at year-end (cut-off) may be misstated due to the risk of fraud resulting from fraudulent journal entries at year-end.

  Responses:
  - We obtained an understanding of the relevant processes in relation to sales transactions and reporting hereof, including around the cut-off;
  - We evaluated key controls related to revenue transactions including revenue recognition relating to cut-off;
  - We assessed whether control has been transferred for sales transactions around balance sheet date through verification of delivery documentation as well as credit notes issued after the year-end to assess whether the revenue was recognized in the correct period.
  - We performed testing over manual journal entries posted to revenue to identify unusual or irregular items, including inspection of source documentation and corroborating evidence.

Our evaluation of procedures performed related to fraud did not result in an additional key audit matter.

We communicated our risk assessment, audit responses and results to the Audit Committee of the Board of Directors.

Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Our key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matter to the Audit Committee of the Board of Directors. The key audit matter is not a comprehensive reflection of all matters discussed.

Recognition of rebates and similar agreements from suppliers

The Group receives rebates from its suppliers in the form of discounts and commercial cooperation fees. These benefits, generally paid on the basis of a percentage defined contractually, and applied on purchases made from suppliers, are recorded as a deduction of the inventory costs and therefore reduce cost of sales.

Considering the material impact of rebates and similar agreements from suppliers on net result for the year, the large number of contracts involved and the necessity for management to assess the related purchases for each supplier, we considered the recognition of rebates to be received from suppliers at year-end to be a key audit matter.

Our response

We performed, amongst others, the following procedures:

- Evaluated the Company's policies and procedures and test the design and implementation of controls over the rebates and similar agreements from its suppliers.
- We evaluated the estimates through performing a retrospective review of management judgements, assumptions and estimates in prior year by testing subsequent collections on prior period receivables related to rebates and similar agreements and material write-offs (if any).
- We performed substantive analytical procedures to identify outliers and assess the amount recognized as rebates per year-end by using the percentage of rebates in prior year and used that to estimate the amount of the supplier bonus accrual in current year;
- We performed test of details through sampling on rebates recognized as per year-end by recalculating the rebates in line with the supporting agreements as well as tracing the supplier bonus back to underlying documentation such as agreements, invoices and subsequent testing of payments.

Our observation

We did not identify material misstatements and we found management's recognition of rebates and similar agreements from suppliers to be supported by available evidence. Additionally, we consider the related disclosures in Note 7 'Main components of operating profit' in the notes of the consolidated financial statements to be appropriate.

Report on the other information included in the Annual Report

In addition to the financial statements and our auditor's report thereon, the Annual Report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the Directors report and other information.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were initially appointed by the General Meeting of Shareholders as auditor of Cnova N.V. on 20 May 2022, as of the audit for the year 2022 and have operated as statutory auditor ever since that financial year

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audits of public-interest entities.

European Single Electronic Format (ESEF)

Cnova N.V. has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report prepared in XHTML format, including the (partly) marked-up consolidated financial statements as included in the reporting package by Cnova N.V., complies in all material respects with the RTS on ESEF.

Cnova N.V. is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby the Board of Directors combines the various components into one single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF. We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting). Our examination included among others:

- obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package; and
- identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF; and
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF

Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. In that respect the Board of Directors is responsible for the prevention and detection of fraud and non-compliance with laws and regulations, including determining measures to resolve the consequences of it and to prevent recurrence.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

The non-executive directors are responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is located at the website of de ‘Koninklijke Nederlandse Beroepsorganisatie van Accountants’ (NBA, Royal Netherlands Institute of Chartered Accountants) at eng_oob_01.pdf (nba.nl) . This description forms part of our auditor’s report.

Amstelveen, 17 April 2025

KPMG Accountants N.V.

L. Albers RA

16.2 DIVIDENDS AND OTHER DISTRIBUTIONS

To date, we have never declared or paid cash dividends to our shareholders. We have no present plan to pay dividends on our ordinary shares for the foreseeable future and currently intend to reinvest all future earnings, if any, to finance the operation of our business and to expand our business. Under Dutch law, we may only pay dividends to the extent our shareholders’ equity exceeds the sum of our paid-up and called-up share capital plus the reserves required to be maintained by Dutch law or our Articles of Association. Any future determination relating to our dividend policy will be made at the discretion of the Board and will depend on a number of factors, including future earnings, capital requirements, contractual restrictions, financial condition, future prospects and other factors the Board may deem relevant from time to time.

16.3 DIVIDEND RIGHTS

To the extent any profits remain after reservation by the Board, a preferred dividend accrues on the special voting shares to an amount equal to one percent (1%) of the aggregate nominal value of the special voting shares that are issued and not held by the Company itself, which amount will not be distributed to the Voting Depository (the sole holder of the special voting shares) but will be added to a special dividend reserve of the Company. Any profits remaining thereafter will be at the disposal of the general meeting of shareholders for distribution to the holders of ordinary shares in proportion to the aggregate nominal value of their ordinary shares.

16.4 PROFIT APPROPRIATION

The Board proposes to appropriate the loss for the period to the retained earnings.