Universal Registration Document

2023

solocal

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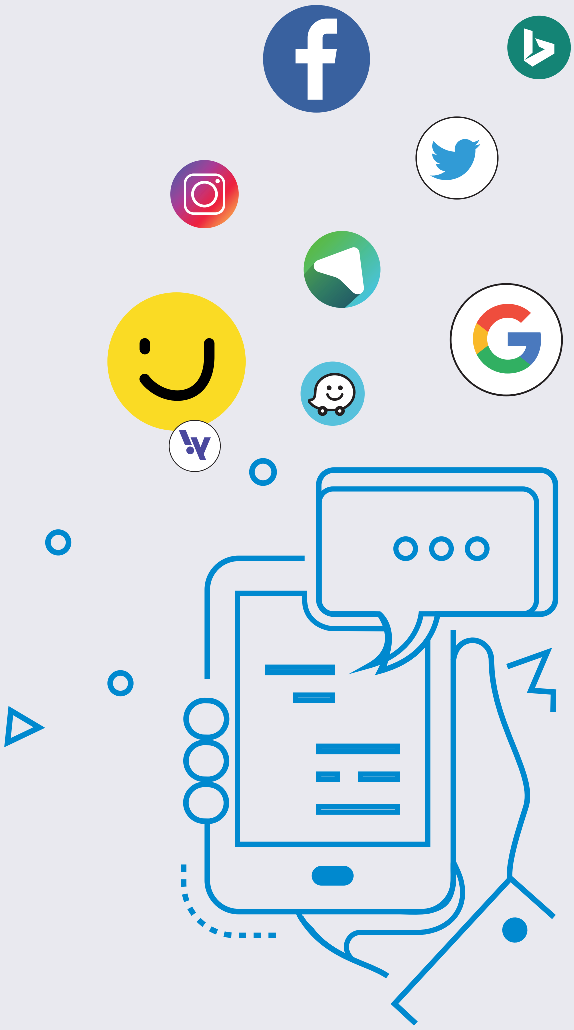
2023



Solocal is the trusted local digital partner for all businesses looking to speed up growth.

Solocal has six strategic assets: media platforms with vast audiences, the power of its geolocated data, evolving technology platforms, nationwide sales coverage in France, preferential partnerships with the GAFAM* giants and a wealth of talented staff, including experts in data, development, digital marketing and more.

** GAFAM : Google, Apple, Facebook, Amazon, Microsoft/Bing.*

This Universal Registration Document was filed on 2 May 2024 with the French Financial Markets Authority (Autorité des marchés financiers – AMF) in its capacity as competent authority pursuant to Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of said Regulation.

The Universal Registration Document may be used for the purposes of a public offering of securities or the admission of securities to trading on a regulated market, provided it is accompanied by a securities note and, where applicable, a summary and any amendments to the Universal Registration Document. The complete document is approved by the AMF pursuant to Regulation (EU) 2017/1129.

KEY FIGURES

KEY FIGURES **2023, a year of transformation**

€359.7 million
IN REVENUE

261,000
CUSTOMERS

1.6 close to **billion**
SEARCHES ON PAGESJAUNES [(1)]

Close to
1,700
digital advisors[(2)]

Close to
105,000
digital ad campaigns[(3)]

4.2 million
businesses and companies referenced on PJ

17.7 million
reviews posted [(4)]

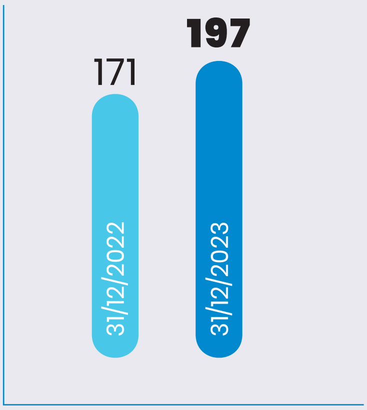
5,154
websites produced in 2023

30,246
websites monitored daily

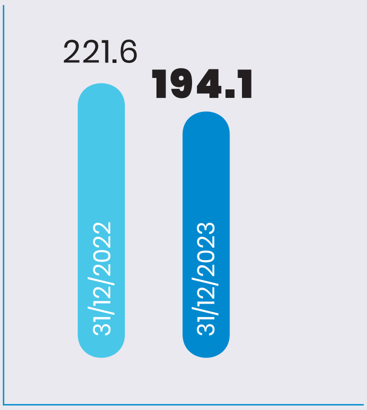
(1) Number of times Solocal references one or more businesses following a web user's request.
(2) Field sales/telesales, customer relations, production and sales support, pro forma figure excluding departures linked to the Employment Protection Plan and including employees on long-term sick leave & Solocal Interactive.
(3) Includes Priority Ranking campaigns.
(4) PagesJaunes.

Key financial indicators for the year 2023

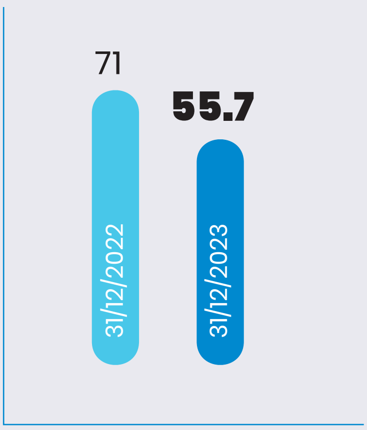
Net debt *(in €m)*



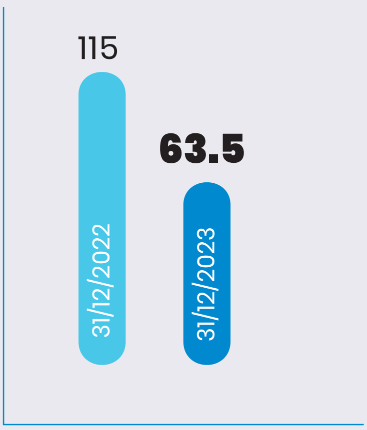
Order backlog *(in €m)*



Net cash *(in €m)*



Recurring EBITDA *(in €m)*



2023
ARPA
€ 1,305

Net churn
rate (1)
20.1%

(1) Churn calculation: no. of customers lost / no. of customers at the beginning of the period. Net winback figures.

1

About Solocal

CHAPTER

1.1 Sector overview

1.1.1 THE MAIN DRIVERS OF DEMAND AND CUSTOMER NEEDS

Digital transformation among French VSEs/SMEs at the heart of local and responsible consumption

Internet use plays a key role with VSEs/SMEs for maintaining ties with consumers. SMEs now understand the importance of being visible and offering their customers options for communicating differently, preparing online quotes, organising click & collect services, etc.

According to the latest France Num barometer updated in December 2023, most VSE/SME managers have a positive perception of the benefits offered by digital technology.

In 2023, 76% of company leaders polled consider that digital technology represents a real benefit for their company, compared with 81% in 2022. This trend varies depending on the sector.

One company in two (51%) now captures at least 5% of its customers online. This figure, which has risen sharply (+8 points compared to 2023), varies from one business sector to another. The accommodation and catering (79%) and personal services (68%) sectors are well ahead, while the transport and logistics (37%) and agriculture and food processing (35%) sectors are less likely to find customers on the Internet.

Most companies have a positive view of the way in which digital technology facilitates communication with their customers (74%, down 4 points) and, to a lesser extent, communication with or between employees or collaborators (59%, stable).

Consolidating digital skills to make better use of digital tools

According to the same study, 84% of companies polled have at least one online visibility solution:

- 67% have a website presenting the company's activity;
- 61% have at least one social network account, and 35% of the total sample use this or these networks at least once a week;
- 55% are referenced on the Internet using free tools (directories, etc.);
- 26% have purchased keywords to appear at the top of search results.

Among new uses, artificial intelligence and data analysis solutions are used by almost 5% and 11% of VSEs/SMEs respectively, a trend that is set to increase substantially over the coming months and years.

1.1.2 OUR MARKETS

1.1.2.1 Addressable market

Via its Connect, Website and Booster offers, Solocal addresses a sub-segment of the Digital market. This sub-segment of the Advertising and Communication market – as defined by France Pub(1) – is estimated to be worth €9.5 billion in 2023, up +5.0% on 2022.

The share of Digital includes advertisers' net investments as defined by France Pub: display, social, search advertising and other levers (emailing, comparators, etc.).

Over the period January-September 2023, Kantar Media identified 60,942 active multimedia advertisers; this result takes into account the integration of 3 new major social platforms into the watch, namely Instagram, Snapchat and TikTok.

Digital accounts for 48,187 advertisers, 68% of whom use a single digital channel. However, we are seeing strong growth in strategies that combine several digital levers, particularly on social platforms. These alone account for 26,547 participants. Instagram attracts the largest number of advertisers (78%), ahead of Facebook (45%), TikTok (13%) and Snapchat (4%).

Considering that 83% of companies in Solocal's customer base have less than 10 employees, Solocal is primarily positioned on the VSE/SME segment, i.e. businesses that invest in communication and advertising locally and regionally. However, it also addresses the Large Accounts and Networks segment via dedicated offers and teams.

1.1.2.2 Penetration rate (in volume) by business sector

With 261,500 customers and penetration rates of between 4% and 19%, Solocal is the trusted local digital partner of all companies, whatever their sector, to spur their growth.

In 2023 , Solocal maintained its position as France's digital marketing leader with a heterogeneous customer base. Solocal builds on its knowledge of the various industries and its territorial coverage to offer dedicated and innovative services.

1.1.2.3 The main players in our markets

Given the extent of its range of digital solutions for local businesses, Solocal is operating in a complex and competitive environment that comprises many different types of players:

- **the GAFAM** (Google, Apple, Facebook, Amazon, Microsoft), who provide specific communication solutions based on their own proprietary user services to huge audiences. Solocal believes that its local presence, and especially its local sales teams, as well as its customer base of VSEs and SMEs, make it a valuable service provider alongside the GAFAM;
- **Web and media agencies** operating on a local, regional or national level, who offer a wide range of media solutions such as websites or AdWords campaigns. Solocal believes that the large audience on its own platforms, purchase-driven & geolocated data and proprietary products and services allow it to compete with these agencies;
- **highly specialised SaaS players,** who offer specific digital solutions with a limited functional scope, such as website creation or presence management. Solocal believes that the breadth of its range of digital services brings it additional legitimacy for assisting with the digitalisation of VSEs and SMEs;
- **SaaS platforms,** which offer a palette of highly integrated services, sometimes verticalised within a specific sector (catering, healthcare, beauty, etc.). Solocal believes that, on the strength of its massive audience and special partnerships with the main players in the digital realm, together with the diversity of its relational and transactional services, it can offer both an exhaustive presence on the major internet hubs and an optimised user experience well suited to the local business sector.

(1) *Results of the 9-month 2023 Advertising, Media and Communication Market and 2023 Forecasts by the "baromètre unifié du marché publicitaire" (BUMP) barometer in partnership with FrancePub, IREP and KANTAR.*

1.2 Strategy and objectives

1.2.1 SOLOCAL STRATEGY

Previous strategic plans have enabled Solocal to move towards a 100% digital and subscription-based model, making the Group the leading digital partner for French VSEs and SMEs.

In order to consolidate its position in the French market, the Group strategy is based on three pillars:

- the acquisition of new customers and sales growth driven by the Enterprises segment and by our local market coverage;
- customer satisfaction, which is central to all of the Company's projects;
- developing and enriching the product range in line with customers' needs.

1.2.1.1 A local-level organisation to develop industrial-scale digital services

To address its market, Solocal has structured its organisation into three market segments, with the following characteristics in 2023:

- Large Accounts (around 2% of the customer base(1)), correspond to network accounts with more than 10 sales points, and national brands;
- Enterprises (around 20% of the customer base(1)), characterised by businesses with a high development potential;
- the remainder of the VSE market (around 78% of the customer base(1)), whose development potential is lower than that of Enterprises.

A plan to improve commercial performance was deployed in 2023. Its objectives are to build loyalty in the customer base and to ramp up the acquisition of new customers. These objectives are mainly driven by the stabilisation and continuous improvement of all sales forces, through 5 pillars:

1. better management of collective and individual performance, thanks to enhanced support and adjustments to the compensation plan based on acquisition on the one hand, and on the revenue generated by the customer portfolio on the other;
2. better local coverage: the in-field sales force has been redeployed across 7 regions (vs. 5 in 2021) in line with market potential (Solocal's low penetration rate in relation to the number of prospects), and is now backed by a dedicated telesales service to cover white areas;
3. new methods, tools and products to bolster the value development (customers) and acquisition (prospects) activities. Greater interaction and mutual support between the different sales channels to ensure that prospects and customers are the top priority over any segmentation trade-offs;
4. a new training programme for new managers, changes to the induction program for new sales reps, and ongoing assessment of sales reps' digital skills;
5. for the Enterprises channel, in order to gain in simplicity, efficiency and expertise, Solocal is moving its sales force towards a single salesperson profile, whose twofold mission is to develop the value of existing customers and to acquire new ones.

1.2.1.2 Customer satisfaction, key to customer loyalty

To measure customer satisfaction, evaluate its development over time, detect irritants and implement corrective actions, two main "Customer voice" devices have been deployed:

- **Firstly, measuring customer satisfaction on the spot**, for each interaction between Solocal and the customer throughout the customer journey (purchase, deployment, assistance and retention). This serves to ensure a high-quality experience and interaction. Where necessary, an in-depth analysis based on our customers' feedback helps us to detect irritants and implement remedial action plans.

	Customer satisfaction score	
	Average H1 2023	Average H2 2023
Subscription (telesales)	**4.3/5**	**4.3/5**
Deployment - Site & Connect	**4.4/5**	**4.5/5 (+0.1)**
Assistance (IVS for incoming calls)	4.3/5	4.3/5
Retention	**3.8/5**	**3.8/5**
Customer space – Solocal Manager (app & desktop)	**3.2/5**	**3.7/5 (+0.5)**
Prevention (since September 2023)		4.6/5

(1) *Figures calculated on the scope of Solocal SA sales.*

- **Secondly, a Text & Speech Analytics solution** based on recordings of conversations between our customers and our employees (40,000 hours analysed in 2023), used to identify the main reasons for calls and repeat calls, as well as the main reasons for dissatisfaction and churn. These conversations are analysed automatically by artificial intelligence. The results are then studied to define the actions to be undertaken (training, continuous process improvement, prevention).

This more detailed knowledge of our customers lies at the root of our transformation project. Solocal is particularly focused on greater proactiveness towards its customers and a more informative presentation of return on investment.

First impact actions to contain churn

In September 2023, Solocal set up a department dedicated to improving customer satisfaction and streamlining their experience with the underlying aim of reducing churn.

To this end, Solocal deployed a number of churn reduction projects in 2023:

Implementation of a withdrawal procedure

At the end of November 2023, Solocal introduced the possibility for its customers to withdraw from their contract within 14 days, giving them more time to consider whether the products they have purchased match their needs. This system contributes to greater transparency in our commercial approach and the reliability of our sales.

Ongoing deployment of the CSMs

In 2023, 5,000 Website and Connect customers were integrated into the CSM system, enabling them to benefit from premium support from the moment they sign up. Customer Success Managers guarantee a 100% onboarding rate, and a better understanding of the offers purchased. The support provided by the CSMs should ultimately help to reduce churn.

Prevention campaigns

Launch of prevention campaigns, aimed directly at customers identified as being 'at risk' of churn. Launched in H2 2023, these campaigns targeted 10,000 customers, offering them a demonstration of the return on investment of our offers, as well as possible avenues for optimisation. Set to be optimised and deployed on a much larger scale in 2024, these campaigns are showing positive results, with 80% of customers convinced following a completed prevention call.

Improvement of Solocal's e-reputation

Creation of a team tasked with responding to reviews posted by our customers on Trustpilot, Google, Facebook, etc. These responses are integrated into a complaints management system, ensuring that dissatisfied customers are quickly called back and their case managed. This professional approach to review management, combined with that of systematically contacting customers concerned, enabled us to achieve a score of 4.0 on Trustpilot in January 2024, attesting to the improvement in customer satisfaction.

1.2.1.3 Developing and enriching the product range in line with customers' needs

Solocal is developing a unique ecosystem of digital services for local businesses, clustered within a single interface, via which firms can grow and manage their activity more efficiently: Solocal Manager.

Solocal's objective is to enrich and extend its catalogue by developing new proprietary products, as well as through partnerships to meet customers' growing needs.

1.2.2 FINANCIAL OBJECTIVES

As a result of a challenging commercial year in 2023, 2024 revenues are expected to be around 10% lower than in 2023.

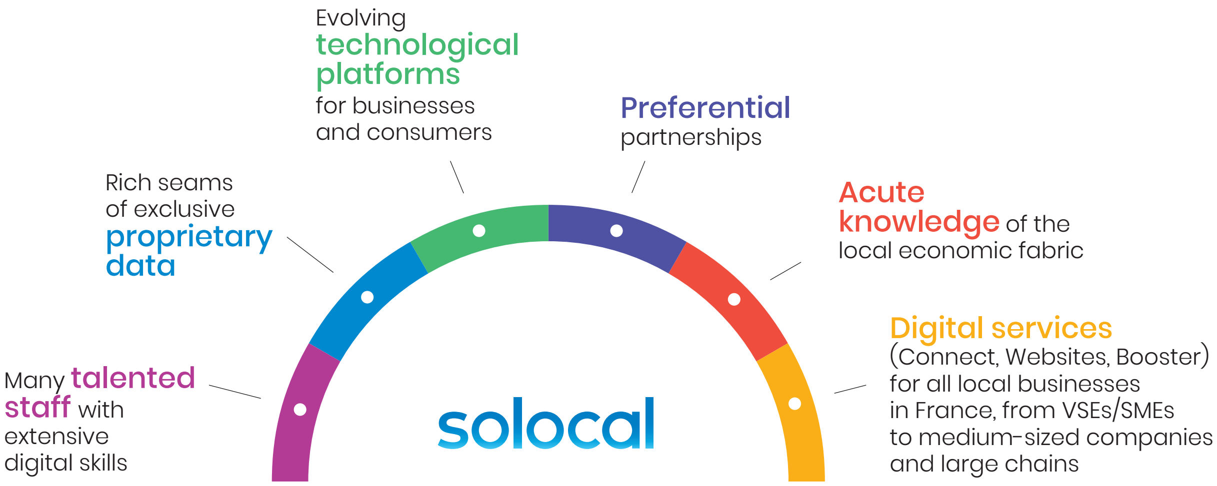
Despite continued efforts to control costs, the EBITDA margin will likely come in at around 15%.

1.3 Business overview

1.3.1 MISSION STATEMENT

Mission	Strategy	Vision	Values	Ethical principles
Vitalise local life.	Offer **a wide range of digital services** to businesses and provide **the best possible digital and local experience** to our users.	Unleash the digital potential of all businesses by using **innovative digital services to connect businesses to their customers.**	**Team Spirit, Proximity, Engagement, Courage.**	**Trust, Transparency, Respect, Integrity.**

Our strengths



1.3.2 B2B DIGITAL SERVICE OFFER

Solocal seeks to accelerate the growth of local businesses through digital power.

For this purpose, it offers **a broad range of digital solutions and services, mostly on a subscription basis, accessible in SaaS mode via a single application: Solocal Manager.** This offer is intended for VSEs/SMEs and large network accounts.

For the VSE/SME segment, the current offer is based on 3 product ranges (Connect, Website and Booster) each comprising 3 levels (Essential, Premium and Privilege).

The **Connect** range, intended as the basic foundation essential for all VSEs/SMEs, is now used by more than 230,000 businesses in France.

It allows local businesses to be visible on the Web's main high-traffic platforms (Google, Facebook, PagesJaunes, Bing, etc.).

Via Solocal Manager, professionals equipped with Connect can easily enhance, update and disseminate their information in real time on Google, Facebook, PagesJaunes, Bing, etc.

With Connect, professionals also benefit from solutions that they can use to better – and more frequently – interact with their customers (management of reviews, management of quote requests, instant messaging, etc.), develop their business (online appointment scheduling, click & collect) and retain their customers (by centralising and enhancing their customer databases, creating and implementing e-mailing campaigns or text campaigns).

The Connect offer stands apart firstly thanks to Solocal's privileged partnerships with certain high-traffic platforms (such as Bing, Apple or Yahoo), and secondly to the breadth of the digital solutions offered to professionals to develop their activity all from a single platform: Solocal Manager.

At the end of 2023, almost 495,000 pros were equipped with Solocal Manager[(1)], 254,000 of whom in free mode, and 241,000 in paid mode, all of which gives Solocal a fairly unique capacity to optimise the online presence of local businesses.

Website is the logical extension to Connect, and invites local businesses to complete their visibility on the web's high-traffic platforms with the creation of their own website.

Having won over 30,000 customers, Solocal's Website range benefits from a broad statistical base to identify the highest-performing keywords in terms of local SEO. In addition to offering advanced support at every step in a website's life, from its creation to its day-to-day management, Website stands apart thanks to its very high SEO performance, key to effective local visibility for professionals.

Booster is Solocal's third product range for VSEs/SMEs. As its name implies, Booster sets out to boost a company's natural online visibility through advertising. Like the Website range, Booster is focused on performance, with a range of products that maximise volumes of ad displays, visits on the company's website, or direct contacts (in the form of telephone calls, online appointments or quote requests). As with the Website range, this performance is the result of a high number of local advertising campaigns (almost 105,000 in 2023) organised in parallel by Solocal on various platforms (Google, Bing, Facebook, Instagram and, more generally, all online advertising). This mass effect serves to optimise keyword purchasing algorithms.

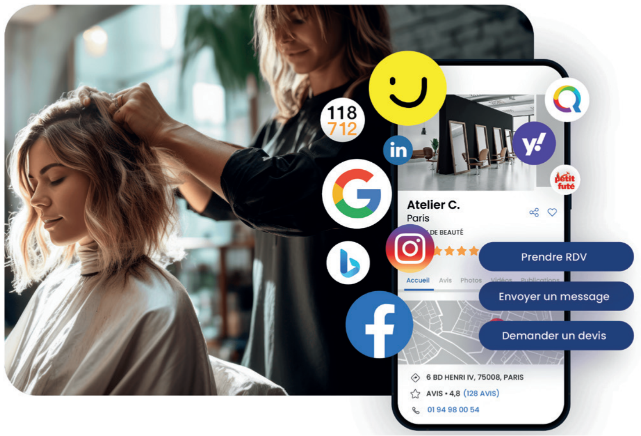
Overall, Solocal's VSE/SME range thus meets the basic needs of local businesses in terms of digital communication.

As for **Large Accounts**, Solocal's offer mainly targets networked regional and national brands. These companies are increasingly aware of the need to adopt more local digital strategies. Solocal's Networks solutions allow these companies to better tap into this market's potential by optimising their digital presence and their local-scale advertising setup, taking into account the specifics of each catchment area. Solocal's offer is distinctive in that it addresses all network profiles, whether centralised or decentralised. Companies can thus delegate all or part of their local digital strategy to their sales points: updating sales point information, communicating local news or promotions, e-reputation management, etc.

For this purpose, Solocal's Large Accounts offer uses a specific version of Solocal Manager, namely the Bridge platform, which allows network heads and sales points to jointly manage every facet of their digital visibility.

(1) Business customers who logged on at least once during the period from 01/01/2023 to 31/12/2023.

1.3.2.1 Connect



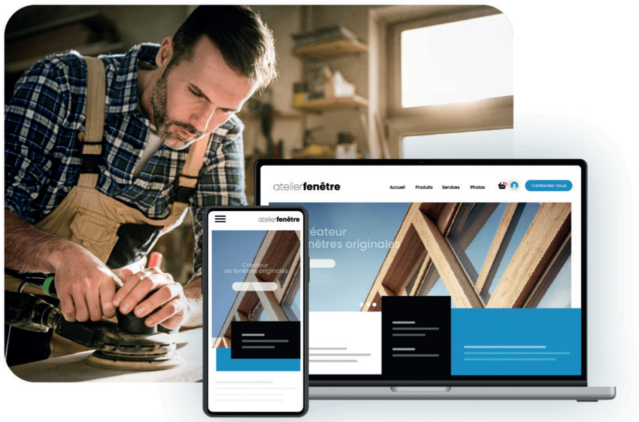
In 2020, to better meet the needs of pros, Solocal completed its digital presence offer in three key areas: facilitating interactions between the pro and their customers (e.g. via instant messaging), developing the pro's business via the Internet (e.g. via online appointment scheduling) and securing the loyalty of their customers (e.g. via direct marketing solutions). With Connect, Solocal is positioned as the only player to offer a complete range of relational presence services on the VSE/SME market. The Connect range's value proposition ties in with Solocal's approach to support the digitalisation of VSEs/SMEs via turnkey SaaS solutions that are easy to use and accessible via a single app: Solocal Manager.

Like the Website and Booster ranges, the Connect range offers three levels of service, namely Essential, Premium and Privilege, thus allowing customers to upgrade. It is available in subscription mode with a 12 or 24 month commitment period, payable either upfront, in three instalments, or each month.

- The **Connect Essential** solution, available for €29/month, meets the basic needs of businesses in terms of digital presence; they can publish information and news across a wider network of more than 20 media players, search engines and partner social media platforms, manage their e-reputation, and access instant messaging on PagesJaunes, Google My Business and Facebook, all from a single app: Solocal Manager.
- **Connect Premium**, available for €49/month, supplements the Essential version with access to 3 additional services so that local businesses can better convert their digital presence:
  - access to an online agenda and an online appointment service;
  - online quote requests on Pagesjaunes.fr;
  - management of a customer database to organise and manage all of the business's customer contacts and prospects.
- **Connect Privilege**, available for €69/month, supplements the Connect Premium version with access to a direct marketing solution which businesses can use to leverage their customer database via e-mail and text campaigns. This offer also includes a photo report done by a professional photographer, allowing local businesses to improve the quality and appeal of their online image.

All of the solutions accessible in the Connect range can be used daily via the Solocal Manager app. Use of the proposed services includes Solocal customer support as soon as the solution is deployed and throughout the customer life cycle, thereby encouraging Solocal Manager's adoption and the use of the solutions subscribed to by customers.

1.3.2.2 Websites



Among the main high-traffic platforms on which any business must strive to improve its digital visibility is its own website. Solocal offers a range of showcase and e-commerce websites compatible with all interfaces (PC, tablet, smartphone), tailored to the needs and budgets of all local businesses and networks.

The Website range offers three levels of service: "**Essential**", "**Premium**" and "**Privilege**", via a 24-month subscription.

It is the perfect complement to the Connect range, which enables the business to manage its digital visibility, but on the Web's main high-traffic platforms.

Solocal's Website range is a complete offer of customised websites, and distinguished by:

- excellent Search Engine Optimisation (SEO) on the two leading search platforms, namely Google and Bing;
- strengthened performance through paid Search Engine Advertising (SEA) included in the offer;
- a wide range of customisable templates, or bespoke templates specifically tailored by expert web designers;
- support for the lifetime of the website, including assistance and advice.

The Website range is available in a showcase or click & collect version. It allows local businesses to access online order taking via features and support tailored to their commercial strategy:

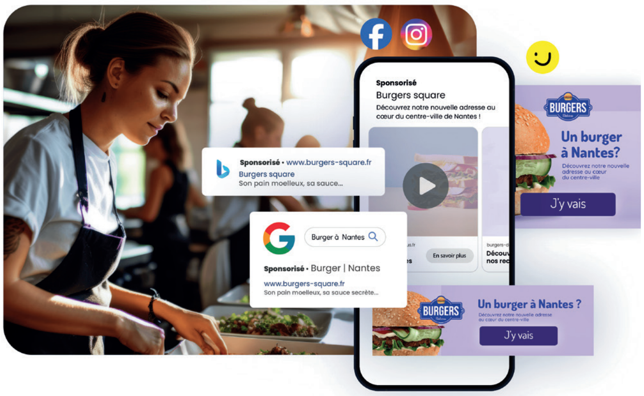
- creation of an online product catalogue and commercial hosting features;
- automatic inventory count and statistical tracking of sales;
- integrated secure payment and click & collect solutions for in-store pickups.

The efficacy of this offer is underpinned by robust industrial platforms with, in particular, the Duda white label website creation platform, on which all our new websites are now created.

Websites are developed at the Angoulême web factory, which brings together – on a single site – all the skills needed for the large-scale production of quality websites.

Thanks to its industrial expertise in website creation, backed by proprietary tools to optimise site ranking on search engines and a competence centre with dedicated web design and SEO teams, Solocal is positioned as a leading, benchmark player in the creation of websites for local businesses.

1.3.2.3 Digital advertising – Booster



The Booster digital advertising range improves customers' online visibility beyond their website's natural visibility or their mere presence on the main high-traffic platforms. Its purpose is to bring customers more direct contacts and visits to their website, and greater exposure to a relevant, predefined audience of local consumers.

This range hinges on five subscription-based service offers, exclusive on the market, to meet the needs of businesses:

- **Priority ranking**: solutions which, in response to local searches by Internet users, give businesses top-level visibility on PagesJaunes, Solocal's media and on a network of media partners – Mappy, Yahoo! and Local Ads;
- **Booster Notoriété (brand awareness)**: solution for displaying ads in Display format, distributed locally on PagesJaunes, social networks and via programmatic advertising on the web;
- **Booster Site**: performance solution that brings businesses a volume of real, measured local and affinity visits to their website in order to improve its ranking and performance;
- **Booster Contact**: the equivalent of Booster Site, this performance solution offers businesses a volume of real, measured leads (phone calls, quotation requests, etc.) every month within their catchment area;
- **Local Impact**: an innovative solution for displaying ads in Display or Video format that exclusively targets individuals within the customer's catchment area, thereby allowing them to calculate and increase in-store physical visits.

These solutions are underpinned by Solocal's singular expertise and competitive edge, through which it can offer unique, optimised digital advertising solutions at least cost:

- **exclusive proprietary user services (PagesJaunes and Ooreka)** whose corresponding audience is concurrently (i) very significant, with more than 21 million unique visitors each month, (ii) structurally geo-localised on a hyper-local scale, and (iii) highly intent-driven, with a very high lead conversion rate compared to the advertising market's standards;
- **media and technological partnerships** with major digital players (Google, Facebook Bing, Yahoo!) and with an extensive network of local, lead-providing media players ("Local Ads" exclusive network), earning Solocal its unique positioning for the acquisition of leads for local businesses at the best price;
- **expertise in local advertising campaign management** shouldered by the development of a proprietary technological platform for managing ad display campaigns, on numerous high-traffic platforms, both internal (PagesJaunes, Ooreka and its vertical variants) and external (programmatic purchase of ad spaces within the catchment area of our customers).

These offers are available via monthly subscription, with a commitment period ranging from 6 to 24 months, depending on the type of service. Prices start at €65/month. Each offer is available by business sector, catchment area and keyword depth, all selected by the subscriber. This ensures a match between businesses' lead acquisition strategy and the quality of the results of the proposed advertising campaigns.

Solocal is one of the few players in France capable of operating hyper-local digital advertising on an industrial scale, for VSEs/SMEs, by leveraging all of the web's main audience sources. In fact, thanks to partnerships with Google, Bing, Yahoo!, its Local Ads partner network and its PagesJaunes and Ooreka proprietary user services, Solocal offers its customers the ability of capturing all searches made by Internet users for local businesses in France and transforming them into real, measured leads for the activities of its customers, at best cost.

As with all its solutions, Solocal's advertising offers are turnkey; they integrate the creation of effective visual tools along with landing pages that provide different methods for connecting the Internet user with the business. This aspect also includes the ongoing measurement and optimisation of advertising performance by a team of experts in campaign management. These experts use proprietary technological solutions based on algorithms and machine learning to buy the best keywords, ad spaces or SEO rankings at an optimised price, and to effectively transform an online audience into visits or real, tangible leads for the benefit of the customer's activity, whatever the sector.

Products for large accounts

Solocal's offer also covers the needs of local large accounts. Whether for large national networks or more local brands, Solocal offers tailored products across its whole range, both for Digital Presence and Digital Advertising.

This Online to Offline solution range is built on a number of assets developed by Solocal, enabling it to gain local leverage via online presence management and digital advertising:

- the **Bridge** platform, via which a network can manage its digital visibility in real-time, both centrally – at the level of the network head, and locally – at the point of sale. For this purpose, the platform integrates a store locator solution (a local web page dedicated to a point of sale), a presence management solution (real-time management of all key information on the network – business hours, reviews, news, photos – on the store locator and on 20 or so high-audience websites and social media platforms), and a digital advertising solution (on Google and Bing);
- in its mobile-to-store version, **Local Impact** is built on a specific programmatic chain and algorithms developed by Solocal to measure the offline impact of campaigns and, more specifically, to calculate the number of actual visits in sales points;
- the **Network Booster** solution adapts the features of Solocal's Booster Contact to address the specific issues of store networks. It is an advertising performance offer that guarantees the advertiser, for each catchment area in their network, a certain number of qualified leads (phone call analytics, online appointments, etc.), generated by ads displayed on search engines such as Google and Bing. Tailored to brands organised in distribution networks, this multi-local offer serves to coordinate and coherently oversee both local and national networks and thus tap into the full potential of each catchment area;
- the **SoMS** (**Solutions Marketing Service**) package provides tools for enhancing databases and direct marketing (text, e-mailing campaigns) to allow customer networks to acquire new customers and secure the loyalty of their existing ones. It includes one of the market's most extensive databases (BtoB and BtoC) and draws on a team of experts and know-how spanning more than 20 years.

In 2023, Solocal launched its **LocalPub** solution, which allows network heads to coordinate the digital advertising campaigns of all their points of sale locally. Using our BRIDGE platform, they can set up digital advertising campaigns in programmatic display mode and/or on Facebook and Instagram, adapting them to the key moments of their points of sale: sales campaigns, calendar events or special events, etc.

Once created, the advertising campaigns are made available to the local points of sale within the BRIDGE platform. Duly notified, the point of sale chooses and validates the advertising campaign for dissemination. With **LocalPub**, the network head ensures that the brand identity is respected, and has complete visibility of local digital investment and campaign results. **LocalPub** strengthens the service offering available to networks, making Bridge the most comprehensive marketing platform on the market.

1.3.3 HIGH-QUALITY TECHNOLOGICAL PLATFORMS AND PARTNERSHIPS

1.3.3.1 PagesJaunes

PagesJaunes is **the French expert for connecting private individuals and local businesses**. With its generalist positioning and a database comprising **4.2 million businesses in more than 2,500 activities**, one French person in four used it every month in 2023, on average. Benefiting from 37 million visits per month[(1)] and 130 million searches per month[(2)], PagesJaunes was repeatedly ranked in the top 50 most-consulted websites in France in 2023.

2023 was marked by **the recovery of the PagesJaunes audience**. The actions implemented significantly slowed this decline to -5.6% (annual base 2022-2023), in particular as of September.

The main drivers of this performance include solid SEO performance levels (thanks notably to AI-generated content in pros' PagesJaunes forms), **the partnership with Orange** via which PagesJaunes operates the 118 712 directory listing, and the migration of all Ooreka themes to PagesJaunes, under **the new "PagesConseils" section**.

The advertising campaign at the start of the year had the effect of rekindling the PagesJaunes reflex among the French.

The main changes undertaken in 2023 and included in the 2024 strategic plan also aim to enrich and transform the PagesJaunes experience.

The introduction of a new step in the **"PagesConseils"** purchasing process on pagesjaunes.fr will enable PagesJaunes to broaden its service offering by focusing more extensively on advice and useful information to **support Internet users in their day-to-day projects and questions, with the ambition of reaching new users, including younger ones.**

Based on a new search mode **that helps Internet users define their needs while enabling PagesJaunes to select and contact the professionals who best meet them**, this development is a new differentiator from the major search engines and generalist sites.

The PagesJaunes team's main missions are to **develop the PagesJaunes audience and recurring use, best serve Internet users by enabling them to quickly find the right local business,** and **bring qualified contacts to businesses**.

The actions announced in 2022 and implemented in 2023 will be optimised and accompanied by structural innovations in 2024:

- To increase the audience:
  - The use of Artificial Intelligence (AI), initiated back in November 2022 to complete pros' forms on pagesjaunes.fr and thus improve their ranking on Google and the other main search engines, was stepped up in 2023. Today, **1.75 million businesses** benefit from this development. Other initiatives that integrate AI on PagesJaunes will be online in 2024, notably in results lists and also to complete pros' content.
  - **The signing of an audience partnership with Orange in 2023** completes the list of those already in place (with, among others, Apple, Bing, Yahoo, Mappy and Qwant). **Since September 2023, PagesJaunes has been operating France's 118 712 directory listing.**

(1) *Source: "AT internet and all-inclusive - PagesJaunes, PagesBlanches, LocalPartner and the Ooreka migrated subdomain".*

(2) *Average per month in 2023.*

- PagesConseils, a new service accessible from pagesjaunes.fr, brings together all the content of the former Ooreka site (a Solocal service). Based on information and advice, this content completes the service offering by **providing users with insights via a new angle to the purchasing process**.
- **A reinforced and personalised relationship marketing programme to encourage internet users and users to return to our platforms.** Our policy to send generic, personalised or product-specific web and app notifications has been ramped up: In 2023, 242 million notifications generated almost 2 million incremental visits.

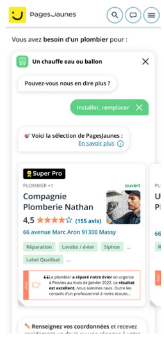
- **Helping users find the RIGHT business, the RIGHT information and putting them in touch with one another:**
  - Professional content remains a key focus: we seize on every opportunity to integrate new content in the database or in the pros' forms (open data, website and social network crawling, Artificial Intelligence, etc.).
  - After the "Top Rated" and "Super Pro" badges launched in previous years, **a new "Content produced by the pro" badge** was launched at the end of the year. This badge ensures that the pro has control over the content listed in their form. In 2024, new businesses published on PagesJaunes will be given a boost with a badge.
  - Thanks to a partnership with the French government's **"Accès libre" platform, information on the accessibility of establishments open to the public can now be included in PageJaunes forms:**

AFFICHER LES INFORMATIONS D'ACCESSIBILITÉ

  - The incentive for businesses and users to publish more content has been intensified **through targeted and increasingly personalised relationship marketing actions** (campaigns triggered by a given action). **Certain features have been reworked to make it easier for users to post reviews and input on pagesjaunes.fr**.
  - **A new online search mode** on pagesjaunes.fr to **help Internet users refine their search and select the pros that best meet their needs.** For example, when searching for a plumber, the user is guided and can choose the object/purpose of their search... "a repair", "a sink/washbasin", etc. **If the Internet user wishes, PagesJaunes can even send contact requests to 3 pros simultaneously**.

  - AI is also used to highlight – in the list of results – the **review indicating that the pro has successfully carried out the requested service.**

    Tested since the end of the year, this service should be extended to the main searches in 2024.



- **PagesJaunes: business generator for the 4.3 million businesses in the database (mainly customers and prospects)**:

  Two out of three visits generate a contact for PagesJaunes businesses. A number of initiatives have been taken in this respect to support businesses:
  - New spaces dedicated to highlighting Solocal customers with a ranking offer (prioritised ranking in the results list) have been positioned in the results list and in the pro's form. Twofold objective: **to give Solocal customers greater visibility, and to suggest other businesses that might be of interest to users.**
  - Connection services to specifically engage the user in the act of purchase/consumption: online services have been available on PagesJaunes for several years, such as appointment booking, quotes, reservations, messaging, etc. In 2024, the functionality of these services will be optimised and verticalised.
  - **An intelligent link** will be created in 2024 between the lists of results and PagesConseils on matching themes.
- **PagesJaunes, increasingly local and personalised platforms:**

  Completely overhauled at the end of 2021, the app continues to stand out and consolidate its status as a hyper-local, customisable solution. In 2023, a number of developments were made in this respect, first on the app before being deployed on the website.
  - In a specific town or "nearby", **useful information on service stations (fuel prices and availability)** was placed online first on the app's homepage, then on the website during periods of fuel supply shortages and rising prices, with a redirect to the map to better locate them.
  - A carousel of the main searches, which can be customised according to the user's actions on the app, provides rapid access to localised answers.
  - Another new feature is the modularity of the content blocks on the app home page, enabling PagesJaunes to instantly vary the information highlighted with each new connection.
  - The latest user contributions (reviews and photos) posted concerning local businesses make this page even more dynamic.

Also coming up in 2024 on the website: an optimised experience on the map and local content.

At the end of 2024, structuring changes will be studied with a view to:

- making PagesJaunes **a marketplace by extending its range of transactional services** to include online payment or insurance;
- integrating other key partners (like TheFork at present) to make PagesJaunes **a hub for connection services.**

Audience

PagesJaunes traffic comprises:

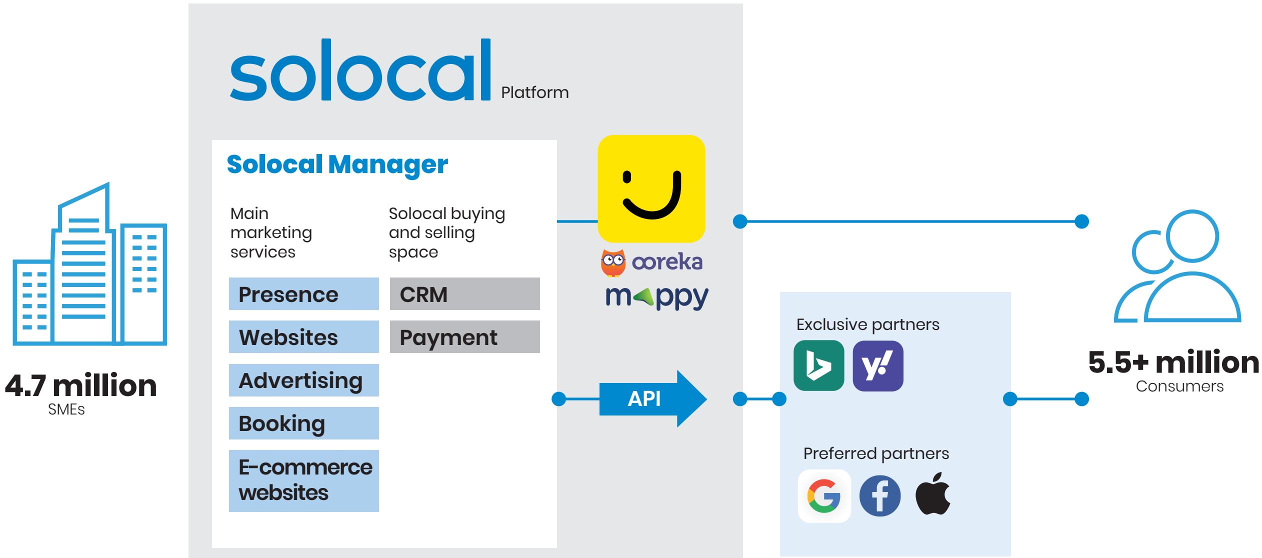
- **direct traffic** from visits made directly by users to the PagesJaunes website or mobile app, or via search engines through SEO (search for our content);
- **traffic on partner sites** on which PagesJaunes displays content. Since April 2021, the CNIL's guidelines on cookies and tracers impose explicit consent by individuals to the measurement of the PagesJaunes audience on the websites of its partners. The "Visits" indicator is somewhat undermined since a significant share of the audience – that of syndicated directories – can no longer be measured in a certified manner. The gradual prohibition of third-party cookies by Internet browsers further undermines this indicator for the future.

In 2023, Solocal recorded over 1.6 billion searches for businesses on its desktop and mobile Internet platforms. This audience is spread out over pagesjaunes.fr, its proprietary user services (LocalPartner, Ooreka) and its many partners (Apple, Bing, Yahoo!, Qwant, LeBonCoin, Mappy, Lilo, Ecosia, Amazon). The audience levels of the Company's main platforms in 2022 and 2023 (audience from proprietary user services and partnerships) are presented in the table below (source: data from Piano Analytics [ex AT Internet] + partners).

(in millions of searches)	2022	2023	Change
Pagesjaunes.fr	471.5	439.6	-6.8%
of which mobile	*279.5*	*258.1*	*-7.7%*
Partners	1,117.9	1,141.5	+2.1%
of which mobile	*224.0*	*299.5*	*+33.7*
TOTAL	**1,589.4**	**1,581.1**	**-0.5%**
of which mobile	*503.5*	*557.6*	*10.7%*

1.3.3.2 Solocal Manager

Solocal's technological platforms



Solocal benefits from France's most comprehensive and up-to-date database of professionals[1], with 40 million updates in 2023; such magnitude is recognised by our partners, i.e. the Web's main high-traffic platforms (Amazon, Bing, Apple, Yahoo, Facebook).

Utilised by our PagesJaunes service, this database means we can suggest to our users the businesses most likely to meet their need. Our algorithms are based on a graph database, machine learning processes and the use of Large Language Models to enhance their relevance. The iOS and Android mobile apps also use this technology, which optimises the relevance/efficiency ratio, thereby providing users with the best responses to generate qualified leads for the businesses who place their trust in us.

Solocal Manager is a Solocal application dedicated to businesses. **This central application integrates all the services needed by pros in a single place** (the corresponding services and their scope may vary depending on the offer purchased). A veritable dashboard that centralises all Solocal products along with the tracking of their performance, Solocal Manager also allows pros to manage their digital presence: content update, photos, news on the main websites, management of reviews and interactions with their own customers and prospects via messaging, and quotation requests.

In addition, for large accounts and networks of affiliated or franchised sales points, Solocal offers a dedicated services platform to cater to their specific needs, namely **Bridge.**

Beyond online presence, Solocal's historic business is the **management of advertising campaigns** for its customers. Solocal's Adservers help to optimise performance, efficiency and cost in line with customer needs: visibility, traffic, contacts, etc. Connected to the Web's main media and to the major online ad exchange networks, AI algorithms continually adjust the campaign dissemination parameters of each customer.

Solocal's technical teams use the latest technologies available, such as continuous integration and deployment chains to manage the technology platforms that host our services, guaranteeing a high level of quality, stability and performance. Our service availability rates (SLA) are all higher than 99.9%. Incidents volumes are continuing to fall, by 25% in 2023 (following a drop of 28% in 2022).

(1) *Source: Bing benchmarks carried out regularly in the scope of the partnership.*

Ensuring the security of our systems and of the applications and services available to our customers is essential considering that the number of cyber attacks is constantly on the increase. We have deployed a vulnerability detection solution for developers, continued to roll out our anti-DDoS(1) solutions, and strengthened our processes, audits and security training/awareness actions for our employees to improve our resilience.

1.3.3.3 Partnerships and alliances

Mutually beneficial partnerships with the Internet's heavyweight players or those who actively interact with a portfolio of professional customers

Solocal has successfully capitalised on its position by developing strong, mutually beneficial partnerships:

- partnerships in the dissemination of Solocal content and transactional solutions;
- partnerships in digital advertising;
- partnerships for generating business or distributing Solocal's offers with other companies who hold a portfolio of professional VSE/SME customers.

The content of each partnership can vary depending on the player and the field, ranging from the simple use of an API to a privileged relationship governed by a contract, and which may include exclusive agreements on certain points.

Solocal believes that the gains from these partnerships give it significant advantages in the industry in which it operates.

Partnerships in the dissemination of Solocal content and transactional solutions;

Solocal has developed two types of content partnerships:

- the dissemination of PagesJaunes content – in particular with Bing, Apple, Amazon, Mappy, Yahoo, Orange and other publishers;
- and the multicasting of content for Connect customers – in particular with Google Business Profile, Meta (Facebook and Instagram), Amazon (Alexa), Twitter, LinkedIn and other publishers.

Thanks to these partnerships, the content of our Connect customers can be multicast on more than twenty online service publishers, including Bing, Apple, Google, Meta (Facebook and Instagram), Amazon (Alexa), Mappy, Yahoo, 118712.fr, Twitter and LinkedIn.

Beyond informative content, Solocal deploys, when possible, its transactional solutions (booking, appointment online scheduling, online quote, etc.) with its partners, in particular Reserve with Google, which has been deployed since 2018, followed by Bing and Apple in 2020, and Facebook in early 2022. These deployments help to increase the number of bookings and appointments generated for subscribers to the Connect Premium and Privilege offers on their transactional component, and on the ClicRDV appointment scheduling offer for large accounts or the public sector.

Partnerships in the dissemination of content and transactional solutions also include:

- the incorporation into PagesJaunes of reviews generated by players specialising in e-reputation: Avis Vérifiés, Batiref, Critizr, CustPlace, FidCar, GarageScore, Guest Suite, Immodvisor, Opinion System, Q3, etc.;
- the integration of third-party booking solutions into PagesJaunes: TheFork;
- the reporting of reviews on Solocal Manager via the Connect offer: Facebook, Google, TripAdvisor.

Partnerships in digital advertising

Solocal integrates the advertising products offered by its partners in turnkey digital advertising solutions like Booster Contact or Booster Notoriété, making them accessible and effective for VSEs, SMEs and large network accounts thanks to Solocal's technologies and expertise, particularly in the sphere of optimisation. Solocal also notably uses the digital advertising formats of Google, Microsoft and Meta/ Facebook.

As such, Solocal has positioned itself as the trusted interface between major platforms and local businesses.

These partnerships are mutually beneficial as they help to accelerate the growth of major Internet platforms on markets where they have no direct foothold, while helping Solocal to position itself alongside global or national players that capture – or that set out to capture – most of the growth of the digital advertising market.

(1) *Distributed Denial of Service.*

Partnerships for generating business or distributing Solocal's offers with other companies who hold a portfolio of professional VSE/SME customers.

In 2023, Solocal launched a new partnership system (business referral) via which it invites players who actively interact with a portfolio of professional VSE/SME customers to promote Solocal's Essential and/or Premium website offers with them via lead generation actions. This system comes with specific benefits for businesses, such as discounts. To date, Solocal has entered into partnerships with players such as Qonto, Keobiz, Stello, Dynabuy, Axonaut and many others.

This business referral model is intended to be reciprocal in certain cases, enabling Solocal to offer its customer portfolio, through lead generation actions (campaigns, marketplace, advertising inserts, etc.), partner solutions (insurance, accounting, payment, legal, etc.) according to the same terms set out above, i.e., with specific partnership benefits (discounts) and an associated business model (payment of a commission to Solocal in the event of a sale).

Distribution partnerships (business referral or indirect sales) are undertaken by most market players and, for some, represent a significant part – or even the majority – of their revenue. For Solocal, this system is therefore a potentially significant growth driver.

1.4 History and development

1.4.1 HISTORY AND DEVELOPMENT

Originally known under the name Office d'Annonces (ODA), the Company subsequently changed its name to PagesJaunes Groupe in 2000, then Solocal in 2013. The Company has been offering a diversified range of products and services to businesses and consumers since 1896 and the creation of the ODA. It has adapted its business model and its strategy over time, in an environment prone to major (technological) change.

In 1946, the French Postal Service, Telegraph and Telephone Ministry awarded the advertising business of French directories to the ODA. Advertising in directories had developed continuously since 1946 due to growth in consumption and in the advertising market in France, but also thanks to the increase in directory distribution associated with the increase in the number of phone subscribers. The steady increase in ODA's sales was due in particular to its ability to adapt its economic model and strategy to the emergence of new technologies. The 1980s notably saw the launch of Minitel, the precursor to the advertising market on the Internet. The first advertising offers on the Internet were launched in 1996. PagesJaunes.fr, the Internet service for Solocal users, was created in 1997. In addition, the Company extended its range of advertising services beyond business directories, integrating a range of digital marketing services.

In 1998, Havas group, which had historically owned all the share capital in ODA since its creation, sold its holding to Cogecom, a subsidiary of France Télécom. Solocal (previously PagesJaunes Groupe) has been listed on the Euronext market since 2004. In 2006, France Telecom sold its residual stake in the company to KKR and Goldman Sachs through a leveraged buy-out. In 2014, Solocal underwent financial restructuring (including a €440 million capital increase) which enabled it to reduce its debt significantly. In 2015, the Company disposed of various non-profitable and low-growth Internet businesses. In 2017, Solocal underwent financial restructuring, reducing the remainder of its debt inherited from the 2006 leveraged buy-out by two-thirds. In 2020, in the context of the Covid-19 health crisis, Solocal Group implemented a plan to shore up its financial structure via several capital increases totalling €347 million. The operation effectively halved the Group's debt and reduced its annual financial expenses from €45 million to €20 million (at the same Euribor rate).

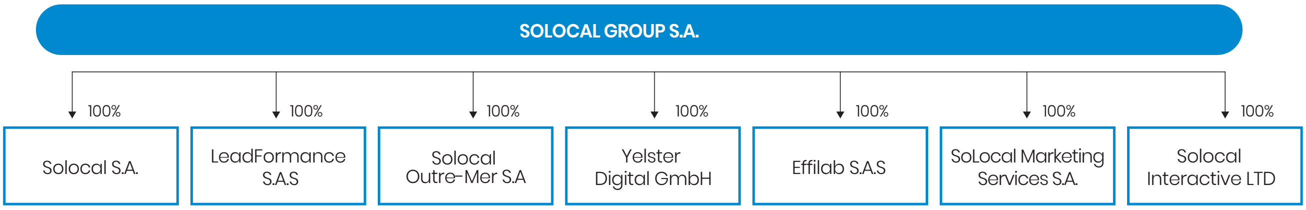
In 2010, Solocal embarked on its digital revolution and acquired several businesses to expand its digital services operations: embauche.com, AVendreALouer.fr, ClicRDV.com, Fine Media, publisher of the ComprendreChoisir.com website (renamed "Ooreka"), Chronoresto and Leadformance. In 2016, Solocal acquired Effilab, an online advertising agency specialising in the management of campaigns on search engines and social media. As part of its development strategy, some of these assets were disposed of after 2015 (notably AVendreALouer.fr and Chronoresto in 2017, and Retail Explorer and NetVendeur in 2018).

Thereafter, Solocal gradually shifted its focus from the publication, distribution and sale of advertising space in printed directories ("PagesJaunes et PagesBlanches" - Yellow Pages and White Pages) to digital communication and, starting in 2018 with the launch of the "Solocal 2020" strategy, to a complete range of digital services for businesses over the entire Web.

Since the total cessation of the Print business in 2020 and, in the same year, the sale of the QDQ subsidiary (Spain) to AS Equity Partners and that of Mappy to RATP Group, Solocal's activity has been fully centred on its core business.

1.4.2 ORGANISATIONAL STRUCTURE

A simplified organisational chart of the Solocal Group is provided below:



- The Yelster Digital GmbH subsidiary is in the process of closing.

1.5 Financial restructuring

1.5.1 TIMELINE OF DEBT RESTRUCTURING

On 7 June 2023, the Group announced its intention to enter into discussions with its financial creditors with a view to examining various options relating to the maturity of its debt and the risks associated with its refinancing. Prior to this, the Group had undertaken a reflection process on both its financial structure and a new strategic plan.

To facilitate discussions with its creditors, on 14 June 2023 the President of the Nanterre Commercial Court opened mandat ad hoc proceedings at the request of and in favour of Solocal Group and appointed SELARL FHBX, acting through Maître Hélène Bourbouloux, as mandataire ad hoc, for an initial period of four months, which was then extended for a further four months. On 1 March 2024, the President of the Nanterre Commercial Court opened conciliation proceedings in favour of the Company and appointed SELARL FHBX, acting through Maître Hélène Bourbouloux as conciliator for the Company.

Throughout these exchanges, Socolal Group has on several occasions sought the agreement of the holders of Bonds and Mini Bonds to defer to 29 February 2024 the payment of coupons due on 15 June 2023, 15 September 2023 and 15 December 2023. Since then, the Company has not paid these coupons or the coupon due on 15 March 2024. These four coupons, as well as the one due on 15 June 2024, will be converted into equity as part of the financial restructuring.

On 20 December 2023, Solocal Group also announced that it had obtained a waiver of some of its financial covenants relating to the bond issue documentation. These financial covenants concern the level of the ratio of consolidated EBITDA to consolidated net interest expenses and the level of the consolidated net leverage ratio, both as assessed at 31 December 2023. The RCF creditors had also agreed not to exercise their rights in this respect.

On 26 February 2024, due to the ongoing discussions, the Company decided to postpone the publication date of its 2023 financial results, originally scheduled for 29 February 2024. A press release dated 13 March reported on the progress of discussions with its financial creditors and Ycor.

On 12 April 2024, Solocal Group announced that it had signed an Agreement in Principle with Ycor, most of its bondholders and RCF creditors and its main shareholders.

On 22 April 2024, the Bondholders' General Meeting of Solocal Group approved the proposed amendment of the accelerated financial safeguard plan by 99.8% of the votes cast.

1.5.2 AGREEMENT IN PRINCIPLE ON SOLOCAL GROUP'S FINANCIAL RESTRUCTURING

On 12 April 2024, Solocal Group announced that it had signed an Agreement in Principle between the Company, Ycor, bondholders representing 84% of the Bonds and 100% of the Mini Bonds respectively, and creditors representing 78.6% of the RCF (pending internal validation of the last RCF creditor). The terms of the Agreement in Principle, which are binding on the parties, include the following:

- **a contribution of €43 million** to the Company exclusively in equity, including a maximum of €38 million from Ycor, of which (i) €25 million via subscription to a capital increase in cash reserved for Ycor, and (ii) (if this commitment is called) approximately €13 million via a backstop commitment to a capital increase with shareholders' preferential subscription rights for a total amount of around €18 million;
- **the contribution in kind** of all shares issued by Regicom Webformance SAS ("Regicom") to the Company;
- at the date of the effective completion of the contemplated share capital increases and issuance of securities, **the partial repayment of existing RCF debt, in the amount of €20 million**, with part of the proceeds from the above-mentioned equity contributions;
- **a massive reduction in the nominal amount of the Company's existing gross bond debt** (Bonds and Mini Bonds including interest due) **by approximately 85%**, with different amortisation or conversion profiles depending on the nature of the reinstated debt.

This agreement will allow Solocal Group to continue its operations (and, in particular, to cover its liquidity needs over a horizon of more than 12 months) and provides a viable framework for the long-term development of the Group's business.

The transactions included in the financial restructuring will strengthen the Group's financial structure. Net financial debt adjusted for the expected impact of the financial restructuring is €234 million (before advisory fees related to the execution of the transactions).

1.5.3 SUMMARY OF THE AGREEMENT IN PRINCIPLE AND MAIN IMPACTS

26 April 2024	Ycor Offer in the Agreement in Principle
Equity contributions / New financing	– Share capital increase reserved for Ycor: €25 million in cash – Share capital increase with preferential subscription rights backstopped by Ycor and certain members of the Bondholders' Group: €18 million in cash(1) – Contribution in kind of Regicom to the Company
Treatment of RCF debt of €34 million	– €20 million repayment in cash at effective completion of the contemplated share capital increases and issuance of securities – Remaining amount (€14 million) being reinstated with amended terms: four equal instalments of €3.5 million to be paid in March 2025, September 2025, March 2026 and September 2026 – Unchanged E+850bps cash interest as per existing terms
Treatment of the Bonds (€177 million)	– €5 million reinstated with amended terms (deeply subordinated and perpetual term) – The balance converted into equity
Treatment of the Mini Bonds (€19 million in principal)	– Fully reinstated with amended terms
Treatment of the Atout Loan of €6 million (principal outstanding at 23 April 2024)	– €0.6 million repaid in cash at closing – Remaining amount reinstated with amended terms
Pro-forma shareholding structure (after exercise of Warrants)	– Ycor: between ~61% and ~73%(2) – Bondholders: between ~22% and ~27%(2) – Potential new shareholders: between 0% and ~17%(3) – Existing shareholders: 1%

(1) Backstopped at the level of €13 million by Ycor and at the level of €5 million by certain members of the Bondholder Group.

(2) Including Warrants issued and granted in consideration of the backstop commitments of the share capital increase with preferential subscription rights.

(3) Dependent on the outcome of the share capital increase with preferential subscription rights.

1.5.4 CONDITIONS PRECEDENT

The approval of the amendment to the accelerated financial safeguard plan remains subject to the fulfilment of the following main conditions precedent:

- the approval by the Company's General Shareholders' Meeting of the resolutions necessary to implement the plan no later than 28 June 2024 (unless Ycor agrees to a later date);
- the adoption of all decisions of the Company's Board of Directors necessary to implement the contemplated governance arrangements no later than on the date of completion of the contemplated issuances of securities and of all resolutions submitted to the Company's General Shareholders' Meeting necessary to implement the financial safeguard plan, and the rejection of any resolution that would be contrary to the implementation of the financial safeguard plan;
- obtaining, if necessary, an unconditional decision by any competition authority authorising or not opposing (where such non-objection is, under applicable law, construed as an authorisation to carry out the proposed restructuring) the restructuring as contemplated under the accelerated financial safeguard plan;
- obtaining a waiver from the Autorité des Marchés Financiers (AMF) from the obligation for Ycor to make a public tender offer for the Company's shares (the "**AMF Share Capital Increase Exemption**") on the basis of Article 234-9, 2° of the AMF General Regulation valid and in force; as the case may be, obtaining a waiver from the AMF of the obligation for Ycor to make a public tender offer for the Company's shares (the "**AMF Contribution Exemption**") in relation to the contribution of Regicom on the basis of Article 234-9, 3 of the AMF General Regulation valid and in force, it being specified that Ycor undertakes to formally file the AMF Share Capital Increase Exemption application no later than 31 May 2024, subject to the AMF's approval of this timetable[1];
- the delivery of the report of the contribution auditor to be appointed for the purposes of implementing the share capital increase to be subscribed by Ycor in the context of the contribution in kind from Regicom to the Company;
- the delivery of the report of the independent expert (the firm Ledouble was appointed by the Company's Board of Directors), pursuant to Article 261-3 of the AMF General Regulation, on the fairness of the financial terms of the restructuring for the existing shareholders;
- obtaining the AMF's approval for the prospectuses relating to the share capital increases and the issuance of warrants;
- the signature of a conciliation protocol no later than on 30 April 2024 (unless Ycor and the Company agree on a later date) and the acknowledgement or homologation of this conciliation protocol simultaneously with the approval of the accelerated financial safeguard plan (unless Ycor and the Company agree on a later date);
- the agreement of the BPI Atout loan creditors on the extension of this debt (unless otherwise agreed by Ycor).

In addition, the implementation of the financial restructuring of the Company remains subject to the fulfilment of the following conditions precedent:

- the finalisation of the implementation documents required to implement the accelerated financial safeguard plan.

In the event that the Company's shareholders reject it, the Company will implement the financial restructuring under a new collective proceeding that will follow the termination of the Company's restructuring plan adopted in 2020, subject to the legal conditions for such termination and the opening of such new collective proceeding being met.

(1) *It is also specified that Ycor has made it a condition precedent that all appeals against each of the Share Capital Increase Exemption and the AMF Contribution Exemption have been purged. However, this condition is considered met if all the Bondholders represented by White & Case and Lazard sign or adhere to the Agreement in Principle no later than on the date of the Bondholders' General Meeting, which is indeed the case. Therefore, this condition requiring all appeals to be purged will be deemed to have been met on the date on which each of the AMF Share Capital Increase Exemption and the AMF Contribution Exemption is obtained.*

1.5.5 IMPACTS ON THE GROUP'S DEBT

The transactions included in the financial restructuring will strengthen the Group's financial structure. Net financial debt adjusted for the expected impact of the financial restructuring would be reduced by €234 million (before advisory fees related to the transactions).

	Solocal net financial debt	
(in millions of euros)	December 2023	December 2023 adjusted
Bonds (nominal amount)	176.6	0(1)
Mini Bonds (nominal amount)	18.7	21(2)
Revolving credit facility (RCF)	34	14(3)
Prêt'Atout	7	7
Accrued interest due	16.6	0
TOTAL GROSS DEBT	**253**	**42**
Available cash	55.7	78.7(4)
NET FINANCIAL DEBT	**197.3**	**(36.7)**

(1) €5 million reinstated with amended terms (deeply subordinated and perpetual term).

(2) The 2024 Conciliation Protocol stipulates that no payment of any kind (including interest) may be made until the closing date of the restructuring and that all amounts due under the Mini Bonds (principal, accrued interest and, if applicable, other interest, fees or commission of any kind), whose estimated amount is around €21 million, will be reinstated.

(3) After the repayment of €20 million in cash on the closing date of the restructuring, the remaining €14 million will be amortised in four equal instalments in March 2025, September 2025, March 2026 and September 2026.

(4) In addition to the available cash as at 31 December 2023, the cash position will be increased by cash capital increases of €43 million less €20 million for the partial repayment of the RCF.

1.5.6 IMPACTS ON THE GROUP'S GOVERNANCE

The Agreement in Principle provides that the Board of Directors will be composed in accordance with the following principles:

- The Board of Directors will be composed of eight members:
  - the Chairman and Chief Executive Officer, appointed by Ycor,
  - three other members appointed by Ycor,
  - three independent members within the meaning of the AFEP-MEDEF Code, and
  - one director representing employees;
- Directors' terms of office: 4 years.

At Ycor's discretion, some or all of the above appointments may be made by co-option (subject to the prior resignation of members of the current Board of Directors).

The above governance structure will be effective no later than the date of effective completion of the contemplated share capital increases and issuance of securities, unless the Company and Ycor agree on a different date.

From the date of completion of the contemplated share capital increases and issuance of securities, the Company will continue to comply with the principles of the AFEP-MEDEF Code.

It is also specified that in the context of the financial restructuring and the entering into of the Agreement in Principle, the Board of Directors of the Company has decided, during its meeting held on 4 April 2024, that, on the date on which the mandate of CEO of the Company of Cédric Dugardin will cease (i.e. on the date of effective completion of the contemplated share capital increases and issuance of securities or such other termination date agreed with Ycor), he will be requested to comply with a non-compete undertaking vis-à-vis companies operating in the same business domain as that of the Group in France and will receive a non-compete indemnity of a gross amount of €225,000 paid in a single instalment. The payment of this non-compete indemnity will occur on the date on which the mandate of CEO of the Company of Cédric Dugardin will cease.

1.5.7 IMPACT ON THE SHAREHOLDER STRUCTURE

On completion of the financial restructuring, the shareholder structure will be as follows:

- Ycor: between ~61% and ~73%[(1)]
- Bondholders: between ~22% and ~27%[(1)]
- Potential new shareholders: between 0% and ~17%[(2)]
- Existing shareholders: 1%

1.5.8 OTHER INFORMATION RELATED TO THE FINANCIAL RESTRUCTURING

Appointment of an independent expert

Given the significant dilution expected from the capital increases provided for in the Agreement in Principle, the Board of Directors has set up an ad hoc committee of Independent Directors, composed of Philippe Mellier, Ghislaine Mattlinger and Delphine Grison, tasked with recommending an independent expert who will be appointed by the Board of Directors of the Company on a voluntary basis in accordance with Article 261-3 of the AMF General Regulation, for the purpose of ruling on the fairness of the financial restructuring of the Company for the existing shareholders.

The independent expert will deliver a report containing a fairness opinion which will be made available to the shareholders at least 10 trading days before the date of the General Shareholders' Meeting of the Company convened to decide on the key steps of the financial restructuring involving amendments to the Company's bylaws (including the contemplated transactions on the share capital and issuance of securities).

On the recommendation of the ad hoc committee, on 23 April 2024 the Company appointed the firm Ledouble, represented by Agnès Piniot and Stéphanie Guillaumin, as independent expert.

Appointment of a contribution auditor

The Company requested from the President of the Nanterre Commercial Court the appointment of a contribution auditor to issue a report on the contribution in kind of Regicom to the Company. In a ruling dated 26 April 2024, the firm Crowe HAF, represented by Olivier Grivillers, was appointed contribution auditor for that purpose.

In accordance with the provisions of Articles L. 225-147, R. 225-136 and R. 22-10-8 of the French Commercial Code, this contribution auditor will assess the value of Regicom and confirm that this value corresponds to at least the nominal value of the shares to be issued, by the issue premium, if any.

His/her report will be made available to the shareholders prior to the General Shareholders' Meeting, in accordance with the conditions provided for by laws and regulations.

Indicative timeline

The effective completion of the share capital increases and contemplated issuance of securities should take place during the third quarter of 2024.

(1) Including Warrants issued and granted in consideration of the backstop commitments of the share capital increase with preferential subscription rights.

(2) Dependent on the outcome of the share capital increase with preferential subscription rights.

2 Risk factors

CHAPTER

Solocal has carried out a review of the risks that could have a material adverse effect on its business, financial position or results (or its ability to achieve its goals). This review is carried out in accordance with the Company's **risk mapping methodology**, whereby **risks are identified**, **assessed** and **prioritised according to their impact and likelihood of occurrence.** Solocal has identified **12 major (high) or significant risks divided into the following six categories**: risks related to the strategy pursued, business-related risks, human resources and environmental risks, operational risks, financial risks and legal and compliance risks. These risks are listed in descending order of importance, within each category, in the table below. The probability of occurrence and the impact of the risk determines its **gross criticality**, which is mitigated to varying degrees depending on the courses of action. This in turn determines the **net risk**. The main **courses of action** are listed after the description of each risk.

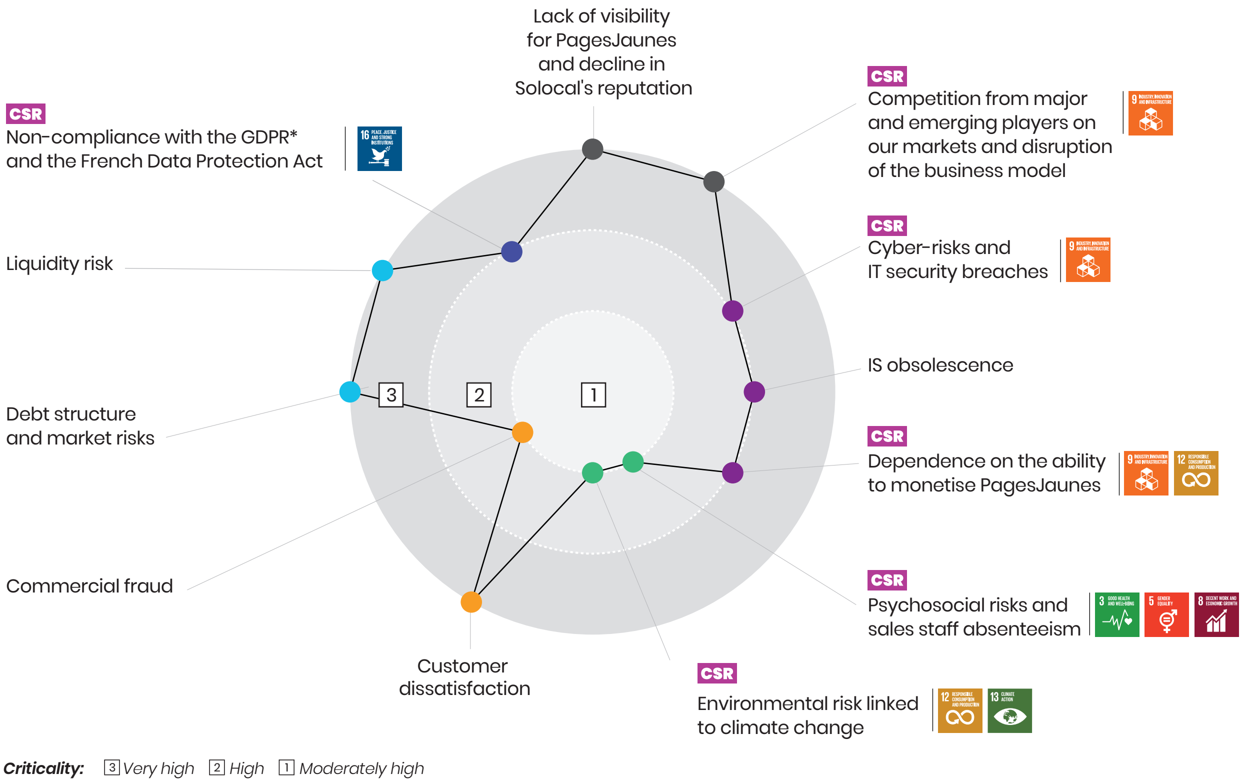
Category	Risk	Criticality Gross	Criticality Net
STRATEGY	– Lack of visibility for PagesJaunes and decline in Solocal's reputation	●●●	●●●
	– Competition from major and emerging players on our markets and disruption of the business model	●●●	●●●
BUSINESS-RELATED	– Cyber-risks and IT security breaches	●●●	●●○
	– IS obsolescence	●●○	●●○
	– Dependence on the ability to monetise PagesJaunes	●●○	●●○
HUMAN RESOURCES AND CLIMATE CHANGE RISKS	– Psychosocial risks and sales staff absenteeism	●●○	●○○
	– Environmental risk linked to climate change	●●○	●○○
OPERATIONAL	– Customer dissatisfaction	●●●	●●●
	– Commercial fraud	●●○	●○○
FINANCIAL	– Debt structure and market risks	●●●	●●●
	– Liquidity risk	●●●	●●●
LEGAL AND COMPLIANCE	– Non-compliance with the GDPR and the French Data Protection Act*	●●●	●●○

* *GDPR: General Data Protection Regulation.*

Criticality: ●●● *Very high* ●● *High* ● *Moderately high*

Solocal determined this classification as at the date of and for the purposes of this Universal Registration Document. Specific operational action plans have been developed to mitigate the criticality of the risks. These plans are followed up each year to assess their performance until the risk has been reduced to an acceptable level or completely eliminated. Non-financial risks are also presented in the Company's Statement on Non-Financial Performance (SNFP) (page X of this Universal Registration Document). In the "Risk factors" chapter, they are marked with the following acronym, which stands for corporate social responsibility: CSR

The risks are presented in the following infographic, together with the associated sustainable development goals (SDGs).



* *General Data Protection Regulation.*

Solocal considers that, with the exception of the risk factors referred to above, the Company has not identified any other major or significant risks. These are supplemented by other information and by Solocal Group's consolidated financial statements presented in this Universal Registration Document. Investors are invited to take into consideration the risk factors described below in this chapter before taking any decision to invest.

The description of the organisation and management of risk within the Company is included in this chapter.

Macroeconomic and geopolitical risks for Solocal

The conflict between Ukraine and Russia has been ongoing since Russia's invasion of Ukraine on 24 February 2022, leading a large part of the international community to impose economic and trade sanctions against the Russian state and some of its nationals.

The recent conflict between Israel and Hamas, following an attack by Hamas against Israeli nationals on 7 October, has led to a counter-offensive by Israel in the Gaza Strip that could have significant economic repercussions in the event of a broader regional escalation.

Solocal Group does not have a presence in these conflict zones and generates all of its order intake in France. Therefore, its revenue is not directly impacted by these conflicts and any potential and/or existing sanctions against the parties involved. Nevertheless, like any business, Solocal may be indirectly affected. The following risks affecting the Company have been identified to date:

- **increased cyber-risk in the event of a surge in attempted cyberattacks** originating from the conflict areas or in the context of the Olympic Games in France (see 2.2.1 "Cyber-risks and IT security breaches");
- **security risk** due to the possible importation of conflicts into France (particularly in the context of the organisation of the Summer Olympics in 2024). This could create a climate of distrust, which could hamper consumer spending and investment;
- **risk related to cost control in a period of significant inflation**, particularly with regard to energy costs (rising electricity and oil prices). This could potentially affect Solocal, especially in terms of its car fleet, even though a transition to electric vehicles has been underway since 2022. This inflationary situation could also have an impact on the financial situation of Solocal's customers and on their purchasing power and digital communication budgets, which could be scaled back.

Solocal continues to monitor the development of these conflicts carefully as well as the human, geopolitical and macroeconomic effects (such as uncertainty, slower growth, inflationary environment, security and cyberattacks) that they may have in 2024.

2.1 Solocal strategy-related risks

2.1.1 LACK OF VISIBILITY FOR PAGESJAUNES AND DECLINE IN SOLOCAL'S REPUTATION

CRITICALITY	●●●

Description of the risk and associated impacts

Failure to maintain and enhance the image of Solocal's brands could have an adverse effect on its business, financial position and operating income.

Solocal's success depends in part on the strength of its brands, its image and its reputation. If it is unable to maintain and enhance the strength of its brands, in particular PagesJaunes, then its ability to retain and expand its audience and customer base and to maintain its attractiveness may be impaired. This could have an adverse effect on its revenue and operating income. Maintaining and enhancing its brands may require the Company to make substantial investments. If it fails to maintain and enhance them successfully, or if it incurs excessive expenses or makes unsuccessful investments in this respect, its business, financial position and operating income may be adversely affected.

Main courses of action

- **Multimedia communication campaign in the first quarter of 2023** to remind the general public of the relevance and unique features of PagesJaunes and to publicise various services connecting individuals and businesses. This has helped to increase awareness and unaided recall of the brand
- Updating of the **PagesJaunes mobile app** with new features and even more local news
- Implementation of a road map through an **"Audience Focus" programme** designed to limit audience decline through various levers including strategic partnerships, preinstallation of the app on mobile phones, migration of Ooreka into PagesJaunes, and content enrichment through AI
- Roll-out of a **"Customer Experience" programme** focused on customer expectations and Solocal's online image. The programme is built around five major pillars: Voice of the Customer (greater VoC integration into our processes); Welcome (better support and guidance in navigating our digital solutions); Care (optimisation of complaints management); Pain Points (prevention of cancellation risks); Advocates (sharing of best practices among businesses)
- Positioning of PagesJaunes as a **trusted non-specialist player** when it comes to searching for and choosing the right business anywhere in France, with more than 2,500 activities and 4.2 million listings. Actions to develop this positioning include more recent and relevant content, selection aids and badges such as "Top Rated" and "Super Pro", along with information on digital accessibility for businesses following the partnership with the government-backed start-up AccessLibre.
- **Continuous development of the natural SEO[(1)] of the Solocal.com website** including ongoing content enrichment (videos, news, products, infographics, etc.)

2.1.2 COMPETITION FROM MAJOR AND EMERGING PLAYERS ON OUR MARKETS AND DISRUPTION OF THE BUSINESS MODEL CSR

CRITICALITY ●●●

Description of the risk and associated impacts

Solocal faces an increased level of competition and may not remain competitive.

The Company is experiencing an increasing level of competition in its activities, especially in the online advertising market, from other digital services and websites. No assurances can be given that it will be able to compete successfully against other established economic players and new market entrants. Increasing competition could result in smaller audiences, lower prices, reduced growth, reduced margins or loss of market share.

Various factors such as the growing influence of "pure players" in, for example, the health and foodservice verticals, growing competition in local search engines and websites, the dominance of major players like Google and Meta on the digital market (especially in advertising), and our reliance on Google's practices, are driving us to evolve our business model by building specific new features into our media and developing new partnerships.

Main courses of action

- Regular roll-out of **new features** for the existing solutions and exploration of **new service offerings and digital solutions** to enhance the value proposition
- **Roll-out of a "Business Referral" partner programme for lead generation** aimed at providing opportunities for partners to distribute our solutions to maximise access to a highly fragmented market
- Development of **reseller partnerships for third-party solutions** to enhance our offerings (Dynabuy, Quonto, Keobiz, etc.)
- Implementation of a **road map through an "Audience Focus" programme** designed to limit audience decline through various levers including partnerships, preinstallation of the app on mobile phones, migration of Ooreka into PagesJaunes, and content enrichment through AI

(1) Search engine optimisation.

2.2 Business-related risks

2.2.1 CYBER-RISKS AND IT SECURITY BREACHES CSR

CRITICALITY ●●●

Description of the risk and associated impacts

The Company may be subject to information technology failures, security breaches or disruptions in its information, production, sales and distribution systems, especially given the increased prevalence of remote working among employees.

A major part of Solocal's business depends on the efficient, continuous operation of its information, production, sales and distribution systems. These systems could suffer damage, including as a result of fire, widespread power cuts, damage to communications networks, cyberattacks such as computer hacking, computer sabotage, application vulnerabilities or any other factor that could affect the operation of the systems and impact the Company's business, financial position, operating income and cash forecasts. The development of AI (artificial intelligence) is another risk to consider. AI is increasingly being used in cyberattacks, with ever more sophisticated phishing campaigns and increasingly convincing false information. In order to reduce its exposure to cyber-risks and security breaches, Solocal has taken out a specific insurance policy covering cyber-risks. It is also implementing measures to mitigate these risks. For instance, the Company has strengthened its information system security through the deployment of a multi-year Cybersecurity programme designed to improve incident detection, protection and response. This programme includes the setting up a SOC (Security Operations Center), the enhancement of workstation and information system security and the development of an awareness programme and mandatory training for employees.

In addition, cybersecurity governance has been stepped up to ensure a level of compliance within contracts and within projects (in terms of security by design) and to measure the level of risk to our infrastructure and platforms.

With regard to subcontracted activities, Solocal must be able to rely on subcontractors to react quickly and effectively. If a subcontractor is unable to respond to such issues, Solocal's business could be adversely affected. Solocal's suppliers are invited to complete a security questionnaire in order to assess their level of maturity in this regard. Spot audits may be carried out on subcontractors to check that security commitments are maintained.

Main courses of action

- **SOC** (Security Operations Center)
- **Mandatory cybersecurity training** for employees and cyber-risk awareness activities including cybermonth, webinars on AI use and leadership of a community of security champions
- Simulation of **internal phishing campaigns** to test and develop appropriate cybersecurity responses
- A **Zero Trust** approach within the Group
- **Patch management** policy and bug bounty and security audit programme
- Review of application permissions and application code security analysis
- Deployment of **EDRs**[1] and **LAPSs**[2] in the Windows environment

(1) *Endpoint Detection and Response.*

(2) *Local Administrator Password Solution.*

2.2.2 OBSOLESCENCE OF IT SYSTEMS

CRITICALITY ●●●

Description of the risk and associated impacts

Like all businesses, especially those operating in its market, Solocal may face risks resulting from the non-availability of its IT systems.

Should its systems become obsolete, the Company may be unable to properly use its IT tools, which may lead to system failures and/or the inability to market its products and services. Production times and service quality could also be impacted, leaving customers dissatisfied and affecting their desire to continue with the digital services offered by Solocal.

IT system downtime can have many causes (cyberattacks, system crashes, insufficiently robust infrastructure, faults, obsolescence etc.) and Solocal makes sure that everything is done to avoid incidents of this type from occurring. Partial or total non-availability of some or all of the Company's IT systems could adversely affect the functioning of its organisation and thus severely impact its business and financial position and could also create dissatisfaction among customers and users, ultimately having an impact on results. The migration of the Company's infrastructure and IT systems to the Cloud since 2019 has partly mitigated this risk. System recovery safeguards and redundancy and load balancing protect against the impact of hardware failure.

Main courses of action

- Roll-out in early 2024 of a "**new ERP Finance** module for the billing/collection and general accounting cycle
- Continuation of the plan to **decommission obsolete applications** and secure on-premise applications
- Resilience plan for **DNS** (domain name system) services to more effectively combat DDoS attacks (distributed denial of service – a type of brute force attack)
- A business continuity plan for sales tools is currently being put in place
- Implementation of a **Business Continuity Plan for the sales tools** (redundant hosting of sales tools in the Cloud and the Data Center to cover the risk of Sales services becoming unavailable in the event of an incident in the Data Center)

2.2.3 DEPENDENCE ON THE ABILITY TO MONETISE PAGESJAUNES CSR

CRITICALITY ●●●

Description of the risk and associated impacts

PagesJaunes is experiencing a decline in its direct audience in favour of the main search engines, which is reducing its monetisation capacity despite efforts to improve the situation.

As a result of the mitigation plans implemented by Solocal, 2023 saw a slowdown in the post-Covid decline in PagesJaunes' audience, which fell by 5.6% in 2023 compared with 21% in 2022.

This slower decline is attributable to long-standing partnerships (Bing, Yahoo, etc.) and more recent ones such as the Orange 118 712 directory service, SEO performance and the integration of Ooréka content under the PagesJaunes domain name "PagesConseils".

However, this situation remains fragile given the dominance of the main search engines in the online search market and the decline in the continued use of the PagesJaunes service among younger and middle-aged target groups.

PagesJaunes regularly ranks among the top 50 websites in France for internet traffic and, together with its partner network, records nearly 1.6 billion searches a year. Although the Company works to continually improve the user experience it offers on PagesJaunes through new features to increase the number of repeat visits, facilitate selection and provide a more useful service (online quotes, online appointment booking, messaging, and new search paths) the audience remains dependent on the main partners and search engines (GAFAM and verticals). The visibility of PagesJaunes on search engines is itself potentially at risk as it is subject to the rules and algorithms imposed by the engine, which could potentially affect the number of visits made to PagesJaunes via search engines. Communications aimed at building the Company's brand visibility are intended to increase the audience for its user services. A lack of investment in this type of action could lead to a significant drop in the direct audience for PagesJaunes.

Main courses of action

- Continuous updating of the PagesJaunes mobile app, with new features and more local news
- Positioning of PagesJaunes as a **trusted non-specialist player** when it comes to searching for and choosing the right business anywhere in France, with more than 2,500 activities and 4.2 million listings. Actions to develop this positioning include more recent and relevant content, selection aids and badges such as "Top Rated" and "Super Pro"
- Management of Orange's 118 712 directory website since September 2023, which means that all of PagesJaunes' business listings can now be found on Orange's directory
- Deployment of a **multimedia communication campaign** to remind the general public of the particular features of PagesJaunes and to publicise various services connecting individuals and businesses, helping to increase awareness and unaided recall of the brand
- Implementation of a **road map through** an **"Audience Focus" programme** designed to limit audience decline through various levers including partnerships, preinstallation of the app on mobile phones, migration of Ooreka into PagesJaunes, and content enrichment through AI
- Roll-out of a qualifying and verticalised journey, which is being tested across ten or so activities and which allows PagesJaunes users to express a need and get recommendations of appropriate businesses
- Integration of Ooreka PagesConseils into PagesJaunes with the migration of Ooreka content (400 topics) under the PagesJaunes domain name

2.3 Human resources and climate change-related risks

2.3.1 PSYCHOSOCIAL RISKS AND SALES STAFF ABSENTEEISM CSR

(See section 3.2.3.3 "Solocal's social priorities" on page 72).

CRITICALITY ●●●

Description of the risk and associated impacts

Our success depends on our staff. Therefore, talent and skills management is a key factor in this success.

Solocal's business achievements are built on the experience and expertise of its employees. To ensure the proper execution of its strategy and limit any adverse effect on its operating income, the Company takes steps to be a major force in this market, where there is a genuine war for talent.

Indeed, it is vital to be able to call on all of the sales teams in order to address a granular customer base of predominantly VSEs and SMEs with a local reach.

Otherwise, sales targets may not be fully met, with a negative impact on Solocal's revenue.

Furthermore, as in all companies engaged in a significant transformation plan, absenteeism and psychosocial risks need to be taken into account. Solocal is very sensitive to these issues and is committed to the health and well-being of its employees in the workplace.

Main courses of action

- Continuation of the 20 or so **nationwide action plans aimed specifically at reducing PSR** (psychosocial risks) **and absenteeism**
- **Remote working** (two days per week) allowing a better work/life balance and accommodating the specific requirements of each business line
- Signing of **new agreements with the trade unions**: amendment to the remote working agreement, workplace gender equality agreement, disability agreement, employment and career management (GEPP) agreements and trade union rights agreements
- Reflection around the compensation plan for sales staff to bring it more in line with Solocal's business model (subscription-based) and ensure that Solocal remains attractive
- Roll-out of the Single Document on Occupational Risk Assessment across all Group sites in France

2.3.2 ENVIRONMENTAL RISK LINKED TO CLIMATE CHANGE CSR

(See section 3.2.3.4 "Solocal's environmental priorities" on page 78).

CRITICALITY ●●●

Description of the risk and associated impacts

In view of the climate-related risks inherent in its digital activity, Solocal measures its environmental footprint using specific risk analysis and non-financial performance monitoring.

Climate change brings with it an increase in the frequency and intensity of episodes of drought, heatwaves, winter freezes, storms, fires, heavy rainfall and even biological invasions or repeated risks of global pandemics. Such events may affect Solocal's business, assets, human resources and/or performance. Examples of such impacts include increased energy demand and higher prices; a rise in the number of insurance claims leading the insurance sector to reduce capacity and raise premiums; changes in the habits and needs of customers, who may reduce their digital communication budgets in favour of other priorities. As part of its corporate social responsibility (CSR) policy, which is guided by its Statement on Non-Financial Performance (SNFP), the Company has set itself the goal of optimising its energy consumption and use of resources and of reducing its carbon footprint. However, despite these measures, its activities may have an uncontrolled impact on the environment. Having the Company's information infrastructure and systems hosted in the Cloud by subcontractors could lead to a risk of not being able to control actual energy consumption. In addition, Solocal is subject to environmental laws and regulations involving possible administrative and judicial inquiries and proceedings and investigations on environmental issues. Such proceedings and investigations could result in substantial costs and obligations and/or divert management's attention from its core business. If it is determined that the Company is not in compliance with obligations under applicable laws or regulations, it could be subject to fines or other measures. Furthermore, any allegation that the Company or its subcontractors do not comply with environmental laws and regulations could damage its reputation. Although the Company pays particular attention to compliance with sustainable development criteria when selecting its suppliers and subcontractors, there can be no assurance that they will comply with applicable environmental laws and regulations.

Main courses of action

- Drawing up of **five golden rules of eco-design** for software development
- Continuation of the **energy "sobriety" plan** launched at the end of 2022 to support the common effort to reduce energy consumption by 10% in France by 2024
- Implementation of a **solution to measure the environmental impact** of our services and digital solutions
- Continuation of the **policy of decommissioning** ageing on-premise infrastructure and obsolete servers in favour of more energy-efficient equipment
- Continuation of the **policy of optimising IT equipment** including by **donating** and **recycling** it to give it a second life
- Roll-out of the Car Policy, which has reduced CO_2 emissions per vehicle by 5%

2.4 Operational risks

2.4.1 CUSTOMER DISSATISFACTION

CRITICALITY ●●●

Description of the risk and associated impacts

Solocal places great importance on customer satisfaction and does all that it can to ensure the most smooth and efficient customer experience possible. If the digital services sold by Solocal were to no longer satisfy the majority of our customers, this could lead them to disengage in favour of the competition.

At the beginning of 2023, Solocal launched an ambitious customer experience programme to reduce this risk. The five pillars of the programme are explained in the courses of action below. The Company also measures customer satisfaction on a daily basis through two complementary channels: satisfaction surveys after every interaction with the customer and throughout the customer experience (purchase, deployment, use and support) and phone calls from contact centres. Based on the results, comprehensive action plans are implemented within the business to adapt products and offerings, update internal processes, improve the management of customer requests and complaints, train staff and add new functions to the customer platform (Solocal Manager). Nevertheless, if complaints processes are not properly followed or customer requests are inadequately tagged, the backlog of complaints could increase, leading to longer processing times, which would further increase customer dissatisfaction. Dissatisfied customers, or indeed lost customers, may ultimately have a material adverse impact on the Company's image, business, financial position and operating income.

Main courses of action

- Roll-out of a **"Customer Experience" programme** dedicated to enhancing the quality of the customer experience and improving Solocal's online image. The programme is built around five major pillars: (i) Voice of the Customer (greater VoC integration into our processes), (ii) Welcome (better onboarding and support in navigating our digital solutions), (iii) Care (optimisation of complaints management) (iv) Pain Points (prevention of cancellation risks), and (v) Advocates (sharing of best practices among businesses)
- Creation of a **Customer Relations Department** (with a **"Social Media"** team)
- Creation of a **CSM unit** (Customer Success Management) to support customers
- **Complaints department** , which relies on business experts to handle publication issues
- Availability of a unique short number (3401) accessible six days a week from 8 a.m. to 8 p.m.
- **Telesales tool to guide conversations and manage goodwill gestures** in relation to sales
- **Speech & text analytics tool** to analyse sales discourse and **determine the proportion of telemarketers' sales that conform to the guidelines**
- **A complaints oversight committee to provide insights on performance quality** and allow any issues to be addressed at an early stage

2.4.2 COMMERCIAL FRAUD

CRITICALITY ●○○

Description of the risk and associated impacts

The majority of Solocal's employees are sales staff whose customers and prospects are local small- and medium-sized businesses located throughout France. Like any commercial enterprise, Solocal may face the risk of commercial fraud, especially with high-risk customers (emergency call-out professionals), leading to the subsequent cancellation of invalid sales and potentially impacting the Company's revenues and forecasts. Solocal also understands commercial fraud to mean acts such as forced sales, creation of false orders, identity theft, misuse of professional titles and/or certifications or circumvention of its PagesJaunes listing rules for the purposes of misleading advertising.

For a number of years, Solocal has identified high-risk customers (in particular emergency call-out professionals such as breakdown service providers) with whom relations have historically been governed by a series of dedicated control procedures that are carried out prior to any signing of contracts and onboarding. The editorial rules for PagesJaunes.fr also protect the Company against this risk. In addition, an ethics and anti-corruption clause is included in purchase orders which, if not adhered to (particularly as regards the Company's ethical principles of transparency, trust, respect and integrity) may result in the termination of the business relationship. Despite these measures, existing procedures may sometimes be circumvented by people acting with malicious intent and lead to instances of fraud (both internal and external). To provide an additional response to fraud risk, an Anti-Fraud Committee encompassing various cross-functional departments, i.e. Compliance, Legal, Finance and Sales has been set up. It is tasked with identifying and handling cases and assessing operating procedures, in order to adapt Company guidelines or establish new ones to mitigate risks.

Main courses of action

- Roll-out of a systematic **sales administration** function for products and services most exposed to fraud risk
- **Blacklisting of IBANs** detected as having been used **for fraudulent purposes**
- **Blocking sales without SEPA mandates** when using electronic signatures
- **Cancellation of orders** (for some products and services) **after the** first **unpaid invoice**
- **Restriction of authorisations to modify high-risk activities** for telesales and field sales representatives
- Blocking thresholds in the sales tool to manage promotions and discounts
- Ongoing education of sales staff on sales policies (applying discounts, etc.)
- **Anti-Fraud Committee** focusing mainly on high-risk activities
- **Speech & text analytics tool** to analyse sales discourse and **determine the proportion of telemarketers' sales that conform to the guidelines**

2.5 Financial risks

2.5.1 DEBT STRUCTURE AND MARKET RISKS

CRITICALITY ●●●

The covenants contained in the documentation for bonds and the revolving credit facility could affect the Group's ability to:

- trade;
- respond to market conditions or to seize certain commercial opportunities that may arise and could restrict its ability to take on additional debt or raise additional capital.

For example, these restrictions could affect the Company's ability to restructure its organisation or to finance its development.

Changes in debt and current situation in 2023

The Group made a principal repayment of €4 million on the Atout BPI loan in accordance with the loan agreement (€1 million in February, €1 million in May, €1 million in August and €1 million in November 2023). The Group also repaid €1 million in February 2024.

Bond debt was increased by capitalised interest on the bonds in 2021.

In 2023, as part of the negotiations conducted under the aegis of the mandataire ad hoc, the Group was granted several extensions by the holders of Bonds and Mini Bonds to the payment of the coupons due in June, September and December 2023. The Agreement in Principle signed on 12 April 2024 between the Company, Ycor and its main creditors (RCF and bondholders) provides for the conversion into capital of these coupons as well as those due in March and June 2024.

In addition, as at 31 December 2023, the Group did not meet the financial ratios stipulated in the bond documentation. Nevertheless, as stated in a press release issued on 20 December 2023, the Company has obtained a waiver of some of its financial covenants under the bond issue documentation. The RCF creditors have also agreed not to exercise their rights in this respect until 20 January 2024. The RCF creditors also refrained from exercising these rights between that date and the signing of the Agreement in Principle.

Gross indebtedness stood at €253 million[(1)] (nominal value) at 31 December 2023, including:

- around €177 million in bonds maturing in March 2025;
- around €19 million in bonds (Mini Bonds) issued in August 2020 and maturing in March 2025;
- €34 million of a fully drawn down revolving credit facility (RCF) (September 2024 maturity). Solocal Group notified the RCF lenders, in accordance with the contractual documentation, of its proposal to repay them in shares in September 2023. The RCF lenders did not consider this to be an acceptable option, particularly given the stock price of Solocal Group shares. Under the terms of the contractual documentation, Solocal Group considers that, in these circumstances, the maturity of the RCF debt has been extended to 30 September 2024;

(1) Excluding IFRS 16.

- a credit line of €7 million (BPI Atout loan);
- €16.6 million in accrued interest, mainly related to the non-payment of bond and mini bond coupons in June, September and December 2023.

At 31 December 2023, Solocal's net debt was €197 million [(1)] (nominal value) after deducting €55.7 million in available cash.

Main characteristics of and risks associated with the bonds

Bonds

SUMMARY

- **ISIN code FR0013237484**;
- **maturity:** 15 March 2025, with a non-call period until February 2023;
- **interest:** Euribor with the 3-month Euribor floored at 1% + 7% (no less than 8%) payable fully in cash;
- **amount:** €176,689,747 after incorporation of capitalised interest for 2021;
- **par value per bond:** adjusted to €0.5288128015230.

The other main terms and conditions of the existing Bonds (ISIN code: FR0013237484) are as follows:

- permission to create security rights to guarantee tax and social security liabilities;
- permission for members of the Group to incur certain new financial indebtedness, including state-guaranteed loan(s) (PGE), an Atout loan (Prêt Atout) granted by Bpifrance Financement or bridge loans, for a maximum total cumulative amount of €32 million in cash (excluding the original issue discount);
- modification of the majority required to pass decisions in Bondholders' General Meetings down to 66.67% for certain decisions.

The other main features of the Bonds include:

- **listing**: listing on the official list of the Luxembourg Stock Exchange and admission for trading on the Euro MTF market;
- **late payment interest:** 1% increase in the applicable interest rate;
- **early redemption:**
  - Solocal Group may at any time and in multiple instalments after the non-call period, redeem some or all of the Bonds at a redemption price equal to 100% of the principal plus unpaid accrued interest,
  - in addition, the Bonds will be subject to mandatory early redemption (subject to certain exceptions) wholly or in part if certain events occur, such as a change of control, an asset sale, or the receipt of net debt proceeds or net receivables proceeds. Mandatory early repayments are also provided for by means of funds coming from a percentage of surplus cash flow, depending on the Company's consolidated net leverage ratio;
- **financial commitments:**
- the consolidated net leverage ratio (consolidated net debt/consolidated EBITDA) must be lower than 3.5:1,
- the interest cover ratio (consolidated EBITDA/consolidated net interest expense), must be greater than 3.0:1,
- and if the consolidated net leverage ratio on 31 December of the preceding year exceeds 1.5:1, capital expenditure (excluding growth transactions) for Solocal Group and its subsidiaries will be limited to 10% of the consolidated revenue of Solocal Group and its subsidiaries.

As at 31 December 2023, the Group failed to meet some of its financial commitments (the consolidated net leverage ratio and the interest coverage ratio) but obtained a waiver of these commitments.

- **the terms and conditions of the Bonds** also contain certain negative covenants prohibiting Solocal Group and its subsidiaries, subject to certain exceptions, from:
- taking on additional financial debt,
- granting security interests,
- paying dividends or making distributions to shareholders; as an exception, the payment of dividends or distributions to shareholders is permitted if the consolidated net leverage ratio does not exceed 1.0:1.

The bond issue is indirectly guaranteed by a pledge of Solocal SA securities held by Solocal Group.

(1) Excluding IFRS 16 (nominal value).

Mini Bonds

The bonds issued on 14 August 2020 (Mini Bonds - ISIN code: (FR0013527744) have substantially the same characteristics as the Bonds described above (ISIN code: FR0013237484).

SUMMARY
- **ISIN code FR0013527744;**
- **maturity**: 15 March 2025, with a non-call period until February 2023;
- **interest**: Euribor with the 3-month Euribor floored at 1% + 7% (no less than 8%) payable fully in cash;
- **amount**: €18,743,703 after incorporation of capitalised interest for 2021;
- **par value per bond**: adjusted to €1.054333333333.
- **listing**: Euronext

The amounts owed under these bonds are guaranteed by a fifth-ranking pledge of the securities account relating to the securities issued by Solocal SA and held by Solocal Group.

Solocal obtained a waiver of its financial covenants under the Mini Bond documentation.

The Group's capacity to comply with these restrictive clauses could be affected by events beyond its control, such as economic, geopolitical, financial or industrial conditions. Any failure by the Group to comply with these commitments or restrictions could lead to default under the terms of the above agreements.

If default occurs that is not remedied or waived, the Bondholders could demand the immediate repayment of all outstanding amounts. This could activate the cross default clauses of other Group loans. This type of event could have a material adverse effect for the Group, leading to its insolvency or liquidation.

Moreover, **the Group might not be in a position to refinance its debt at maturity** or to obtain additional finance on satisfactory terms.

Exposure to interest rate risk

Solocal Group is exposed to the risk of interest rate fluctuations insofar as nearly all of the financial debt is at a **variable rate**. A 1% increase in the 3-month Euribor would have an impact of around €2 million on the annual financial expenses related to the financial debt prior to restructuring, as the interest rate on the RCF and the bond debt is variable and indexed to the 3-month Euribor.

The main characteristics of the Group's financial debt are stated in Note 9.5 to the 2023 consolidated financial statements and above.

Interest rate risks are discussed in Note 10 to the 2023 consolidated financial statements.

Ratings

The corporate financial ratings fluctuated during 2023 and early 2024 in response to various announcements regarding the financial restructuring before settling at the following levels:

		25 March 2024	21 March 2024
		Fitch Ratings	Moody's
Solocal	Corporate rating	Restricted default	C
	Outlook		Negative
	Debt rating	C	C

Main courses of action

Implementation, in the second half of 2024, of the financial restructuring, the main terms of which are defined in the Agreement in Principle signed on 12 April 2024. The main impacts of this restructuring on the Group's financial debt are described in chapter 1.5 "Financial restructuring".

2.5.2 REFINANCING AND LIQUIDITY RISK

CRITICALITY ●●●

Description of the risk and impacts

The Company has carried out a review of its liquidity risk and does not believe that it will be able to meet its repayments over the next 12 months.

In the absence of the completion of the financial restructuring referred to in paragraph 5.1.6.1 "Agreement in Principle on Solocal Group's financial restructuring", the Company considers that it does not have sufficient liquidity to cover its cash needs over the next 12 months (i.e. until the end of April 2025). This shortfall is mainly the result of the short-term financial debt of €257.6 million carried at 31 December 2023 (Note 9.5 to the 2023 consolidated financial statements).

The signing of the Agreement in Principle on 12 April 2024 between the Company, Ycor and its main creditors (RCF lenders and Bond and Mini Bond holders), under the aegis of the conciliator, provides for the following:

- **a contribution of €43 million** to the Company exclusively in equity, including a maximum of €38 million from Ycor, of which (i) €25 million via subscription to a capital increase in cash reserved for Ycor, and (ii) (if this commitment is called) approximately €13 million via a backstop commitment to a capital increase with shareholders' preferential subscription rights for a total amount of around €18 million;
- **the contribution in kind** of all shares issued by Regicom Webformance SAS ("**Regicom**") to the Company;
- at the date of the effective completion of the contemplated share capital increases and issuance of securities, **the partial repayment of existing RCF debt, in the amount of €20 million**, with part of the proceeds from the above-mentioned equity contributions;
- **a massive reduction in the nominal amount of the Company's existing gross bond debt** (Bonds and Mini Bonds including interest due) **by approximately 85%**, with different amortisation or conversion profiles depending on the nature of the reinstated debt.

On 22 April 2024, the Bondholders' General Meeting of Solocal Group approved the proposed amendment of the accelerated financial safeguard plan by 99.8% of the votes cast.

With the available cash as at 31 December 2023 and the suspension of coupon payments on the Bonds and Mini Bonds, which will be capitalised as part of the financial restructuring referred to above, the Company will have sufficient cash to finance its activities during the interim period up to the effective completion of the financial restructuring, expected in the third quarter of 2024.

The effective completion of the financial restructuring scheduled for Q1 2024 will meet the Group's estimated cash requirements until the end of April 2025. Under these circumstances, the Company would be able to meet its repayments over the next 12 months based on the revised payment schedule of the reinstated debt.

Based on the assumption of the satisfactory completion of the financial restructuring and the lifting of the conditions precedent described hereafter, the Board of Directors' meeting of 23 April 2024 approved the annual consolidated financial statements for the year ended 31 December 2023 on a going concern basis.

In the event of an adverse development in this financial restructuring, the Group may not be able to realise its assets and settle its liabilities in the normal course of business indicating, at the reporting date, the existence of a material uncertainty as to the Group's ability to continue as a going concern.

From an operational viewpoint, the Group is continuing to implement its strategy by fostering the conditions for customer acquisition and development and by introducing specific measures to reduce the level of churn. The Group is also continuing its efforts to manage its mainly fixed cost structure.

Main courses of action

- **Monthly updates of 12-month cash forecasts**, including sensitivity tests to order intake levels. These cash forecasts and tests enable the Company to look ahead and implement operational action plans in advance
- **Implementation of the Group's strategy** by fostering the conditions for customer acquisition and development and through efforts to control its mainly fixed cost structure.
- **Implementation of specific measures to reduce the level of churn** and thus further secure the existing customer base
- **Implementation, in the second half of 2024, of the financial restructuring**, the main terms of which are defined in chapter 1.5 "Financial restructuring".

2.6 Legal and compliance risks

Solocal's business is subject to various laws and regulations, and the Company may incur significant costs in maintaining compliance with such laws and regulations.

The communication and information services industry in which Solocal operates is subject to various laws and regulations, including the law on Trust in the Digital Economy of 21 June 2004, the law for a Digital Republic of 7 October 2016 and personal data protection regulations. Solocal is also subject to specific laws and regulations covering, among other things, digital advertising (Sapin law of 29 January 1993), directories (Article 34 of the French Post and Electronic Communications Code) and databases (Articles 341-1 et seq. on database protection).

As a parent company whose registered office is in France and that has at least 500 employees and revenues of more than €100 million, Solocal is subject to **Sapin 2** (French law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of the economy), which requires the implementation of an anti-corruption programme encompassing **eight obligations.** From 2018 to 2020, Solocal received support from the French Anti-Corruption Agency's (AFA) support service for economic operators in establishing its **ethics programme**. In October 2018, the Company appointed an Ethics Officer to launch its Sapin 2 compliance programme, resulting in the implementation of several pillars of the law, including:

- **fraud and corruption risk mapping** updated annually;
- a **Code of Conduct** (appended to the internal regulations of each subsidiary) presented to the subsidiaries' Social and Economic Councils (SEC) and sole employee representative bodies and implemented;
- a **disciplinary sanctions policy** (accompanying the Code of Conduct) included in the subsidiaries' internal regulations;
- an **external whistleblowing system** (outside Solocal's information systems) open to employees but also third parties, enabling them to report confidentially any serious harm to the interests of the Company's assets and staff. The entry into French law of the Waserman law[1], which came into force on 1 September 2022, has altered the Sapin 2 whistleblower regime. The changes introduced by the law mean that even more careful attention will need to be paid to the collection and processing of internal whistleblowing alerts;
- a **mandatory training plan** to educate and inform all employees on ethical issues, particularly in relation to corruption and fraud;
- a Company **third-party evaluation system** based on several separate procedures: (ethical evaluation procedure as part of contractual arrangements with a supplier, a partner or an intermediary and also a customer; ethical due diligence procedure for mergers and acquisitions, and an "Ethics and Sustainable Development" suppliers charter). Solocal has also implemented the following for all employees and managers: (i) a reporting procedure for its whistleblowing platform; (ii) a gifts and invitations policy; (iii) a conflict of interests procedure. Although Solocal has made compliance a priority of corporate governance by establishing, among other things, an Ethics function (within the Compliance & CSR department) and a dedicated budget, the roll-out of this compliance programme has not yet been fully completed, and further costs, on top of those already incurred, may be needed to reach full compliance;
- specific accounting control procedures will be deployed in 2024;
- an audit of the anti-corruption system is scheduled for 2024.

More generally, changes in such laws or regulations or in policy in France or the European Union could have an adverse effect on Solocal's business, especially if such changes increase the cost of providing its products and services.

A number of draft regulations are currently under discussion in France and with EU authorities, including in relation to the protection of personal information, privacy, electronic communications, e-commerce, non-financial reporting, duty of care and artificial intelligence.

These future developments in laws and regulations could have a material adverse effect on the Company's business, financial position and operating income, or on its ability to achieve its strategic objectives.

(1) *The Waserman law of 21 March 2022 on the protection of whistleblowers, transposes into French law the EU Directive of 23 October 2019 on the protection of persons who report breaches of Union law.*

In addition, the global nature of the Internet means that its operations are subject to the laws of multiple jurisdictions. Although the Company operates primarily in France, certain states or jurisdictions may require it to comply with their own laws and regulations.

Solocal has monitored the development of the Digital Services Act (DSA) and Digital Market Act (DMA), two European regulations that came into force on 16 and 1 November 2022 respectively and which entered into application on 6 March 2024. The Company does not expect their adoption to have any major impact on its business.

The simultaneous applicability of several, and at times contradictory, sets of laws and regulations, and the associated costs and uncertainty, could have a material adverse effect on the Company's business, financial position, and operating income. In order to anticipate any regulatory development that could have a material adverse effect on its business, Solocal carries out monitoring of laws and regulations including through the use of a dedicated tool. In general, it constantly checks that it is compliant with national and European regulations.

2.6.1 NON-COMPLIANCE WITH THE GDPR AND THE FRENCH DATA PROTECTION ACT CSR

CRITICALITY ●●●

Description of the risk and associated impacts

Since Solocal's activities, both legacy and digital, inherently involve the processing of personal data, the Company must comply with current regulations on the protection of individuals' rights and freedoms and particularly the General Data Protection Regulation ("GDPR") and Article 82 of the French Data Protection Act, which regulates electronic communications. Although the Company has made compliance a priority by establishing a dedicated policy and system, Solocal may, in the event of non-compliance, suffer financial penalties of up to 4% of its revenue.

One of the main challenges of the GDPR for Solocal involves the transformation of practices related to the processing of personal data: the obligation to work with a "privacy by design" approach has been integrated into the Company's main strategic projects. Solocal is particularly sensitive to the protection of the personal data that it processes. Indeed, a Data Protection Correspondent was appointed in 2011 and a dedicated data protection team has been set up. On 25 May 2018, Solocal appointed a Data Protection Officer (DPO), who reports to the French Data Protection Authority (Commission nationale de l'informatique et des libertés - CNIL). In order to ensure its compliance with this new legislative framework, a GDPR compliance programme was launched in July 2017 at the initiative of the Company's Data Protection Correspondent (now DPO). A Steering Committee and working groups have been created. Various measures have already been taken in this regard. These include mapping processing operations, providing employee training and creating new processes. The objective is to ensure that a robust quality approach is systematically in place in the Company's various legal entities.

As part of its various missions, the CNIL is increasingly performing compliance checks on companies (340 checks in 2023), which Solocal is also subject to. This is especially relevant given that the CNIL is able to carry out online checks, enabling it to quickly identify areas of non-compliance remotely, including internet security vulnerabilities, disclosures on online forms or the methods used to obtain consent from internet users. The Law for a Digital Republic dated 7 October 2016 has created further new rights for individuals: the right to be forgotten for minors, the ability to arrange what happens to a person's data after their death, and above all more information and transparency with regard to data processing in order to inform people on how long their data will be stored.

Finally, a proposal for a new European regulation on e-privacy is currently under discussion and could have an impact on Solocal's activity. The proposal was published by the European Commission on 10 January 2017. On 10 February 2021, the Council of the European Union finally reached a compromise on a version to be presented to a trilogue meeting of the Council, the European Parliament and the European Commission. In preparation for the second trilogue, which was held on 18 November 2021, the Slovenian presidency put forward a negotiating document to the national Council delegations but the text has currently not been adopted. In 2023, various discussions were held within the Council of the European Union, although mainly on technical matters. The Council's commissioner for the internal market, Thierry Breton, called for the negotiations to be concluded under the Spanish presidency, in the hope of finding a solution to the disagreement among legislators on a matter still under discussion concerning data retention.

As artificial intelligence (AI) develops, there is a growing risk of inappropriate use that could compromise the personal data of any company including Solocal.

- **At the national level**, the CNIL is continuing its work on artificial intelligence and recently published guidelines on the data protection-compliant use of the technology. These guidelines are in the form of practical information sheets on topics such as the legal regime governing data processing and the legal basis used for data collection and reuse.
- **At the European level**, the Council and the Parliament of the European Union reached a provisional agreement on the draft regulation referred to as the "AI Act" on 8 December 2023. It aims to regulate artificial intelligence and is line with the European Union's digital ambition to establish a legal framework for the development of "trustworthy AI". The AI Act now needs to be formally adopted by the Council and the Parliament before being published in the Official Journal of the EU. The regulation will become binding within two years after coming into force, subject to exceptions. Once published, Solocal will make preparations to comply with the guidelines and the European regulation.

Main courses of action

- **Regular internal audits** of our websites to check that they comply with the CNIL guidelines relating to the use of cookies across all of the Company's websites and mobile app
- **Redesign of the user journey in our media** (PagesJaunes and verticals)
- **Mandatory training** for all employees on the risks related to data protection and the GDPR.
- Performance of impact analyses and production of mandatory documentation
- Updating of the Company's personal data **processing registers**
- Updating of contracts where personal data is transferred **outside the EU** to take account of the new EU-US adequacy decision of July 2023.
- Analysis of advertising tracers contained in the Group's e-mailing campaigns

2.7 Insurance and risk management

Solocal has set up an insurance and risk management programme to cover the main risks to which it is exposed. This programme is overseen by the Compliance & CSR department[1] and is included in the Group's centralised insurance management. The programme is designed to make ongoing improvements to the Company's risk management policy, taking into account the constraints of the insurance market. The aim therefore is to: (i) have appropriate capacity and coverage for Solocal's exposure; (ii) reduce the overall cost of risk (premiums and loss experience) and manage the associated budgets; (iii) reduce claims through appropriate prevention and risk management; and (iv) manage claims in order to limit premium rises. Insurance cover is negotiated with leading insurance companies via recognised brokers to obtain the most appropriate coverage for the Group's insurable risks each year. Solocal's insurance policies include the following:

- **Damage to Property and Operating Losses Policy** – this policy covers losses resulting from fire, explosions, water damage, theft and natural events affecting Solocal's own property (buildings, furniture, equipment, goods or IT facilities) and property for which it is responsible, and against operating losses resulting from such losses. The total annual coverage limit is €49.9 million for damage and operating losses;
- **Civil Liability Policy** – this insurance covers civil liability towards customers and third parties resulting from the Group's operations and professional activities. The policy is an "all risks, subject to exclusions" policy, which means that all bodily injuries, property damage and consequential damage are automatically covered, including damage from computer viruses, unless expressly excluded. The total annual coverage limit is €20 million;
- **Cyber Risks Policy** – this insurance covers damage to the Company's various IT systems, including viruses, ransom demands and data losses. The total annual coverage limit is €15 million;
- **Directors' and Officers' (D&O) Public Liability Policy** – this insurance policy is designed to cover insurable wrongdoing and defence expenses for its executives (including those of subsidiaries);
- **Car Fleet Policy** – this policy is intended to cover the Group's entire fleet.

All deductibles within the Group's insurance policies are determined with the insurers according to the Company's situation, the risks incurred and the scope of each subsidiary.

(1) This department encompasses the Risk, Insurance, Ethics, CSR and Digital Accessibility functions.

2.8 Internal control and risk management procedures

2.8.1 INTERNAL CONTROL AND RISK MANAGEMENT GUIDELINES, OBJECTIVES AND SCOPE

2.8.1.1 Internal control and risk management guidelines

Solocal has developed and implemented general guidelines for internal control that are largely based on the guidance published in 1992 by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and on the framework and recommendations published by the AMF. The following description of its internal control and risk management procedures is based on this framework. It also draws on the discussions that took place as part of the work of the IFACI, the French Internal Control and Audit Institute.

2.8.1.2 Internal control definition and objectives

Internal control at Solocal is a set of processes and measures that are defined by senior management, implemented by employees and which serve to meet the following objectives:

- compliance with laws and regulations;
- observance of the Board of Directors' instructions and guidelines;
- prevention and control of operational risks, financial risks and the risk of error and fraud;
- proper operation of internal processes, especially those pertaining to the safeguarding of assets;
- reliability of financial information,
- while also contributing to the successful operation of its businesses, operational effectiveness and the efficient use of resources.

These principles are underpinned by:

- the identification and analysis of risk factors that could compromise the achievement of the Company's objectives;
- an organisation and procedures designed to ensure the implementation of senior management's strategies;
- the periodic review of control activities and a continuous effort to improve.

It should be noted that the rules and principles implemented cannot provide absolute assurance that all risks will be eliminated or controlled.

2.8.1.3 Internal control scope

The policies described below apply to all subsidiaries.

The internal control measures employed within each entity (i.e. department or subsidiary) involve implementing the Company's procedures and specifying and implementing procedures that are specific to each business line, in accordance with the entity's organisation, culture, risk factors and operational characteristics.

2.8.2 CONTROL ENVIRONMENT

2.8.2.1 Rules of conduct and ethics applying to all employees

Solocal bases its development on a set of **corporate values** (courage, team spirit, proximity and engagement), **ethical principles** (trust, integrity, transparency and respect) and standards of responsible behaviour in business, taken mainly from its **Code of Conduct**, that govern interactions with its employees as well as its stakeholders, i.e. customers, shareholders, suppliers, partners, users, competitors, etc. The Code of Conduct provides a set of personal and collective rules that are essential to the responsible and sustainable development of the business. The corporate values and principles should inform every action within the Group, in order to build trust and collective engagement. They are aligned with a broader framework of international, European and/or French legislation, principles and rules, including:

- the standards of the Universal Declaration of Human Rights and the International Labour Organization (particularly as regards the prevention of child and forced labour);
- OECD directives (particularly for fighting corruption);

- Sapin 2 (French law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of the economy) and the Waserman law of 21 March 2022 on the protection of whistleblowers, which transposes into French law the EU Directive of 23 October 2019 on the protection of persons who report breaches of Union law.

These values and principles guide the manner in which all members of staff are expected to perform their roles, both externally, i.e. with all Company stakeholders (customers, suppliers, partners, etc.) and internally. They provide a framework regardless of the activities and responsibilities involved. It is therefore up to everyone, and especially the senior managers of the Company and its subsidiaries, to follow, promote and implement these values and principles. Solocal also participates in the **United Nations Global Compact** in support of the achievement of the UN's Sustainable Development Goals (SDGs), particularly on the protection of human rights, working conditions, the fight against corruption and the protection of the environment. The commitments and indicators tracked by the Company are disclosed each year in our Communication on Progress and made publicly available on the Global Compact website. The Code of Conduct is available on the Solocal corporate website at https://www.solocal.com and on the Company's intranet. It covers, among other things, Solocal's values; the Company's ethical actions and principles; the manner in which individuals are expected to behave towards customers and suppliers and with regard to the protection of the Company's assets, the protection of whistleblowers, conflicts of interests, representation of interests and ethical stock trading. A **Securities Trading Code of Conduct** supplements the Company's Code of Conduct on specific issues relating to stock market ethics. Its main purpose is to increase awareness among employees and Directors of Solocal companies of the rules and principles that govern the trading of securities, of the need for strict compliance with these rules, and of the various preventive measures that have been implemented to enable all employees to make an investment in the Company's listed securities within a secure framework. In this context, and to reduce risk, Solocal has a non-disclosure letter signed by all employees whose work involves sensitive information, particularly when they work with people outside the Company who may not already be bound by a confidentiality obligation under their own Code of Conduct. The Code also reminds employees that the Legal department and the Finance department must be informed immediately if any inside information about the Group is revealed (e.g. at a conference or an internal or external meeting).

2.8.2.2 Senior management's responsibilities and commitments

A risk management policy has been put in place within the Company, under the supervision of senior management. Yearly reviews are carried out with the various subsidiaries and divisions of the Company. The risk updates and information on the follow-up of associated actions are consolidated and then presented to the Executive Committee (senior management) and the Audit Committee (Board of Directors). A risk correspondent has been appointed in each of the Company's subsidiaries and departments. These correspondents, of whom there are over 40 within the Company, report to the Compliance & CSR department[1].

2.8.2.3 Human resources and skills management policy

Solocal's performance is directly linked to the skills of its employees and the adaptation of its resources. The Human Resources department works in close partnership with the operational teams. It develops, proposes and implements a human resources management policy designed to help implement the Company's strategy. To better meet the needs of employees and managers, the HR department is organised around five divisions: HR Operations, HR Development, Compensation & Benefits (personnel management), Employee Relations and Work Environment. The role of the HR Operations division is to provide HR support to the managers of the divisions and departments within its remit and to manage the employees in these areas. It provides expert knowledge of the division's structure, composition and mission, as well as the Company's business units. The HR Development division is focused on developing HR policies and improving processes. It deploys the Company's HR policy and resources to the HR Operations division and to regional and local HR managers in particular, providing them with the tools and advice they need for the optimal performance of their tasks. A full description of these actions can be found in chapter 3 of the Universal Registration Document.

(1) This department encompasses the Risk, Insurance, Ethics, CSR and Digital Accessibility functions.

2.8.2.4 Information systems

The Company's various information systems are composed of:

- operational business software, particularly sales, creation and storage tools for digital content and dedicated website tools;
- business management software, e.g. accounting and financial applications;
- communication software such as messaging and collaborative tools (Intranet).

The IS division (which manages the information systems) and the Technical department are largely responsible for supervising the Company's information systems and in particular for ensuring that they will enable the Company to achieve its long-term objectives. They work closely with the Compliance & CSR department, which manages IT risks with reference to reliability and business continuity objectives, legal and regulatory compliance and operational targets. Actions directly linked to risk and security control are reviewed annually by the Compliance & CSR department, in partnership with the Chief Information Security Officer and the relevant operations teams.

2.8.3 RISK MONITORING AND MANAGEMENT

2.8.3.1 Organisational framework

Like any company, Solocal is exposed to a set of risks in the performance of its activities. The main areas of exposure to risk identified are described in the "Risk factors" chapter of this Universal Registration Document. Risk management is a priority for the Company, and is conducted both at subsidiary level and at the level of the parent entity, which provides an overall picture of the risk landscape.

The **aims of risk management** are to:

- develop a comprehensive, systematic, integrated and flexible method for identifying, assessing, analysing and managing risks and for promoting risk control;
- develop risk management best practices;
- prevent risks that threaten the Company and mitigate their consequences. The risk management policy applies to all Solocal entities. Solocal has established a risk governance system within the Compliance & CSR department, and a network of around 40 risk correspondents. In 2022, Solocal formalised the crisis management process approved by the Executive Committee and shared it with all operational staff within the Company. This process, which is regularly updated, allows the Company to respond quickly to any significant incident that could impact the continuity of its services and its business more generally, prioritising potential impacts on customers.

2.8.3.2 Risk identification and analysis process

Certain Company procedures contribute to the identification of risks. In particular, they include the following elements, which are implemented by the Compliance & CSR department:

- a risk assessment and classification method that has been in place and in use since 2005. This method is based on a risk mapping approach that ranks the main risks to which the Company may be exposed in terms of severity and probability of occurrence and assesses the level of coverage;
- annual risk reviews;
- a network of risk correspondents responsible for the operational implementation of the risk management policy coordinated by a dedicated governance unit;
- a risk management system involving the description of risks and the follow-up of associated coverage actions. This system also includes a dashboard with action plan monitoring to minimise risks.

2.8.4 CONTROL ACTIVITIES

Due to departures and internal transfers, there has no longer been an Audit and Internal Control department at Solocal since July 2022. However, on 1 February 2024, an Audit, Compliance and Cybersecurity department was set up. This department covers the following areas: Audit - Compliance & CSR[1] - Personal data and Cybersecurity. Internal Audit reports directly to the Audit Committee and on a functional basis to the Chief Audit, Compliance and Cybersecurity Officer, who is also the Secretary of the Board of Directors.

Solocal intends to deploy three lines of control on an ongoing basis: operational management, risk management and internal control, together with internal audit. The objective of the three lines of control is to combine regulatory measures (instructions and directives), organisational measures (organisational charts and processes) and technical measures (mostly IT and communication) based on certain basic principles.

As part of their review of the internal control system and the certification of the annual and consolidated financial statements, the Statutory Auditors report any significant deficiencies in internal control identified with respect to accounting and financial reporting procedures and thereby also help to strengthen the Group's control systems.

2.8.4.1 Internal audit

On 1 February 2024, it was decided to set up an Audit, Compliance and Cybersecurity department. The Internal Audit team within this department will monitor the maturity of the internal control system by evaluating its effectiveness and efficiency, while encouraging continuous improvement. Based on the results of the risk assessment, the Internal Audit team will assess the suitability and effectiveness of the internal control system by measuring the quality of the Company's control environment, the performance of internal governance bodies, the reliability and integrity of financial and operational information, operational effectiveness and efficiency, asset protection, and legal, regulatory and contractual compliance.

The Internal Audit Charter, which is subject to approval by the Chief Executive Officer and the Audit Committee, will provide a frame of reference for all Solocal entities to follow with respect to internal audit matters. Group Internal Audit will be responsible for performing the tasks set out in the internal audit plan, which will be drawn up during 2024, based on the Group risk assessment. The audit plan is presented to the Executive Committee and approved each year by the Audit Committee.

2.8.4.2 Internal control

The internal control system consists of the various policies and procedures implemented by an entity's management in order to ensure the rigorous and effective management of its activities. The first level of control is the one exercised by the functional and operational departments using standard procedures and processes. The internal control system involves the whole Company, from board level to every single member of staff. The Internal Control Charter sets out guidelines that govern Solocal's internal control system and form the basis for setting up the internal control systems for all Group entities.

2.8.4.3 Contribution of the Statutory Auditors

As part of their statutory audit engagement, the Statutory Auditors perform a limited interim review of the Group's consolidated half-year financial reporting. They also audit the Group's consolidated financial statements and the annual financial statements of Solocal Group and its main subsidiaries. Ahead of the year-end closing, they carry out reviews of the main processes involved in the preparation of the financial statements.

Generally speaking, efforts to continuously improve processes and standards serve to enhance operational control, effectiveness and efficiency.

(1) This department encompasses the Risk, Insurance, Ethics, CSR and Digital Accessibility functions.

2.8.5 INTERNAL CONTROL PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

Solocal's Finance department is responsible for preparing the accounting and financial information.

To increase the reliability of published accounting and financial information, a set of Committees, rules, procedures, controls and a skills management policy have been implemented along with an ongoing process to improve procedures.

Specific internal control procedures for accounting and financial information have therefore been introduced into:

- the Company's accounting and management organisational structures;
- unified accounting and management reporting;
- the common accounting standards and methods within the Company;
- the planning of year-end accounting procedures within the Company;
- financial communication.

2.8.5.1 Accounting and management control

The Accounting and Consolidation department, the Management Control department and the Investor Relations, Treasury and Financing department perform essential tasks to ensure that Solocal's financial information is consistent. These departments report to the Group's Chief Financial Officer.

Their tasks thus include:

- preparing Solocal's Company financial statements and consolidated financial statements within the time constraints of financial markets, legal and regulatory requirements and contractual obligations;
- managing the budgeting and forecasting process and preparing the monthly management report as quickly as possible, while ensuring that data is consistent;
- preparing the documents necessary to communicate financial results and to enable Solocal's management to prepare its management report;
- designing and implementing Solocal's accounting and management methods, procedures and guidelines;
- identifying and overseeing any changes to Solocal's accounting and management information systems that may be necessary.

2.8.5.2 Unified accounting and management reporting

The Company's business management cycle has four basic components:

- the three-year strategic plan;
- the budget process;
- monthly reporting;
- business and financial performance reviews.

a. The business plan

Solocal updates the business plan for the next three years. The business plan takes into account the Company's strategic priorities and any changes in market trends, business segments or the competitive environment.

b. The budget process

The budget process covers Solocal and its subsidiaries. It involves the following steps:

- in autumn, the budget for the current year is updated and monthly and annual budgets for the following year are prepared for each product;
- in spring, the initial budget forecast for the year is updated and this updated budget is used to prepare the strategic plan;
- in summer, the budget for the second half of the year is updated if necessary based on the results of the previous six months.

c. Financial performance reviews

Monthly financial performance reviews are conducted with all members of the Executive Committee and are a key component of Solocal's management and control system. These reviews are a major component of the financial information and control system. They are the main tools by which Solocal's management monitors trends and performance and makes decisions going forward. They consist of several documents that are prepared by the Management Control and Accounting and Consolidation departments, and communicated to Solocal's management.

The main objective of these reviews is to ensure that the actions undertaken are aligned with the Company's priorities and long-term goals. They are also used to check that costs are kept within budget throughout the year.

2.8.5.3 Common accounting standards and methods within the Company

Solocal prepares its consolidated financial statements and its budget in accordance with the "unification principle". This involves:

- uniform accounting methods, standards and consolidation rules;
- standardised presentation formats;
- the use of consolidation software that is shared across the Company.

Solocal uses a single accounting framework that standardises the reporting of all consolidated items, including off-balance sheet commitments. All consolidated entities have adopted this framework. Solocal prepares its consolidated financial statements in accordance with IFRS (European regulation 1606/2002 of 19 July 2002).

The consolidated accounting documents are prepared in accordance with local accounting principles and are restated to comply with Company standards and with IFRS as adopted by the European Union and the IASB. Guidance notes from the Finance department specifying the process and the closing schedule for each closing date are distributed within the Company.

2.8.5.4 Planning of year-end accounting procedures within the Company

In order to meet short reporting deadlines and enable the consolidated financial statements approved by the Board of Directors to be published within the legal deadlines, the Company has established a detailed planning programme for its year-end accounting work. This programme includes:

- budget monitoring processes;
- documented closing processes;
- advance processing of estimates and complex accounting transactions.

The progress that Solocal has made in preparing year-end accounts can largely be attributed to greater coordination between Company divisions and functions, more accurate forecasts, better control over financial processes, and better preparation and speedier execution of account-closure processes.

2.8.5.5 Financial communication

The preparation and control of financial information are organised in a manner that is consistent with the Company's management organisation and systems. This ensures the integrity, accuracy, quality and consistency of this information and its compliance with applicable legal and regulatory requirements and professional standards.

In order to ensure the quality and reliability of financial information, the Chief Executive Officer and the Chief Financial Officer are involved in the preparation of all financial information to be disclosed to the public and systematically examine and approve it prior to review by the Board of Directors. This review covers, among other things, press releases containing financial information and periodic presentations to investors.

The Investor Relations department, within the Finance department, in collaboration with Management Control and the Legal department, is responsible for drawing up the following periodic and ongoing information documents and distributing them to regulatory authorities, the French Financial Market Authority (AMF) and other intended recipients:

- periodic financial press releases (quarterly, half-yearly and annual results) and ad hoc press releases (e.g. to announce transformation and restructuring projects, external growth transactions, divestments, acquisitions or disposals, changes in governance, and strategic partnerships);
- presentations used as supports for analyst meetings and for investors;
- presentation to the General Shareholders' Meeting.

Solocal is committed to providing intelligible, relevant, stable and reliable information. The Company ensures compliance with stock market regulations and corporate governance principles.

2.8.6 FINANCIAL RISKS LINKED TO CLIMATE CHANGE

The risks associated with the effects of climate change and the measures taken by Solocal to reduce them are presented under "Risk factors" and in the statement on non-financial performance.

2.8.7 INFORMATION AND COMMUNICATION

All of the Company's press releases and major regulatory documents are posted on the Solocal intranet, which all employees can access.

Collaborative tools and other applications available on the intranet also ensure efficient distribution of information to everyone throughout the Company.

CHAPTER

3

Statement on Non-Financial Performance (SNFP):

corporate social responsibility (CSR) and environmental, social and governance criteria

BUSINESS MODEL

2023

Our values: Team Spirit, Proximity, Courage, Engagement

OUR RESOURCES

LOCAL
- **Close to 1,700 digital advisers** across France(1)
- **6 regional** centres
- **1 webfactory**

TALENT
- **2,426** employees(2)
- Employees trained in ethics, cybersecurity, personal data protection, digital accessibility, digital marketing, the agile method and sales prospecting techniques.

PLATFORMS AND DATA
- Strategic partnerships
- SaaS platforms
- Proprietary data: **4.2 million listed businesses** (companies, associations, public institutions) on our digital services

ENVIRONMENT
- **81%** of buildings (m²) **are HQE certified**(3)

OVER 4.2M
businesses

Integrated apps
for businesses

Connect
Visibility
Ranking
E-reputation
Relational and transactional services

Responsible, universally accessible digital technology

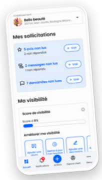
Short supply chains & local consumption

websites

Booster
Priority Ranking
Performance
Brand awareness

BRIDGE par solocal

Solocal Manager



(1) *Field sales/telesales, customer relations, production and sales support & Solocal Interactive.*
(2) *Based on end-of-month registrations, including employees on long-term sick leave & Solocal Interactive.*
(3) *HQE: Haute Qualité Environnementale (High Environmental Quality).*
(4) *ESG: Environment, social and governance (non-financial criteria).*
(5) *SDGs: Sustainable Development Goals.*

Our mission: to vitalise local life

Our vision: unleash the potential of all businesses by using innovative digital services to connect them to their customers and prospects

Our contribution to the SDGs(5)

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

15 LIFE ON LAND

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

OVER 55M
consumers

A services platform **for consumers**

PagesJaunes

OUR ADDED VALUE

LOCAL

- **261,000 businesses and public institutions** supported across France
- **81% accessibility rate** for PagesJaunes.fr media[6]
- **115,222 digital audits**

TALENT

- Percentage of female senior executives: **26.09%**
- Rate of employees who feel they are developing their skills and employability: **61%** (- 8 points vs. 2022)
- Proportion of payroll for the training budget: **4.10%** (- 0.02 points vs. 2022)

PLATFORMS AND DATA

- **Around 1.6 billion searches** on our media
- **3 days processing time** for requests to delete personal data
- **394,000 businesses** use Solocal Manager

ENVIRONMENT

- **17.1 tonnes** of WEEE[7]
- CO_2 emissions from offices: **155,306 kgCO_2** (- 12.95% vs. 2022)
- CO_2 emissions from car fleet: **1,566 tCO_2** (- 2.3% vs. 2022)

FINANCE AND ESG[4]

- Leading French player in digital marketing in terms of revenue

Gaïa-EthiFinance Silver medallist
EcoVadis Bronze medallist

(6) *Digital accessibility simplifies access to digital services for anyone who is not digitally literate or has a disability (temporary, situational or permanent).*
(7) *WEEE: Waste electrical and electronic equipment.*

3.1 Environmental, social and governance issues

3.1.1 CSR GOVERNANCE AT SOLOCAL

Since 2011, Solocal has had a CSR division reporting to the General Secretariat and since July 2023 to the Compliance & CSR department (including Ethics, Digital Accessibility, Risks and Insurance) within the Corporate Development division.

The Company is now driving eight CSR priorities defined on the basis of the Company's major risks. These priorities, monitored as part of the first SNFP exercise in 2018, allow Solocal to deploy CSR policies that involve more than twenty CSR Correspondents across the Company.

Solocal consolidated its CSR policies by **joining the United Nations Global Compact in 2020**, allowing the Company to contribute to the achievement of the **Sustainable Development Goals** (SDG) through the annual publication of a Progress Report to the UN.

Each year is marked by the consolidation of the CSR priorities pursued through the identification and monitoring of **key performance indicators** (KPIs) and the definition of concrete, quantified and measurable objectives in line with the corporate strategy.

Since 2020, **a regular internal communication system** has been developed for the Company's employees in order to raise **their awareness of CSR issues.**

In 2022, CSR and ESG (Environmental, Social, Governance) issues were prioritised within the Company. A **CSR Committee**, which convenes every quarter, was therefore created **within Solocal's Executive Committee**. It is composed of all the members of the Executive Committee, the Compliance & CSR and Investor Relations teams and Communications. The purpose of this Committee is to consolidate the Company's CSR strategy in order to prepare its communication to the market and to validate corporate projects with a view to closely involving all employees in CSR. TO this end, CSR Ambassadors have been appointed within the Company to help define and implement Solocal's CSR strategy and projects.

Within the Board of Directors, since June 2022, the **Governance Committee** has regularly included a **section dedicated to CSR**.

This governance forms the basis for supporting and validating Solocal's future compliance with the provisions of the CSRD (Corporate Sustainability Reporting Directive), transposed into French law by the order of 6 December 2023. This order amends the rules relating to the Statement on Non-Financial Performance (SNFP) and replaces it with an obligation to publish sustainability information.

Solocal is also keen to share its CSR experience, as demonstrated by its participation in The Good Forum conference on 16 March 2023 to talk about the Company's local footprint and our responsible commitments. The Company also attended events organised by SIINDA (Search & Information Industry Association) in May 2023, a round table on the theme "New Corporate Sustainability and Brand Values"[(1)], and in October 2023 on the theme "Expanding business models by integrating public sector digitalisation and ESG values"[(2)] with a focus on how SMEs are driving growth through new digital channels.

(1) *In French: "Nouvelles valeurs de l'entreprise en matière de développement durable et de marque".*

(2) *In French: "Développer des modèles économiques en intégrant la digitalisation du secteur public et les valeurs ESG".*

3.1.2 GREEN TAXONOMY

In order to promote sustainable investment, the Taxonomy Regulation (Regulation (EU) 2020/852) establishes a European Union-wide classification to identify economic activities considered sustainable.

In application of the delegated regulation specifying the procedures for implementing the provisions of Article 8 of the Taxonomy Regulation, Solocal presents for the second year its sustainability indicators, which are the percentages of eligibility and alignment of the three following indicators: Revenue, CapEx and OpEx for the first two environmental objectives (climate change mitigation and adaptation).

In order to meet these new requirements and to become a long-term player in the European Green Deal by integrating this nomenclature into its development, Solocal has set up a Group project, bringing together all the internal stakeholders and relying on sectoral discussion groups and external expertise. The Group also relied on the clarifications provided by the Commission's opinions published at the end of 2022, which may have led to changes in the understanding of what qualifies as eligible. The assumptions made and the conclusions for each indicator are presented below.

While Solocal's activities are not among the priority activities targeted by the primary climate change mitigation and adaptation objectives, the Group nevertheless wishes to prioritise its actions to contribute to responsible digital technology, an environmental issue that it has identified as a CSR priority since 2018. .

Our analysis of the green taxonomy should therefore be considered in conjunction with the Group's initiatives to reduce the footprint of its digital activities and operating structures.

3.1.2.1 Aligned revenue

As a reminder, according to the definition of revenue provided in the delegated act relating to Article 8 of the Regulation, revenue from activities that are not classified as enabling by the taxonomy should be excluded from the numerator for the adaptation objective. Therefore, the revenue that can be declared as eligible must correspond to activities that enable climate change mitigation or that are adapted, provided they are enabling activities.

Under this regulatory definition, Solocal analysed its revenue-generating activities with respect to the definition of the activities in the taxonomy that it considered relevant. The activities reviewed were therefore "Data processing, hosting and related activities" and "Programming and broadcasting activities". The other activities related to the Group's business model are only mentioned in Annex II on the mitigation objective but are not qualified as enabling activities.

- Concerning "Programming and broadcasting activities", it seems to us that none of Solocal's activities correspond to the definition of the taxonomy, namely "creation and broadcasting of media content", as this activity is carried out and edited by our customers, with Solocal being merely a service provider.
- Concerning "Data processing, hosting and related activities", we understand from our first analyses of the definition but also of the criteria for alignment that, within the meaning of the taxonomy, this activity relates to the management of energy and fluid savings in data centers. The Group's strategy is to outsource data hosting to third-party companies that own the servers. Solocal's activities cannot therefore be included in this activity within the meaning of the taxonomy.

According to the taxonomy to date and our understanding of the texts, the Group's percentage of eligible and aligned revenue is therefore zero (0%) of a total revenue of €359.7 million as presented on the first line of the income statement.

				Substantial contribution criteria						DNSH criteria (Do No Significant Harm)										
		Absolute revenue	Proportion of revenue	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of revenue, 2022	Taxonomy-aligned proportion of revenue, 2021	Category (enabling activity)	Category (transitional activity)
Economic activities	Codes	Currency	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)																				
Activity 1																				
Activity 2																				
Revenue from environmentally sustainable activities (Taxonomy-aligned) (A.1)																				
A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED)																				
Activity 1																				
Activity 2																				
Revenue from Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A2)																				
TOTAL (A.1 + A.2)		**0**	**0%**																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Revenue from Taxonomy-non-eligible activities (B)		359.7	**100%**																	
TOTAL (A+B)		**359.7**	**100%**																	

3.1.2.2 Aligned CapEx

Group CapEx, in accordance with the definitions given in the delegated act relating to Article 8 of the Regulation, corresponds to increases and investments over the period in property, plant and equipment (IAS 16), intangible assets (IAS 38) and rights of use under leases (IFRS 16). At 31 December 2023, taxonomy-eligible Group CapEx amounted to €0.9 million.

In the clarifications provided by the European Commission at the end of 2022, it appears that for "eligible" (non-enabling) activities, only the investments of the period contributing to the adaptation of the activity can be considered as aligned, and not the entirety of the CapEx of the period related to this activity. Last year, in the absence of any clarification, we considered that all CapEx related to the Websites and Connect activities was eligible, under "Programming, consultancy and other IT activities" in Annex II (adaptation objective). Although our analysis of the technical criteria enabled us to confirm that our Website and Connect activities were eligible, no investments were made this year in relation to this adaptation.

Concerning the CapEx generated by individual measures related to eligible activities listed in Annexes I and II of the delegated acts, we have identified the new property and vehicle fleet leases taken out during the year.

Although this item of expenditure is set to become aligned in the next few years, it appears that, with regard to the technical criteria, for the year 2023, the vehicles in categories M1 and N1 made available by the Company do not meet the specific CO_2 emission requirements.

A property lease has been signed for 2023.

Aligned CapEx is therefore zero (0%) over the period 2023.

				Substantial contribution criteria						DNSH criteria (Do No Significant Harm)										
	Codes	Absolute CapEx	Proportion of CapEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of CapEx, 2022	Taxonomy-aligned proportion of CapEx, 2021	Category (enabling activity)	Category (transitional activity)
Economic activities		Currency	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)																				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																				
A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED)																				
6.3. Urban and suburban transport, road passenger transport																				
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A2)		0.9	4%																	
TOTAL (A.1 + A.2)																				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities (B)		23.4	96%																	
TOTAL (A+B)		**24.3**	**100%**																	

3.1.2.3 Aligned OpEx

Group OpEx, according to the definitions given in the delegated act relating to Article 8 of the Regulation, correspond to the following types of expenses: research costs, building renovation costs, short-term leases, maintenance/upkeep and repair costs, and any other direct expenses related to the ongoing maintenance of tangible assets required to keep those assets in good working order.

According to this definition, total taxonomy-eligible Group OpEx amounts to €4.9 million, included in the external expenses presented in the income statement. Given the Group's activities, the percentage of aligned OpEx is very low.

				Substantial contribution criteria						DNSH criteria (Do No Significant Harm)										
Economic activities	Codes	Absolute OpEx	Proportion of OpEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of OpEx, 2022	Taxonomy-aligned proportion of OpEx, 2021	Category (enabling activity)	Category (transitional activity)
		Currency	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)																				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																				
A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED)																				
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A2)		4.9	4%																	
TOTAL (A.1 + A.2)																				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-non-eligible activities (B)		117	**96%**																	
TOTAL (A+B)		**121.9**	**100%**																	

3.2 Statement on Non-Financial Performance

In accordance with the transposition of the European Union Non-Financial Reporting Directive, Solocal included its Statement on Non-Financial Performance in its management report as from 2018, covering the main governance, social, environmental and societal risks relevant to its business activities. As a listed Company, it also includes information about preventing corruption, tax evasion and respect for human rights.

Reporting guidelines explaining the scope and CSR indicators published in this Registration Document are available in the appendix.

Since 2015, quantitative data have been collected through the Reporting 21 tool, a collecting and processing application for non-financial information, which enables reliable collection and makes it possible to comment on and trace data consolidation.

Since 2018, qualitative monitoring has been set up by the Corporate Development division's Compliance & CSR department with the CSR Committee and the CSR Correspondents for the eight priorities defined in the SNPF.

In 2016, the CSR audit and advisory firm Cabinet de Saint-Front was appointed as the independent third party organisation (ITPO) in charge of conducting the audit of CSR information pursuant to the provisions of the Grenelle 2 Act. Since 2018, it has been appointed independent third party organisation (ITPO) to assess the compliance and accuracy of the information published by Solocal in its SNFP.

3.2.1 ORGANISATION OF THE SNFP

The SNFP includes the following:

Solocal business model

The Company's business model diagram as well as information on the context, organisation and strategy to help understand it are provided at the beginning of Chapter 3 - Statement on Non-Financial Performance (SNFP) (pages 52 and 53) of this Universal Registration Document (URD).

Major risks

With the entry into force of the new Prospectus Regulation (EU) 2017/1129 applicable since 21 July 2019, the method for identifying risks in a prioritised manner is described below. The non-financial risks identified since 2018, as described below, have been monitored in order to deploy a long-term policy within the Company and with the stakeholders with whom Solocal works on a daily basis.

Performance, objectives and policies

A fact sheet describing each non-financial priority is included in paragraph 3.2.3 of the SNFP.

Appendices

Additional risks

Methodology note

ITPO report

3.2.2 NON-FINANCIAL RISKS AND PRIORITIES

3.2.2.1 Protocol for identifying non-financial risks

Solocal used two tools to identify the Company's main non-financial risks:

- a "**materiality assessment**" conducted by the CSR division in 2017 on various Solocal stakeholders. 40 contact persons were consulted, of which 24 employees in-house and 16 representatives of external stakeholders (corporate clients, Solocal service users, public authorities, professional federations, journalists, NGOs, etc.). 150 hours of dialogue enabled us to prioritise non-financial issues for the Company as regards stakeholder expectations;
- a **risk mapping** steered by the Compliance & CSR department has been carried out every year since 2018. It is described in chapter 2 of the Universal Registration Document (URD).

The results of these two systems have been cross-referenced and completed to cover all the topics required by the regulations, but also to take account of Solocal's activity and the Company's current financial and social context.

These results were then presented to Solocal's Executive Committee.

3.2.2.2 Non-financial risks and priorities for Solocal

In line with the eight governance, social, societal and environmental priorities identified in 2018, and as an extension of the risk analyses carried out every year since 2018, Solocal's non-financial priorities continue to focus on addressing the Company's main CSR risks.

Domains	Non-financial risks 2023	Non-financial priorities 2023
Societal	– Competition from major and emerging players in our markets and disruption of the business model / risk level: major	**1.** Fighting the desertification of town centres by promoting short circuits and digital citizenship
	– Lack of visibility for PagesJaunes and deterioration of Solocal's brand image / risk level: major	**2.** Ensuring publication of responsible, widely accessible content
Governance	– Failure to comply with French Data Protection Act and GDPR (General Data Protection Regulation) / risk level: major – Cyber-risks and IT security breaches / risk level: major	**3.** Promoting the respect and security of personal data
	– Non-compliance with the Sapin 2 and Waserman laws and risk of conflicts of interest / risk level: moderate – Lack of integration of CSR priorities into the development strategy / risk level: moderate	**4.** Consolidating ethical governance and taking CSR aspects into account to ensure the Company's sustainability
Employer responsibility	– Lack of attractiveness and difficulty in retaining staff / risk level: moderate	**5.** Supporting the transformation of jobs and skills
	– Psychosocial risks and sales staff absenteeism / risk level: major	**6.** Promoting the development of a pleasant work environment for all
	– Lack of attractiveness and difficulty in retaining staff / risk level: moderate	**7.** Improving employee commitment and making the Company more appealing
Environment	– Environmental risk linked to climate change / risk level: minor	**8.** Optimising energy consumption, use of resources and reducing the carbon impact for sustainable digital

3.2.3 POLICIES AND INITIATIVES IN RESPONSE TO NON-FINANCIAL RISKS

3.2.3.1 Solocal's societal priorities

3.2.3.1.1 Fighting the desertification of town centres by promoting short circuits and digital citizenship

Related Sustainable Development Goals (SDGs)

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all by ensuring that women and men have equal access to technical, vocational and tertiary education.

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all by promoting development-oriented policies that foster productive activities, the creation of decent jobs, entrepreneurship, creativity and innovation and stimulate the growth of micro-, small and medium-sized enterprises and facilitate their integration into the formal sector.

RISK RELATED TO THIS PRIORITY

- Competition from major and emerging players in our markets and disruption of the business model / Impacts in the event of risk occurrence: loss of customers, loss of revenue and market share, challenge to value chain in the digital marketing ecosystem.

Our key performance indicators for 2023

- 20 LocalPartner platforms (local web directories) made available to local authorities since 2019 (+5.26% vs. 2022).
- 115,222 digital audits performed (+3.57% vs. 2022) This scope now includes all requests from a single client.
- 216 town halls, local authorities and administrative services equipped with an online booking solution to promote online citizenship: +21.35% vs. 2022.

Our objectives for 2024

- Use online digital audits to diagnose 116,416 companies vs. 98,000 in 2023
- Increase the number of town halls, local authorities and administrations equipped with an online booking solution by 10%

Our policy

The degree of digital maturity of French companies is very heterogeneous. This low adoption of the Internet creates a risk of loss of competitiveness for the French regions. In order to contribute to the digital inclusion of small and medium-sized businesses and people undergoing professional retraining and to the development of digital skills across France, Solocal is pursuing its mission to vitalise local life by implementing a collaborative and partnership policy with local institutional and economic ecosystems (consular chambers, regional and local authorities, town halls, associations, ministries) in an effort to fight the desertification of town centres.

This policy mobilises Solocal's marketing, sales, CSR and Public Sector teams, who provide the regions with digital tools and share their expertise with local businesses. Digital advisors travel throughout France to contribute to regional digitalisation and to meet with local businesses.

1) HELPING LOCAL BUSINESSES TO ADOPT DIGITAL TECHNOLOGY, PROMOTING SHORT SUPPLY CHAINS AND DIGITAL CITIZENSHIP

In order to contribute to economic development in the regions, to fight the desertification of town centres and to promote short circuits, Solocal:

- offers all companies in France an online **Digital Audit**, free of charge, to enable them to assess their digital maturity and the quality of their online presence, together with **personalised support by a digital coach**;
- provides expert advice and best practices through a "**Resources**" space (available on Solocal.com) dedicated to the digitalisation of their business through articles, white papers and a web series;
- provides local authorities free of charge with its **LocalPartner** solution, a local web platform that lists all local shops and businesses. This version of PagesJaunes.fr, in the colours of the local authority, enables local businesses to use digital services such as updating their information and news, instant messaging and online appointment booking;
- lists **French town halls** equipped with an online booking solution for the delivery of identity documents on the national search engine (https://rendezvouspasseport.ants.gouv.fr/) set up by the French National Agency for Secure Documents (Agence Nationale des Titres Sécurisés, ANTS) in order to facilitate access to an appointment slot for renewing or obtaining an identity card or passport;
- works closely with local authorities to promote digital citizenship through its presence at the **Salon des Maires et des Collectivités Locales**;
- simplifies and facilitates **citizen relations** through **customised solutions that are referenced by** Union des groupements d'achats publics (**UGAP**) **and the GouvTech catalogue** of the Interministerial Digital Directorate (**Direction Interministérielle du Numérique, DINUM**). These solutions include online appointment booking to optimise schedules and simplify procedures for users, the availability of standardised contact information for public institutions and points of contact for the general public, and finally communication campaigns to keep citizens and businesses informed in real time by email and SMS;
- simplifies sourcing for **French public purchasers** with NUKEMA, with whom Solocal signed a partnership agreement in 2022. This is a sourcing platform that enables local authorities to find local businesses. Public purchasers using this sourcing tool can search directly for their future suppliers in the PagesJaunes database. The contact details of more than 4 million listed businesses, together with all the government contracts won by them, are accessible in just a few clicks. This partnership between two French technology companies provides public officials with an intuitive, user-friendly tool that aims to encourage public decision-makers to use small local businesses;

- promotes access to local public services across France by promoting **Maisons France Services** (local structures set up to help citizens with administrative procedures) on its PagesJaunes media as part of its partnership with the National Agency for Regional Cohesion (Agence nationale de la cohésion des territoires, ANCT). With 13 million French people lacking digital skills[1], the France Services one-stop-shops spread across the country give people access to a local public service less than 30 minutes from their home where they can be helped with their online administrative procedures (taxes, job centre, health insurance, retirement insurance, family allowances, etc.). Thanks to PagesJaunes, citizens can easily find the contact details of the 2,528 Maisons France Services online.

2) SUPPORT FOR NATIONAL SOLIDARITY INITIATIVES

Solocal makes its digital expertise available to major national causes, and as such supports:

- **national causes relating to public health and safety** through dedicated inserts on the home page of its PagesJaunes media, campaigns by email and SMS and on social media, which enable it to reach as many French people as possible. Examples include **PagesJaunes and PagesBlanches display campaigns**, encouraging people to **donate blood** with Etablissement Français du Sang (**EFS**), raising awareness of the **fight against breast cancer** via a prevention campaign **with Institut National du Cancer,** and a Christmas road safety campaign with the Prévention Routière association. Solocal is also committed to raising awareness among its employees, in particular through internal communications and challenges, to **fight breast cancer** via the **"Solocal en rose" campaign for Pink October** and to **fight male-specific diseases** and in particular prostate cancer with the "Tou(tes) moustachu(es) chez Solocal" (**Movember**) challenge;
- **national causes relating to the fight against digital exclusion** through a partnership with Emmaüs Connect, which led to the creation of the "Partage de co" platform. This is a major drive for citizens to help each other digitally, encouraging people who are more digitally literate to share their skills (via tutorial editing), their connections (via data sharing) and their contacts (via a mapping of digital mediation centres). Solocal also supports the government's action with Agence nationale de la cohésion des territoires (ANCT), which has created Maisons France Services[2] to **fight digital illiteracy**. Maisons France Services help French people and companies who are unfamiliar with digital technology with their online administrative procedures. In 2023, **Solocal was awarded the Prix d'Accessibilité des Cas d'Or du Secteur Public Numérique by the Paris CPAM** (health insurance office) for having provided its ten branches with our online booking solution to provide people receiving state medical aid with an easier access to their services;
- **national causes relating to digital accessibility** through a partnership with the **government-backed startup Acceslibre** (supported by the Ministry for Ecological Transition and Territorial Cohesion and the Interministerial Digital Directorate) which, via its public and collaborative database, records and shares information on the accessibility of places open to the public in order to **combat exclusion**. So it was a logical step for Solocal to join forces with Acceslibre to provide PagesJaunes.fr users (particularly those with disabilities) with accessibility information on businesses and public institutions throughout France;
- **national causes relating to the reduction of energy consumption**, by continuing our membership of the **EcoWatt** Charter, the electricity forecasting service, which also provides information on low-carbon hours to optimise the use of resources;
- **national causes relating to support for natural disasters**, by providing PagesJaunes.fr users with a dedicated insert redirecting them to the Fondation de France website, enabling them to make donations to help the victims of the earthquake in Morocco.

(1) INSEE.
(2) In town halls and local public institutions.

2023 Commitments	2023 Initiatives

Helping local businesses adopt digital technology	– 115,222 **digital audits** carried out with companies
	– **Referencing of Solocal's digital offers** maintained:
	  – with **five partner regions** to help local businesses use regional aid for digitalisation: Auvergne-Rhône-Alpes, Hauts-de-France, Ile-de-France, Sud (Provence-Alpes-Côte d'Azur) and Centre Val-de-Loire;
	  – in the **Smart City directory of Banque des territoires**;
	  – in the **GouvTech Catalogue of the Interministerial Digital Directorate** so as to publicise its solutions to public administrations;
	  – within the **multi-publisher market of UGAP** (Union des groupements d'achats publics).
	– Solocal was at the annual **Forum des Interconnectés** (with Intercommunalités de France and France Urbaine, among other partners) on 22 and 23 March 2023 in Toulouse, with a presentation on "Online citizenship and inclusion at the service of local authorities"
	– **XXV^e^ Assises des Petites Villes de France (APVF)** on 1 and 2June 2023 in Millau
	– **Salon des Maires de l'Ile-de-France (AMIF)** on 27 and 28June 2023 in Paris
	– **Salon des Maires et des Collectivités Locales** on 21, 22 and 23 November 2023 and presentation at the plenary session on "Online citizenship and inclusion at the service of local authorities"

Enhancing the economic development of city centres and promoting short circuits	– LocalPartner platforms provided free of charge, maintained and updated regularly for 20 local authorities including:
	  – 3 Regions (Hauts-de-France, Ile-de-France, Southern France)
	  – 2 urban communities (Grand Angoulême, Pays-de-Sommières)
	  – 15 cities (Apt, Argenteuil, Boulogne-Billancourt, Bordeaux, Clichy, Créteil, Draguignan, Ghisonaccia, Issy-les-Moulineaux, Marseille, Massy, Roubaix, Valence, Vincennes, Viroflay)

Supporting national societal initiatives	– **Public health:**
	  – highlighting Covid screening centres on PagesJaunes.fr and via push, email and social networking campaigns
	  – external awareness-raising campaigns via PagesJaunes and PagesBlanches display ads on blood donation, the fight against breast cancer and road safety
	  – internal awareness campaigns for Pink October (breast cancer) and Movember (male-specific diseases)
	– **Digital inclusion and accessibility:**
	  – implementation of the partnership with **Emmaüs Connect** launched in September 2023 (Partage de Co)
	  – our online booking solution for people receiving state medical aid made available to all 10 CPAM branches inParis
	  – signing of a **partnership with the government-backed startup Acceslibre**, supported by the Ministry for Ecological Transition and Territorial Cohesion and the Interministerial Digital Directorate

3.2.3.1.2 Ensuring publication of responsible, broadly accessible content

Related Sustainable Development Goal (SDG)

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all by promoting development-oriented policies that foster productive activities, the creation of decent jobs, entrepreneurship, creativity and innovation and stimulate the growth of micro-, small and medium-sized enterprises and facilitate their integration into the formal sector.

RISK RELATED TO THIS PRIORITY

- Lack of visibility for PagesJaunes and deterioration of Solocal's brand image: impacts in the event of risk occurrence: loss of audience, loss of revenue, being outdone by the competition on verticals and general search engines, insufficient downloads of the PagesJaunes app

Our key performance indicators for 2023

- 7.9[1] is the transactional satisfaction rating of PagesJaunes.fr users (+5.33% vs. 2022)
- +36 (vs. +23.6 in 2022): NPS (Net Promoter Score) for PagesJaunes, annual average based on transactional surveys of nearly 25,200 respondents This change in points (+12.4) can be explained by the improvement and take-up of the new PagesJaunes app throughout 2023, with the TV and display advertising campaigns launched in Q1 and Q2 2023 resulting in improved visibility and an increase in the audience for PagesJaunes, with the integration of the NPS on PagesBlanches (15% of the audience), bearing in mind that PagesBlanches remains popular and satisfies our users.
- 394,000 businesses use our Solocal Manager platform free of charge for simple content updates
- 81% digital accessibility of PagesJaunes.fr (+0 points vs. 2022 when the rate was identical)
- 57% digital accessibility of the PagesJaunes app[2]
- 43% digital accessibility of Solocal.com (+0 points vs. 2022 when the rate was identical)
- 42% digital accessibility of Solocal Manager (+0 points vs. 2022 when the rate was identical)
- 85% digital accessibility of Store Locators (+0 points vs. 2022 when the rate was identical)
- 87% digital accessibility of LocalPartner web directories (+0% points vs. 2022 when the rate was identical)

Our objectives for 2024

- Reach a score of 8 for PagesJaunes user satisfaction
- Increase use of Solocal Manager platform, allowing all businesses to update their information on PagesJaunes free of charge
- Maintain level of digital accessibility of PagesJaunes.fr, Store Locator and LocalPartner at 80% at least
- Improve digital accessibility of Solocal.com and Solocal Manager to exceed 60% by 2025
- extend digital accessibility to at least 70% for two key digital services by 2025: the PagesJaunes app and the ClicRDV solution (online appointment booking)
- Raise awareness of digital accessibility among 100% of our employees and all new entrants

Our policy

Solocal aims to provide universal access to quality content in order to guarantee users of its digital services an optimal experience in finding the right business and developing a trusting relationship with it. By pursuing a responsible policy in the design and use of its digital services by companies and users, Solocal is fulfilling its mission to vitalise local life for all, in complete confidence. This commitment covers all the information and advertising content produced and distributed on Solocal's platforms, on its PagesJaunes media, and on partner media, as well as the accessibility of all its public communication services to all persons, whether disabled or not. In order to respond as closely as possible to the expectations of users seeking ever greater ease of use and relevance in their local Internet searches, Solocal relies on an in-house team of 20 people and around 50 external service providers dedicated to the production and management of the content of its PagesJaunes.fr media. The NPS and the PagesJaunes satisfaction score reflect the quality of the media by measuring both the quality of the customers' experience and how likely they are to recommend it.

As the reference in terms of content on professionals and businesses in France, Solocal focuses on two strategic areas in order to ensure the publication of responsible, broadly accessible content:

1) ENRICHING SOURCES OF CONTENT ON PROFESSIONALS AND BUSINESSES AND MODERATION THEREOF

Solocal works closely with several partners and database suppliers, highly qualified in their respective fields, to index all the French companies in each business sector and enrich their profiles with useful, reliable data.

(1) *Score calculated on the basis of the NPS: share of 4 and 5 scores out of 10.*

(2) *The accessibility rate has risen from 27% on 31 July 2023 (following an accessibility audit carried out by Urbilog) to 57% after integration by Solocal's technical and marketing teams.*

To this end, Solocal:

- continually improves its content thanks to **public data available in open data** from governmental bodies, local authorities and public services such as:
  - the SIRENE, BODACC, RCS (Trade and Companies Register) directories for companies, and consular chambers,
  - AMELI, RPPS (Registre Partagé des Professionnels de Santé) and ADELI files for healthcare practitioners,
  - AFNOR Certification and ADEME, which grants the RGE label "Reconnu Garant de l'Environnement" (Recognised Environmental Guarantor Label),
  - AtoutFrance for registered travel operators and tourist accommodations, etc.;
- in its capacity as the publisher of a universal directory, integrates the **data made available by telecom operators**;
- enriches its vertical and transactional content with information provided by:
  - **private partners** (such as La Fourchette / Accor/Orange), and **public partners** (such as the government-backed startup Acceslibre),
  - third-party certified organisations: Avis Vérifiés, OpinionSystem, GarageScore, Critizr, Guest Suite, Custplace, Fidcar, Immodvisor, Q3 and Batiref;
- carries out regular algorithmic monitoring of performance and engagement indicators on the **content quality of its databases.**

In 2023, Solocal continued the policy it had initiated in 2020, when new dashboards were implemented to provide real-time monitoring of quantitative and qualitative changes in the content referenced in its services and its customers' products, in addition to the more qualitative surveys already in place.

In order to continuously ensure the relevance and integrity of the companies that Solocal lists, they are classified according to four levels of criticality to which specific checks are applied, notably in order to ascertain the business effectively exists and that it has the right to register under a specific professional category. A bi-monthly summary is carried out with PagesJaunes to detect alerts and correct them as quickly as possible.

This policy was intensified so as to further improve the reliability of the approximately **4.2 million companies listed in our digital services**.

Our PagesJaunes media is developing through a genuine "user-centric" policy, including:

- online questionnaires on our sites and applications: more than 6,561 verbatim responses collected in 2023 to monitor user satisfaction on a daily basis and close to 25,200 user comments giving a satisfaction score (with or without verbatim report) to calculate the NPS;
- a strategy of continuous AB and beta testing to optimise and streamline our user interfaces;
- individual interviews and surveys with 7,755 PagesJaunes users to continue to put our businesses and users at the heart of the experience offered;
- a "Contact us" explanatory page was highlighted in the footer of the PagesJaunes.fr website, enabling users (businesses or private individuals) to be directed to the appropriate service and to leave Solocal a message on the digital mailbox dedicated to user support (bug reports, feedback on features of the PagesJaunes account, etc.). This will enrich user feedback and help grow their confidence in the PagesJaunes media.

In addition, Solocal's teams index the certifications and labels of the listed businesses so that each user can find the right business in complete confidence. These elements are a guarantee of trust for the user and also allow businesses to stand out while facilitating transactions. Since July 2022, the new Super Pro badge has been available online at PagesJaunes.fr. It highlights businesses in the housing sector with RGE certificates and an excellent user rating (greater than or equal to 4.8/5) on PagesJaunes.fr and Google. And in 2023, six new labels were added: Engagé RSE AFNOR, QualiRépar, Quali'Psad, Vignerons Engagés, Le label LIR and Accueil Qualité Commerces et Services.

2) ACCESS TO CONTENT BY LOCAL BUSINESSES AND DIGITAL ACCESSIBILITY OF DIGITAL SERVICES

Solocal is particularly committed to simplifying its content and making it accessible to all, through a user path designed to contribute to the digital inclusion of all professionals and all people, including those with disabilities. In order to guarantee that its content is accessible, Solocal:

- allows its clients and all French companies to access their own content, simply and free of charge, via the Solocal Manager application. This initiative is driven by the search for an optimal, responsible browsing experience as well as by the possibility for businesses to consult, adapt and enrich their local profiles on our digital media and those of our partners;
- is committed, in partnership with Urbilog, an expert in digital accessibility, to a **digital accessibility policy for its digital services**, in addition to compliance with the Law for a Digital Republic[1] of 7 October 2016 on the obligation of digital accessibility for companies with revenues of more than €250 million. This policy is steered by the Compliance & CSR department and more specifically by the **Group's Digital Accessibility Officer, whose position was created in October 2020 under a letter of assignment from the Chief Executive Officer**. Our PagesJaunes.fr website has been a forerunner in taking digital accessibility into account, with a digital accessibility rate now reaching 81%. In 2023, we continued the special effort on our PagesJaunes media and its LocalPartner version, which have integrated the standards that make digital technology accessible. That said, our corporate website solocal.com and our customer platform Solocal Manager have not yet been revised along these lines. However, work on our mobile apps has led to an accessibility audit (IOS

(1) IN Article 106 of this law and its application decree of 25 July 2019.

and Android) of our PagesJaunes app. And our policy of raising awareness among all employees and new entrants is continuing, so that these good practices become everyday habits. Solocal has initiated discussions with several accessibility players so as to not only enhance the visibility of businesses providing access to people with disabilities, but also strengthen the digital accessibility of its services. In November 2023, at the Salon des Maires et des Collectivités Locales, Solocal announced the signing of a partnership with the government-backed startup Acceslibre (supported by the Ministry for Ecological Transition and Territorial Cohesion and the Interministerial Digital Directorate), which involves **promoting digital accessibility and making the web more inclusive** by integrating a widget on PagesJaunes.fr that provides information on business accessibility.

2023 Commitments	2023 Initiatives
Guaranteeing a quality and control process for content on PagesJaunes	– Monitoring of registrations completed directly on PagesJaunes.fr or via customer services to avoid false information being entered into its resources (via algorithms and database cross-referencing) for the 513,000 new companies and undertakings listed in 2023 out of the 4.2 million businesses featured – Nearly 2.8 million business listings updated on PagesJaunes every month – Quarterly reliability tests of our published content by sampling (of at least 5,000 businesses) – Renewal of content partnership with Bing, taking into account indicators covering the following quality areas: completeness of the database, richness of content, quality and freshness of the database. Since the beginning of 2022, Microsoft and Apple have continued to provide us with their own "report a problem" user feedback, relating to contact details deemed to be incorrect (this feedback is all moderated by Solocal), enriching the user feedback sent to the PagesJaunes media – Number of moderated reviews searchable on PagesJaunes.fr: 17.7 million reviews published on PagesJaunes at the end of December 2023, including 1.9 million submitted by PagesJaunes users and 15.72 million from our partners (Avis Vérifiés, Opinion System, etc.)

Ensuring the digital accessibility of Solocal's digital services	– Implementation of a digital accessibility policy, in addition to compliance with the law:
	  – audit of the PagesJaunes app
	  – publication of legal documents (Declaration of Accessibility, Multi-year Accessibility Plan and Annual Accessibility Plan)
	  – launching a study on providing digital accessibility to our customer sites in the light of the new French regulations, which transposed Directive (EU) 2019/882 of 17 April 2019 on the accessibility requirements for products and services into French law in March 2023

Raising awareness of digital accessibility	– Continued training of all employees and new entrants in digital accessibility – Deployment of an internal awareness campaign – Page dedicated to digital accessibility on solocal.com to raise awareness among our customers and partners

3.2.3.2 Solocal's governance priorities

3.2.3.2.1 Promoting the respect and security of personal data

Related Sustainable Development Goal (SDG)

Promote peaceful and inclusive societies for sustainable development through the guarantee of public information and the protection of fundamental freedoms, in accordance with national legislation and international agreements.

RISKS RELATED TO THIS PRIORITY

- Failure to comply with French Data Protection Act and GDPR (General Data Protection Regulation) / Impacts in the event of risk occurrence: CNIL inspection and/or litigation relating to the protection of personal data, sanctions, damage to reputation, loss or leakage of data
- Cyber risks and IT security breaches / Impacts in the event of risk occurrence: publication of malicious information on company media, failure to comply with French Data Protection Act and GDPR, data compromise, financial losses, damage to reputation, customer complaints.

Our key performance indicators for 2023

- Time frame for processing requests for the deletion of personal data: 3 days in 2023 vs. 5 days in 2022
- Time frame for processing requests for the rectification of personal data: 4 days in 2023 vs. 10 days in 2022
- 75.7% of employees trained in personal data protection issues since the launch of the course in July 2023
- 79% of employees trained in cybersecurity issues **since the launch of the course in July 2021**
- Solocal's cybersecurity(1) maturity score: 559/1000 at 31 December 2023

Our objectives for 2024

- Maintain time frame for processing requests for the rectification and deletion of personal data below 10 days
- Train 100% of employees and new entrants on the challenges of personal data protection
- Train 100% of employees and new entrants in cyber security issues
- Offer a cyber security awareness kit to our customers
- Improve the Group's maturity and security score

Our policy

Solocal has made the protection of personal data an essential, central element of its activity in order to ensure its sustainability. In 2023, the issues linked to the protection of personal data were prioritised within the Company. A **GDPR Committee** was therefore created in January 2023 within Solocal's Executive Committee. This Committee, which meets quarterly, is made up of all the members of the Executive Committee. Its purpose is to establish and monitor the Group's GDPR compliance plan and to approve defining projects in this area. In addition, Solocal's personal data team has successfully passed the IAPP's (International Association of Privacy Professionals) DPO certification. 100% of the team is now DPO certified. In line with our conviction that "Privacy is good for business", Solocal is also committed to help building an internet of trust. In order to promote the respect and security of personal data, the Company has developed a policy with a two-fold focus:

1) THE PROTECTION OF PERSONAL DATA AS A SELLING POINT

Over and above compliance with applicable regulations on the protection of personal data (French Data Protection Act, GDPR, e-privacy, etc.), Solocal:

- intends to earn its customers' trust. This regulation is an opportunity to enshrine the principle that ***"Privacy is good for business"***. As early as 2011, Solocal appointed a Data Protection Officer (formerly Correspondant Informatique et Libertés) and a team dedicated to data protection, seven years ahead of the regulatory obligation created with the GDPR. With its internal GDPR compliance programme, deployed from July 2017, Solocal supports its VSE/SME and large account clients as well as public institutions in their compliance;
- sets up a compliance plan taking into account the latest developments and new requirements of the French Data Protection Authority (Commission nationale de l'informatique et des libertés - CNIL) to help prioritise the actions to be taken;
- carries out regular audits to ensure compliance of its digital media;
- organises business workshops to raise awareness of personal data protection and the GDPR;
- provides its customers with a GDPR compliance document on a number of services/offers (online appointment booking solution for key accounts and the public sector, customer platform for key accounts, etc.);

(1) This scoring is carried out using the Board of Cyber solution. The company's score improved from 484/1000 in October to 559/1000 at 31 December 2023.

- raises awareness of GDPR among its customers by posting videos on the solocal.com website and sharing articles/FAQs on personal data protection topics.

  In 2023, Solocal's engagement enabled it to pass the GDPR audit conducted by Google for certification under Google's "Authorized Buyers Audit Program";
- wants to play a role in ensuring that its users' personal data is protected. In this respect, the company has interprofessional certifications and labels, such as:

– **Drive-to-Trust certification**, which transparently guarantees the compliance of advertising companies' mobile solutions to their customers. The Drive-to-Trust Right People label validates the quality of solutions that offer the audience segments necessary for inventory valuation;

- actively participates, through membership in various organisations (GESTE, Search and Information Industry Association, Syndicat des Régies Internet, Alliance Digitale), in the work of the digital ecosystem to promote good practices in terms of personal data protection.

Given the significant increase in the average time to process and modify data in 2021, Solocal has chosen to make the handling of personal data a company-wide issue. AS such, the customer service is now able to respond to all of our users on their personal data with an average timeframe that is exemplary compared to the regulatory timeframe required (1 month), thanks to actions implemented since 2022. In 2023, this was reflected in the fact that processing times for rectification requests were reduced from 10 to 4 days and for deletion requests from 5 to 3 days. Solocal is constantly working to put consent tools back at the heart of the browsing experience. The Company thus contributes to improving the data protection of all visitors as well as businesses, with over 200,000 consent management platforms.

2) IT SECURITY AS EVERYONE'S BUSINESS

In order to contribute to the protection of personal data and to be a trusted third party in the security of personal data, Solocal is steering an information security management system (ISMS) programme. This policy is focused on four commitments:

- ensuring the security of the Company's information systems;
- raising employee awareness about information system security risks on an ongoing basis;
- protecting the Company's assets;
- consolidating internal governance that makes information system security everybody's responsibility.

Through the company's IT Charter, this policy involves all the Company's employees.

The Group's Cybersecurity Director has enabled the secure equipment of all employees through the implementation of dual authentication (MFA: Multi Factor Authentication). Each employee was provided with support so as to ensure optimum safety, particularly given the rise in remote working.

To prevent cyber risks, Solocal therefore set up a multi-year training plan in July 2021, which is renewed every year. This e-learning programme, which is mandatory for all employees, offers technical data sheets, educational videos, live broadcasts and phishing simulation campaigns to raise awareness of cybersecurity.

As a further affirmation of its commitment to cybersecurity, Solocal has been participating since 2021 in the European "Cybermonth" event to remind all its employees of good security practices. This event continued in 2023 and was once again an opportunity for all the Company's employees to participate in special webinars on cybersecurity as well as cyber meetings with the teams, held throughout the year. All the sales teams were also made aware of the importance of sharing their expertise with their customers and prospects throughout the country.

2023 Commitments	2023 Initiatives
Raise employee awareness and train them on issues related to personal data collection and cybersecurity	– Mandatory training for all employees in cybersecurity issues via the Solocal Academy corporate platform, with several modules covering the following subjects, which have been enhanced: (i) email and phishing, (ii) GDPR and personal data protection, (iii) passwords, (iv) protection of sensitive information, (v) workstation management, (vi) vishing or voice phishing and (vii) good practices to adopt when working outside the workplace – 6 internal communication campaigns to raise awareness of cybersecurity issues – Awareness-raising workshops for small groups of employees, meeting business units' needs in terms of personal data protection (information and consent, main principles of the GDPR in terms of customer relations, etc.). – Mandatory personal data protection training for all Group employees and new entrants – Newsletters on the protection of personal data, with the latest news on the CNIL or the European authorities
Share best practices with Solocal's customers, partners and suppliers	– Provision on Solocal.com of a platform of recommendations for maintaining a sustainable and trustworthy business, with six educational and entertaining videos on personal data protection, digital accessibility and ethical business practices – The FAQs of our solocal.com portal contain best practices on how to deal with phishing

Introducing internal governance that makes information system security everybody's responsibility	– Creation of the GDPR Committee in January 2023
	– Continued operationalisation of the Information Systems Security governance system with:
	  – monitoring and control of the GISSP (Group Information Systems Security Policy) and the IT Charter
	  – safety controls on our suppliers using questionnaires or flash audits
	  – collaborative and decentralised work on information security through an enterprise-wide cyber community
	  – implementation of regular information security dashboards
	  – management of authorisations and accounts
	  – cyber maturity audit launched in November 2023

3.2.3.2.2 Consolidating ethical governance and taking CSR aspects into account to ensure the Company's sustainability

Related Sustainable Development Goals (SDGs)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION Ensure sustainable consumption and production patterns by encouraging companies, especially large and transnational ones, to adopt sustainable practices and to include sustainability information in their reporting.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS Promote peaceful and inclusive societies for sustainable development through the guarantee of public information and the protection of fundamental freedoms, in accordance with national legislation and international agreements.

RISKS RELATED TO THIS PRIORITY

- Non-compliance with the Sapin 2 and Waserman laws and risk of conflicts of interest / Impacts in the event of risk occurrence: inspection by the French Anti-Corruption Agency and sanctions, damage to reputation
- Lack of integration of CSR issues into development strategy / Impacts in the event of risk occurrence: energy-intensive and costly purchases, conflict of interest or corruption, strategy not in line with market and customer expectations, deterioration of CSR rating and company image, peer condemnation of our responsible purchasing policy.

Over and above compliance with laws and regulations, Solocal is convinced of the virtues of consolidating ethical and responsible governance and is committed to developing a policy that integrates CSR aspects so as to ensure the Company's sustainability.

Our key performance indicators for 2023

- 100% of employees trained in ethical and anti-corruption issues (Sapin 2 law)
- 263 suppliers assessed in total (+14.35% compared with 2022)[(1)]
- 0 ethical alerts received and processed (-7 vs. 2022)[(2)]
- EthiFinance Gaïa Rating: 69/100[(3)] (+1 point vs. 2022)
- EcoVadis rating: 60/100, Bronze medallist (+7 points vs. 2022)

Our objectives for 2024

- Continue to train 100% of new entrants in ethics and anti-corruption issues
- Inform all our VSE/SME customers about our ethical, GDPR and CSR issues through specific motion designs
- Continue to raise employee awareness of CSR and sustainability issues
- Obtain EcoVadis Silver label by 2025

Our policy

The company's transformation is profound and ongoing, and requires a cultural change that involves promoting an ethical culture within Solocal. This culture must drive the way we do business. The company has also drawn up ethical principles (trust, integrity, transparency and respect) that guide our day-to-day actions to develop our collective commitment to our eight CSR priorities and ensure the company's sustainability. Solocal's policy of consolidating ethical governance and taking CSR aspects into account is embodied in five mechanisms, the objectives of which are renewed each year in order to maintain a foundation of sustainable governance.

1) PROMOTING SOCIAL DIALOGUE

In order to promote social dialogue and value sharing, the Company:

- implements a **direct internal survey** of all Company employees, which is repeated every year (cf. social priority "Strengthening employee commitment and making Solocal more appealing" in this Statement on Non-Financial Performance);
- organises **regular discussions with the General Management** (in person and via videoconferences) for all employees. These discussions are an opportunity to review the latest highlights, to share product and marketing developments, and also to show employees they are valued;
- has implemented **remote working agreements**.

2) PROMOTING DIALOGUE WITH SHAREHOLDERS

In order to strengthen dialogue with shareholders and encourage long-term investor commitment, the members of the Board of Directors and the entire management team are particularly attentive to relations with both individual and institutional shareholders. This policy is steered by the Investor Relations department, which:

- facilitates exchanges with shareholders and investors via **bilateral meetings** (meetings with institutional investors or at conferences) and **dedicated tools** (telephone line, emails, web page, contact form, etc.);
- is developing a dedicated "investors and shareholders" page on the Solocal.com website to host all the **Company's financial information and make it easier for shareholders and investors to understand**.

3) STRENGTHENING THE TRANSPARENCY OF SOLOCAL'S NON-FINANCIAL PERFORMANCE

In order to improve the transparency of its non-financial performance, Solocal:

- is committed to responding each year to the **questionnaires of a number of non-financial rating agencies** and in particular to the EthiFinance Gaïa Rating index in order to share our CSR performance with institutional investors, in particular with regard to the SFDR[(4)](Sustainable Finance Disclosure Regulation);
- evaluates its CSR performance on EcoVadis;
- consolidates its CSR policy within the evaluation questionnaires of its customers and suppliers.

Solocal raises its employees' awareness of CSR issues by regularly publishing articles on the subject in the in-house newsletter or on the intranet.

4) DEPLOYMENT OF A GLOBAL ETHICS AND ANTI-CORRUPTION POLICY

In order to support the Company's cultural transformation, Solocal has been deploying a comprehensive Ethics and Anti-Corruption policy since 2018. This policy is supported by the Compliance & CSR Department within the Corporate Development division and more particularly by the **Ethics Officer appointed in October 2018 under a letter of assignment from the Chief Executive Officer**.

(1) This means 263 suppliers assessed since December 2019, out of a base of 1,001 active suppliers in 2022. The selection of at-risk suppliers requiring ethical assessment is based on two cumulative criteria: (i) the budget spent by Solocal with these suppliers and (ii) the nature of their activities. For the 2023 assessments, 104 suppliers were identified (of which 76 were assessed).

(2) This drop can be explained by the fact the Company has other reporting mechanisms available to employees, in particular via the Human Resources Department or staff representatives. In addition, even if no report is made, the Ethics Officer receives requests from employees and third parties throughout the year.

(3) Gaïa Research is the EthiFinance group's rating agency, specialised in rating the ESG performance of small and medium-sized businesses listed on European markets. It evaluates businesses in its coverage scope on the basis of a reference framework of approximately 140 criteria divided into four pillars: environment, social, governance, and stakeholders. Gaïa Research's reference framework is updated every year to analyse and take account of emerging ESG risks.

(4) This European Union regulation aims to provide greater transparency on environmental and social responsibility in the financial markets by requiring companies to disclose non-financial information and by defining a fund classification.

Concomitantly with the implementation of the Company's compliance with the Sapin 2 law on transparency, the fight against corruption and the modernisation of economic life, **four ethical principles** were affirmed in 2019 in the Company's Code of conduct:

- Trust
- Transparency
- Integrity
- Respect

As part of this policy, Solocal currently has several active mechanisms:

- a **Code of conduct** aimed at ensuring compliance with clear, universally-recognised rules, together with a policy of disciplinary sanctions;
- a **whistleblowing system** open to all employees and managers, enabling them to report, confidentially and outside Solocal's information systems, any serious harm to the interests of the Company's assets and persons. This system is also open to third parties;
- a training programme for all employees;
- a whistleblowing procedure;
- a gifts and invitations policy;
- a conflict of interest procedure;
- a **system for the assessment of third-party integrity**;
- an ethical due diligence process for mergers and acquisitions;
- an accounting control plan.

Much more than a legal obligation, fighting corruption and fraud is a priority for Solocal, which has zero tolerance in this area.

In 2018 and 2019, Solocal benefited from the expertise and support of the economic players' support hub of the French Anti-Corruption Agency (AFA) to challenge the Company's vision and enrich it with expected best practices.

5) A RESPONSIBLE PURCHASING POLICY

With a view to implementing a responsible purchasing policy, the teams have set up an evaluation grid through which ethical, legal, CSR, information systems and personal data protection issues are analysed and evaluated during each request for proposals. The Purchasing Department and the Compliance & CSR department are considering the introduction of a Responsible Purchasing Charter to replace the current Ethics and Sustainable Development Charter for our suppliers. In addition to this, Solocal has also equipped itself with the EcoVadis tool, a platform for evaluating CSR performance and responsible purchasing, in order to better understand the CSR policies of its suppliers and better control its impact.

2023 Commitments	2023 Initiatives
Promote dialogue with shareholders	– "Investors & Shareholders" space on Solocal.com – Participation in institutional investor conferences (Debt & Equity) – Dialogue with non-financial agencies and institutional investors on ESG criteria (Environment, Social and Governance) – Daily intelligence via a special communication channel for individual shareholders (mailbox & phone line)

Strengthen transparency of Solocal's non-financial performance	– Join the **Gaïa** index (69/100) Silver medallist
	– **EcoVadis** Bronze Label (60/100)
	– Publication of **CSR-themed articles and messages** in Solocal's in-house newsletter or intranet:
	  – information on **our CSR priorities** in our 2022/2023 Flyer
	  – raising awareness of the ten commandments of responsible digital technology
	  – raising awareness of International Women's Rights Day
	  – information on compliance in our 2022 SNFP

Ensure the Company's compliance with the Sapin 2 law	– **Ethics training for 100% of the Group's employees** – Raising employee awareness of the risk of corruption and on declaring gifts and invitations for the **International Anti-Corruption Day** – 78 suppliers assessed (based on ethical and CSR criteria) out of 104 identified as at risk (with regard to the Sapin 2 law) – Update of the Ethics/CSR evaluation grid – Update of the whistleblowing system (Code of conduct, platform and procedure) in the framework of the Waserman law on whistleblowers

3.2.3.3 Solocal's social priorities

3.2.3.3.1 Supporting the transformation of jobs and skills

Related Sustainable Development Goal (SDG)

Promote sustained, shared and sustainable economic growth, full and productive employment and decent work for all so that by 2030, full and productive employment can be achieved, and all women and men, including young people and persons with disabilities, can be guaranteed decent work and equal pay for work of equal value.

RISK RELATED TO THIS PRIORITY

- Lack of attractiveness and difficulty in retaining staff/ Impacts in the event of risk occurrence: loss of competitiveness, business capacity impacted, additional costs (to recruit and train new staff and use of service providers), loss of key skills.

Our key performance indicators for 2023

- Level of recommendation within the Company: 40% (-15 points vs. 2022)
- 162 internal transfers within the Company (-24.3% vs. 2022). This fall is linked to the reduction in Solocal's workforce and less recurrent organisational changes in 2023.
- Proportion of payroll for the training budget: 4.10% (-0.02 points vs. 2022)
- 18 new managers took the "Campus Manager" training, compared with 128 in 2022 (they started the course in 2023). There are fewer managers taking Campus Manager because most of them have already taken the course in 2022 or 2021.
- 96% of managers in France have taken the Campus Manager training
- Percentage of employees who responded to the internal opinion survey in January 2023 who consider the Company enables them to develop their skills and employability: 61% (-8 points vs. 2022)

Our objectives for 2024

- Maintain the percentage of employees who consider the Company enables them to develop their skills and employability at +5%
- Deploy new training courses for managers(1)
- Ensure that new managers (new hires or internal promotions) have undergone specific training on this function(2)
- Promoting internal transfers and changes in scope

Our policy

Solocal's success is built primarily on the experience, expertise and skills of its employees; ensuring that their skills match the changing needs of the Company's activities is a true challenge in today's competitive markets. As an extension of the strategic transformation plan and more specifically the refocusing on digital services, supporting employees through training is, from the Company's point of view, crucial to ensuring their employability, both in their development within the Company and in the enhancement of their skills externally.

The Company's policy with regard to supporting employees as jobs and skills change is one of the Company's core concerns. Solocal has made this issue a priority, with 13 people assigned to it in the Human Resources Department. The policy is structured around:

1) MANAGEMENT OF JOBS AND CAREER PATHS (GEPP)

Formalised in a collective agreement, the management of jobs and career paths policy (GEPP) is designed to support the evolution of jobs and skills over three years on the basis of an annual analysis. Each year, these elements are at the heart of the Company's social dialogue. In this way, the Company:

- categorises jobs into "major skills evolution", "growing" and "decreasing demand";
- implements the systems to support these changes, notably thanks to an extensive training offer to ensure retraining or adaptation, whether this takes place within the Company or in an external mobility context.

Following the reopening of negotiations in 2022, Solocal SA signed a GEPP agreement in February 2023. The agreement aims to have a positive impact on both employees and the Company's economic performance, by supporting employees in their professional careers, identifying the jobs of the future, setting up vocational training to help them develop, as well as introducing internal mobility, extending scopes and anticipating reclassification in order to ensure employee employability and maintain the Company's competitiveness.

2) A TRAINING PLAN

The training plan, presented and discussed at the Executive Committee, at the Training Commission and at the Social and Economic Council (SEC), aims to design a training policy. In this context, the Company pays attention to:

- supporting its economic priorities;
- accelerating professional development and boosting employability;

(1) *These new training courses are designed to help them with recruitment, performance, identifying training needs, etc.*
(2) *Through Campus Manager or local management workshops*

- supporting cultural and managerial transformation;
- promoting a learning system focused on proactive sharing that benefits everyone;
- modernising and innovating in the field of training.

Solocal has strengthened these digital training systems and has set up a **mandatory base of e-learning training courses for all new recruits** to raise their awareness of the challenges of cybersecurity ● personal data protection ● ethics and anti-corruption ● digital accessibility ● remote working and ● the PagesJaunes media. The **training scheme for** new **managers** (joining the company or promoted) continued in 2023 with "Campus Manager". Other management training courses were launched in 2023, including a course for local sales channel managers.

2023 Commitments	2023 Initiatives [1]
Implement the training plan, focusing on four priorities: – implementing the Company's strategic orientations; – developing cross-cutting expertise and agile and collaborative working methods; – adapting skills in response to changes in jobs, tools and organisations; – supporting management in conveying the business culture, our leadership model and hybrid working methods.	– Sales training for 236 learners – Training in Solocal solutions for 536 learners – Professional development training for 499 learners – Ethics and anti-corruption training (Sapin 2 law) for 100% of the Group's employees and new entrants – Cybersecurity training: 79% of the Group's employees and new entrants – Training on the protection of personal data: 75.7% of the Group's employees since its launch in July 2023 – Management training (Campus Manager) for 89 learners – Management training on support to sales representatives: 19 managers trained – Regulatory and process training: 1,085 learners – Training on tools and software for 601 learners – Digital Accessibility Training: 98.5% of the Group's employees and new entrants **Indicators:** – Number of learners: 2,537 (all schemes combined)

3.2.3.3.2 Promoting a pleasant work environment for all

Related Sustainable Development Goal (SDG)

8 DECENT WORK AND ECONOMIC GROWTH

Promote sustained, shared and sustainable economic growth, full and productive employment and decent work for all so that by 2030, full and productive employment can be achieved, and all women and men, including young people and persons with disabilities, can be guaranteed decent work and equal pay for work of equal value.

RISK RELATED TO THIS PRIORITY

Psychosocial risks and sales staff absenteeism / Impacts in the event of risk occurrence: impact on the health and well-being of employees, increase in provident fund contribution, workload shifted onto remaining employees, impact on commercial capacity.

Our key performance indicators for 2023

- Operational sick absenteeism rate[2]: 4.3%
- Percentage of Solocal employees who responded to the internal opinion survey in January 2024 who said they were satisfied with the level of respect with which they were treated: 81% (-2 points vs. 2022)
- Percentage of Solocal employees who responded to the internal opinion survey in January 2024 who said they felt satisfied with their work environment (light, space, comfort, environment): 81% (-3 points vs. 2022)

Our objectives for 2024

- Increase rate of Solocal employees who consider themselves satisfied with the respect with which they are treated
- Continue the process of improving the quality of offices
- Continue to reduce the operational absenteeism rate

(1) *Unless otherwise specified, the scope of the training plan is France (French subsidiaries), excluding Yelster and Solocal Interactive.*
(2) *This rate concerns Solocal Group France with the exception of Solocal Interactive and Yelster. It includes absences for special leave (sick child, moving house, death, etc.) and sick leave of less than 90 days.*

Our policy

Solocal is going through phases of transformation that are a cause of organisational changes and concerns for employees. Well aware of the consequences that such a context can have on the quality of life at work, Solocal implements a policy aimed at promoting the development of a pleasant work environment for all, which helps towards the achievement of its social and economic objectives.

The appointment of a Work Environment Director in 2020, reporting to the Director of Human Resources, helped coordinate the installation of employees in new premises (Cesson-Sévigné, Le Haillan, L'Isle d'Espagnac) enabling them to carry out their activities in an optimum working environment. Solocal has therefore set up a reference framework in the form of a charter to be complied with each time there is a change of building or movements within the premises. The objective is for all Solocal's business locations to offer a homogeneous and harmonised work environment.

Since 2019, Solocal has been pursuing this policy, which aims to promote the development of a pleasant working environment for everyone and is based on the following actions:

1) THE FIGHT AGAINST ABSENTEEISM

Absenteeism is on the rise throughout France and is also a priority for the Company, which:

- has implemented a process designed to encourage employees to return to work after a long-term absence due to sickness;
- is setting up a system to combat absenteeism.

As part of mandatory negotiations on the quality of life at work, absenteeism is the subject of working groups with the staff and union representatives.

Specific measures have been identified as part of Solocal's absenteeism action plan and new measures have been deployed since 2021 and continued in 2023, still based on four strong policies and several action plans:

- combine economic and social performance;
- unite the workforce around the Company's strategy and project;
- better recognise and value employees;
- develop the quality of life at work.

In 2023, in addition to the national plan to combat absenteeism, we pursued our local commitment with a more specific analysis of absenteeism in order to contribute to the national action plan, where necessary. Following the audits carried out for the Le Haillan and Villeurbanne regional centres in 2022, a new audit was carried out in 2023 at Le Haillan. These audits are due to continue in 2024 for the other regional centres.

2) THE PREVENTION OF RISK SITUATIONS AND IN PARTICULAR PSYCHO-SOCIAL RISKS (PSR)

In order to support Solocal's transformation plan, the Company:

- **uses a range of disciplines** (human resources, employees, occupational health physician) to detect workplace situations that expose employees to PSR;
- provides a **counselling and support system** in order to find operational solutions that make it easier for employees to do their jobs. This system includes a dedicated hotline to the occupational psychologist and consultations with the internal psychologist or with the company social worker;
- monitors **prevention initiatives under the regulatory framework of the Health, Safety and Working Conditions Committees under the aegis of the quality of life and occupational health division**.

Following on from these actions, Solocal consolidated an action plan at national level to fight PSR.

3) AN APPROACH TO IMPROVE THE QUALITY OF THE COMPANY'S OFFICES

This policy, which is described in the environmental priority of this Statement on Non-Financial Performance, contributes to offering employees better working conditions.

4) AN APPROACH TO IMPROVE THE QUALITY OF LIFE AT WORK

Since 2020, special measures have been put in place with hardware equipment for all employees (laptops or virtual machines enabling them to work and log in remotely) and the implementation of remote work.

As part of its policy to improve the quality of life at work, Solocal initiated several negotiations with the trade unions in 2022, which led in particular to the deployment of remote working. In particular, it enables employees to better reconcile their personal and professional lives, increasing their motivation and commitment, and also to use their cars less, which helps to reduce greenhouse gas emissions.

In addition, at Solocal's head office in Boulogne-Billancourt (Citylights), the Company allows all its employees (nearly 830) to benefit all year round from **privileged access** at preferential rates to a **concierge service**, an **intercompany restaurant**, as well as a **gym** to encourage **physical and sports activities.**

Solocal also took advantage of the **Quality of Life at Work Week** from 19 to 23 June 2023 to raise awareness among its employees about workplace ergonomics, nutrition and well-being, stress management and the importance of sleep. **National Hearing Day**, in April 2023, was also an opportunity to offer a **hearing test to employees at the Citylights site in Boulogne.** At the other sites, employees were invited to contact the occupational physician.

In terms of **disability in the workplace**, in addition to Solocal's investments to make its services accessible to people with disabilities, the Company raises awareness among its employees and promotes diversity on this subject via several **explanatory and awareness-raising videos** on the recognition of workers with disabilities, the recruitment of employees recognised as disabled workers and their supervision by managers. To ensure the well-being of these employees, Solocal:

- makes the **necessary adjustments in terms of equipment (workstations) or working hours or aids to help them remain in employment** (for example, using a sign language interpreter for a hearing-impaired person);
- where possible, in the event an employee is found to be unfit for work, offers the possibility of reclassification;
- offers **recruitment opportunities to people with disabilities** through appropriate organisations such as AGEFIPH;
- provides support to employees with disabilities or with children in this situation, within the framework of the **Solidarity Committee**[(1)], by issuing CESU[(2)] vouchers to help with home cleaning services, school support for disabled children or by arranging for employees to **donate days off** to support their colleagues in need. The disability agreement allows family carers to benefit from up to 5 days' rest per year, with the company contributing a further 5 days' rest in this case;
- systematically accepts recommendations for part-time working on health grounds for disabled employees.

in this respect, Solocal signed a **disability agreement** for the Group on 1 February 2023, which ratifies the above measures in order to promote diversity and equality between all employees, and to enable employees with disabilities to fulfil their professional potential.

In 2024, the company plans to launch an **e-learning course to raise awareness of disability situations** (currently being finalised for 2024), prepared jointly with the occupational psychologist, the company social worker (who is also the **disability officer**) and Solocal's training department.

5) AN ANTI-DISCRIMINATION APPROACH

Promoting a pleasant working environment for everyone also involves fighting discrimination. Solocal's code of conduct therefore includes a chapter dedicated to the human factor, a central priority for the Company. Our approach includes:

- **raising managers' awareness** (during the Campus Managers training) of **cognitive biases**, particularly during the recruitment process;
- setting up **internal reporting channels**: any employee who is a victim or witness of harassment or discrimination can alert their manager, the Human Resources Department, the **harassment officer** appointed by the SEC (Social and Economic Council), staff representatives or the **ethics officer** (ethics whistleblowing system under the Sapin II law).

(1) This Committee is composed of staff representatives and members of the management team.
(2) Chèque Emploi Service Universel (universal employment service cheque).

2023 Commitments	2023 Initiatives
Continuing the policy against absenteeism	– Continued deployment of the absenteeism action plan, with four policies divided into 19 actions
Preventing risk situations	– Continuation of primary prevention initiatives with the health, safety and working conditions commissions and local representatives – Continuation of in-depth work on primary prevention with action plans and implementation of indicators – Updating of **Single Risk Assessment Document** – **Prevention action** with employees for **National Hearing Day** with a **hearing test** – launch of an e-learning programme to raise awareness of disability issues
Ongoing negotiations with the trade unions to improve the quality of life at work	– **Signature of the rider relating to remote working** within Solocal Marketing Services, providing for, in addition to **2 days per week** (including 1 fixed day and 1 chosen day), the extension of remote working days and the allocation of additional chosen days over one year. – **Signature of the disability agreement** on 1 February 2023 – **Signature** of the agreement for the renewal of the Solocal SA SEC on 1 February 2023 – Signature of the trade union rights agreement on 1 February 2023 – Signature of the **GEPP agreement** on 8 February 2023

3.2.3.3.3 Improving employee commitment and making Solocal more appealing

Related Sustainable Development Goal (SDG)

Achieve gender equality and empower all women and girls by contributing to the worldwide end to all forms of discrimination against women and girls.

Promote peaceful and open societies for sustainable development by ensuring that dynamic, participatory and representative decision-making at all levels is a hallmark of the process.

RISKS RELATED TO THIS PRIORITY

- Lack of attractiveness and difficulty in retaining staff/ Impacts in the event of risk occurrence: loss of competitiveness, business capacity impacted, additional costs (to recruit and train new staff and use of service providers), loss of key skills and knowledge.

Our key performance indicators for 2023

- Level of engagement expressed by Solocal employees who responded to the internal opinion survey: 68% (-5 points vs. 2022)
- Percentage of women executives: 26.09% (+0.45 points vs. 2022)
- Gender equality index at Solocal SA: 96 points calculated in 2023 for the year 2022 (+7 points compared with the calculation made in 2022 for the year 2021)
- 83 work-study students in the Company (-41.5% vs. 2022)
- 12% of new hires as a result of the co-optation policy, compared with 9% in 2022 (+3 points)
- 667 training courses provided (+15.8% vs. 2022 with 576 training courses)
- Top Employer 2024 certification(1)

Our objectives for 2024

- Increase the rate of women executives to reach at least 30% of women in top management by 2025
- Maintain the level of engagement expressed by employees above 63%
- Maintain the level of the Solocal SA index at 90 points at least
- Continue the policy of recruiting work-study students
- Implement development programmes for target populations
- Maintain a ratio of at least 10% of new hires from co-optation

(1) *This certificate is the result of an independent audit carried out in 2023 by the Top Employers Institute on Solocal's HR practices and policies in the following areas: Steer – Shape – Attract – Develop – Engage and Unite.*

Our policy

In order to ensure the durability and development of the Company's activities, Solocal aims to attract and retain employees from all backgrounds with a wide range of specialised, complementary skills, a challenge that is all the more difficult to meet in the competitive field of digital technology. In the context of the recovery plan with the "1 young person, 1 solution" policy initiated by the French government in 2020, Solocal is pursuing for the fourth consecutive year its policy to make itself more appealing to employees and job applicants.

With the mobilisation of two people within the Human Resources department, Solocal makes employee engagement a priority. This policy is based in particular on an employee training plan (see chapter **3.2.3.3.1**) as well as:

1) MANAGING TALENT

In order to attract and retain talent, the Company:

- establishes **partnerships with schools** at the local and national level;
- **shares the expertise** of its employees and managers with students;
- is working on strengthening its **employer brand** via various platforms dedicated to employment, in order to enhance its visibility;
- is rolling out a programme dedicated to **apprenticeship and work/study students** (over the 2023/2024 academic year) **targeting recruitment** (mainly for work-study students) in the following professions: developers, systems/network engineers, product marketing profiles (UX Designer, Product Manager, Content Manager, SEO Project Manager, etc.), support functions (accounting, HR, etc.);
- implements development programmes for target populations. In 2023, two programmes were launched to begin in 2024: An initial programme will enable employees identified as "agents of change" to benefit from a development programme enabling them to: (i) **develop** the feeling of belonging to a community capable of getting things moving; (ii) **acquire** a more cross-functional vision of Solocal's transformation challenges; (iii) **develop** the skills essential to an agent of change: project management, soft skills, public speaking, etc. (iv) **take** a step back, take stock and get inspired. A second programme is aimed at employees identified as successors to management committee or executive committee positions. This programme will focus on five areas: (i) **acquire** the cross-disciplinary skills essential for future managers; (ii) **develop** their strategic vision and 360° knowledge of the company; (iii) **create** a foundation of common reference points and practices for future managers; (iv) **strengthen** their internal network; (v) **take** the time to train, to take a step back from their practices and to adjust their stance.

2) IMPROVING EMPLOYEE ENGAGEMENT

In order to recognise and reward the work of its teams, the Company:

- identifies the strengths and weaknesses of its organisation and internal environment through an **opinion survey**, which has been conducted for several years now among all Company employees;
- implements a **talent retention system** (identification of key positions, detection and retention of talent including a retention plan, succession plan), notably through a mapping of career development prospects for employees identified as key for the company; professionalises its local management through the deployment of **dedicated managerial training programmes**.

The People Review was rolled out for the third consecutive year, this time to all permanent staff in order to identify their performance and potential for development.

3) SUPPORTING SOCIETAL INITIATIVES

In order to develop employee engagement, the Company:

- recognises employee initiatives aimed at sharing expertise with Solocal's various partners (local institutions, private partners and the academic sphere, as expressed in priority 1 of this SNFP);
- orchestrates company life to improve the well-being of employees, organising convivial events at the Boulogne-Billancourt head office, such as organising **concerts for France's annual Fête de la Musique and for the end-of-year holiday season** with Solocal employees, branch parties for **Halloween**, and **Christmas challenges** in December.

4) PROMOTING GENDER DIVERSITY

In order to promote gender diversity, the Company:

- is committed to **equal opportunities for women and men**. At Solocal's largest subsidiary (Solocal SA), the **2023 index (for the year 2022) of professional equality between women and men stands at 96 points** (cf. provisions resulting from law No. 2018-771 of 5 September 2018 and decree No. 2019-15 of 8 January 2019 applicable to companies with more than 1,000 employees in terms of transparency on pay gaps between women and men). In 2022, a **gender equality agreement was signed** unanimously by the unions;
- stipulates in its recruitment process that recruitment firms working with Solocal must include as many women as possible among shortlisted candidates.

5) RESPECT FOR HUMAN RIGHTS

Solocal is a signatory of the United Nations Global Compact, which encourages companies to promote ethical practices and fundamental values in their business. The Company thus undertakes to respect these 10 universally recognised fundamental principles[(1)] (derived from international texts and conventions on human rights, working conditions, the environment and the fight against corruption) and to ensure that its partners and suppliers also respect them via its Ethics and Sustainable Development Charter and its Code of Conduct, which are integrated into all contracts.

2023 Commitments	2023 Initiatives
Setting up partnerships with schools	– Partnerships with EURIDIS (for our regional centres in Boulogne-Billancourt, Le Haillan, and Villeurbanne) and AFTEC (for our regional centre in Cesson-Sévigné), IPAC, YNOV (business, digital marketing and IT profiles)
Strengthening the employer brand	– **Partnerships maintained with several employment platforms** around an employer brand platform: sharing of company values, corporate identity, job offers: "Welcome to the Jungle", Indeed, Glassdoor, Hellowork (and Jobteaser in 2023). But also on Solocal SA's LinkedIn career page and implementation of a new onboarding tool
Recruiting new talent	– 8 work/study students and/or interns hired after their training under indefinite-term or fixed-term contracts – 2 service providers internalised (in the Products Department and the Human Resources Department) – 51 new recruits as a result of the co-optation policy

3.2.3.4 Solocal's environmental priorities

3.2.3.4.1 Optimising energy consumption, use of resources and reducing the carbon impact for sustainable digital

Related Sustainable Development Goals (SDGs)

Establish sustainable consumption and production patterns with the objective of significantly reducing waste generation by 2030 through prevention, reduction, recycling and reuse.

RISK RELATED TO THIS PRIORITY

Environmental footprint of our business and climate risks / Impacts in the event of risk occurrence: decrease in energy efficiency, increase in **greenhouse gas emissions**, downgrade of CSR rating on environmental aspects and negative impact on employer brand awareness.

Our key performance indicators for 2023

- Change in emissions from car fleet (in CO_2 tonnes equivalent / for all vehicles): -2.30% (1,566 tCO_2-eq for 2023 vs. 1,603 tCO_2-eq for 2022). 533 vehicles on average in 2023 compared with 555 in 2022
- Change in grammes of CO_2 per vehicle: 102.5 g CO_2/vehicle for 2023 vs. 108 g CO_2/vehicle in 2022, i.e. - 5.09%
- Change in carbon impact of offices[(2)] (in kg CO_2 equivalent): -12.95% (155,306 kg CO_2 for 2023 vs. 178,404 kg CO_2 for 2022);
- 17.1 tonnes of waste from electrical and electronic equipment (WEEE) collected: +134.25% vs. 2022 (7.3 t). This significant increase can be explained by a concern to rationalise and optimise resources, which has led Solocal to empty its stocks and in particular its surpluses (some of which had never been processed) and also to recycle obsolete network and telephone equipment.

(1) The principles stipulate that businesses should (i) support and respect the protection of internationally proclaimed human rights; (ii) make sure that they are not complicit in human rights abuses; (iii) uphold the freedom of association and the effective recognition of the right to collective bargaining; (iv) the elimination of all forms of forced and compulsory labour; (v) the effective abolition of child labour; (vi) the elimination of discrimination in respect of employment and occupation; (vii) support a precautionary approach to environmental challenges; (viii) undertake initiatives to promote greater environmental responsibility; (ix) encourage the development and diffusion of environmentally friendly technologies; (x) work against corruption in all its forms, including extortion and bribery.

(2) Does not include the Leadformance premises in Montbonnot (approx. 503 sq.m.).

Our objectives for 2024

- Continue the deployment of the Car Policy by integrating at least 30% of low-emission models by 2025
- Reduce CO_2/vehicle to 90g/CO_2 in 2025
- Maintain recycling of electrical and electronic equipment waste
- Continue to reduce our carbon footprint by:
  - reducing overall emissions from the vehicle fleet (by increasing the proportion of electric vehicles by at least 15%) and from offices
  - continuing our eco-design initiatives to reduce the environmental impact of our digital services and solutions (in particular our contributions to EcoCode and the Green Score API)
- Continue the deployment of the energy efficiency plan

Our policy

As part of its mission to vitalise local life, Solocal facilitates local intermediation between local professionals and their customers, as well as between citizens and their town halls and administrations, notably with its online booking service. This is a way of encouraging people to work together to reduce the carbon footprint through local exchanges and contacts.

In order to **contribute to the common effort to fight global warming** (in line with the Paris Agreement to which France is a signatory) **and reduce France's carbon impact by 10% by 2024**, Solocal is optimising the resources used to develop its digital activities as part of its transformation.

With the end of its printed directories business, Solocal made strategic choices that are in line with the Company's environmental commitment to reduce its carbon footprint and support local businesses in a sustainable and responsible digital transformation.

Since our first carbon footprint in 2014 and the gradual and then definitive cessation of our printed directories business, the downward trend we had noted has been confirmed. Our carbon footprint carried out in 2022 (for the year 2021) showed a significant reduction of 78% in our greenhouse gas emissions in eight years. In addition to the digital transformation and the end of our printed directories business, this continued decline is explained by concrete actions within Solocal, in particular:

- the purchase of green energy: 50% of our electricity is green and French;
- investment in digital accessibility, which benefits eco-design and ultimately reduces our carbon impact;
- the migration of our services to cloud providers with CSR policies geared towards carbon neutrality and offsetting residual emissions;
- the reduction of office space and the move to modern buildings, mainly HQE (High Environmental Quality) and less energy-consuming, whose energy performance we also audit;
- the continuous improvement in the loading performance of our web pages, which has helped to limit their environmental impact, bearing in mind that there are many recommendations in common between IT performance and Green IT best practice;
- the impact analysis on the **eco-design** of our digital services and solutions has enabled us to draw up **golden rules** for eco-design to guide our technical and marketing teams.

In addition to the regulatory obligations concerning scope 1[(1)] (direct emissions linked to the Company's activity) and scope 2[(2)] (indirect emissions linked to the use of energy), Solocal decided to include emissions relating to scope 3[(3)] (other indirect emissions), which include digital services, in its carbon footprint assessment that was carried out in 2022. Our **policy of decommissioning** these services has resulted in CO_2 emissions of 156 tCO_2, which corresponds to just 1.34% of our total greenhouse gas emissions (corresponding to 11,400 tCO_2 in 2021). Our CO_2 emissions stem mainly not from the digital sector but from fixed assets, purchases of services and commuting.

In 2022, Solocal had the opportunity to carry out an energy performance audit at Solocal SA (car fleet) and also at Solocal Marketing Services (Angoulême building).

Solocal's policy of optimising energy consumption and resources is mainly steered by the Real Estate department, within which two people are notably in charge of collecting data on greenhouse gas emissions resulting from the buildings' and car fleet's consumptions. With the migration of our data to the cloud, the only emissions generated by the Company's technical infrastructures are monitored by one person in the Technical Department. Moreover, Solocal ratifies its commitment to optimise energy consumption, use resources and reduce the carbon impact linked to its activity for a sustainable digital future, through the following policies:

(1) Gas burned for heating, etc.

(2) Use of district heat or electricity from the grid, etc.

(3) Business travel; commuting, purchasing and services, waste, visitor and customer transport, etc.

1) IMPLEMENTING A SUSTAINABLE BUSINESS TRAVEL POLICY

Solocal's activities are focused on providing digital services to local businesses and the public sector. The Company is no longer involved in downstream transport following the closure of its printed directories business, which involved delivery throughout France. However, upstream of the digital services on offer, transport activities could include employee travel:

- commuting, for which the last greenhouse gas emissions assessment was carried out in 2022 based on **data for 2021 (1,232 tonnes of CO_2)** in accordance with the regulations;
- **business travel**, for which an emissions assessment is drawn up each year and which breaks down as follows for 2023:
  - employee travel by car (mainly by sales staff to prospects and customers): **1,566 tonnes of CO_2 (tCO_2)**,
  - employee travel by air/train: **84,225 kilos of CO_2 ($kgCO_2$).**

In addition to a continued reduction in greenhouse gas emissions linked to travel by Solocal employees, the company has planned **a gradual transition to a commercial vehicle fleet introducing petrol (flexi fuel with dual petrol and bioethanol engines) and electric vehicles.**

In 2021, with the salary negotiations, Solocal ratified the end of diesel vehicle renewals for all employees, and committed to a car policy with low GHG (greenhouse gas) emission models. As a result, since October 2022, Solocal has been rolling out an **electric-oriented Car Policy** to its sales force, encouraging them to opt for low emission vehicles so that they can play an active part in this mobility change. This initiative was a great success from the outset, with around 1 in 2 employees switching from diesel to electric vehicles, enabling the Company to exceed the 10% threshold set by the LOM law[(1)] and to win the **Connect Fleet 2022 award for the best project in the "CSR Energy Transition" category**, awarded to companies that have introduced outstanding environmental or social responsibility initiatives. In 2023, Solocal's fleet of electric vehicles will represent around 6.5% (i.e. 34 electric vehicles out of a total fleet of 523 vehicles).

In addition, regular messages are sent to employees with company cars in order to raise their awareness of eco-driving and road safety. In July 2023, Solocal launched a **dedicated training course on road risks for its sales force** (field sales staff) to raise their awareness of these issues. This proved an instant success (by the end of September, 80% of the sales staff concerned had taken the course, with a satisfaction rate of 4.7/5).

The Company is keen to accelerate its **awareness-raising campaign and encourage soft mobility.** Six of our establishments are equipped with secure bicycle parks and showers. Solocal plans to develop a more comprehensive mobility policy within its six regional centres (Boulogne-Billancourt, Cesson-Sévigné, Le Haillan, Nancy, Roubaix, Villeurbanne) but also at its WebFactory in L'Isle d'Espagnac (a mobility plan is still being discussed with the Grand-Angoulême urban community).

2) OPTIMISING THE COMPANY'S REAL ESTATE PORTFOLIO

As a continuation of the policy pursued since 2018, Solocal:

- **optimises its rental space** in order to improve the environmental quality of its real estate assets, particularly in Boulogne-Billancourt (City 3 lease), Chambéry and Grenoble, both combined on a single site in Montbonnot Saint Martin (June 2022); reducing floor space in Nancy (November 2021) and Villeurbanne (March 2022); and halving floor space by moving from the Roubaix site to Marcq-en-Barœul (September 2023), re-using some of the partitions and kitchen units from the Roubaix branch. This is a way of recycling materials and minimising waste;
- **occupies recognised quality premises with HQE and RT 2012 certifications**: regional centres of Boulogne-Billancourt "Citylights" (May 2016); Cesson-Sévigné (September 2020); Le Haillan (April 2020) and L'Isle d'Espagnac (November 2019);
- **reduces heated and air-conditioned spaces, as part of its energy efficiency plan**, by bringing staff together in the same spaces;
- integrates the lessor's responsibility regarding the choice of materials so that environmental and health impacts are limited to the greatest extent possible by using **materials or products with a recognised environmental label** (European Ecolabel, NF Environnement, GUT, Blue Angel, etc.);
- participates in the **Green Committee** set up by its landlord at Citylights (Solocal's head office), which is necessary in view of the level of certification in Boulogne-Billancourt:
  - is helping to **maintain biodiversity** in urban areas by installing beehives on the roof of its headquarters in Boulogne-Billancourt (Citylights complex),
  - obtains its electricity from green and French energy.

(1) Loi d'Orientation des Mobilités no 2019-1428 of 24 December 2019.

3) PROMOTING RESPONSIBLE DIGITAL TECHNOLOGY

In 2023, Solocal continued its actions to optimise energy consumption and the use of resources to reduce the carbon impact of its digital business. This involves in particular:

- since 2018, the migration **of the Company's data to the Cloud** via its partners (favouring green energy), which is continuing with the gradual decommissioning of ageing On Premise infrastructures, as well as obsolete servers in favour of less energy-consuming hardware;
- migrating mission-critical applications to the Cloud;
- stopping certain applications;
- consolidating hypervisors;
- switching off machines in non-production environments during non-working hours, in order to reduce our consumption in an eco-responsible way;
- migration from fixed PCs (200 W) to laptops which consume less energy (45 W).

Solocal has also adopted **responsible daily management of its IT equipment**, pursuing its policy of optimising the useful life of IT equipment by:

- **donating equipment for re-use** to the non-profit organisation Les Ateliers du Bocage and the company Wedoit for a second life;
- **recycling print cartridges** with Conibi;
- the **reflection on the eco-design** of Solocal's digital services and solutions, launched at the end of 2022, was continued and strengthened in 2023 with:
  - the establishment of golden rules for eco-design in April 2023,
  - the implementation of a solution (Fruggr) to measure the environmental impact of our services and digital solutions,
  - participation in collaborative open source projects such as "Ecocode", which helps developers to adopt a coding approach that incorporates eco-design rules, or "Green Score API", which gives a "green" rating to an entire architecture.

4) RAISING AWARENESS OF ECO-RESPONSIBLE ACTIONS

Attentive to climate, economic and energy issues, Solocal regularly communicates with its employees, particularly during sustainable development events, to raise their awareness of CSR issues and eco-responsible actions. To this end, Solocal organised an internal webinar (May 2023) to raise awareness of Green IT, and as part of its work on eco-design, a Hackathon day (November 2023) was also held within the Technical Department to raise awareness of tools to improve the environmental impact of Solocal's digital services and applications.

In the winter of 2023, Solocal also continued the energy efficiency plan it launched last year in response to the government's requests for efforts. This plan notably consists in:

- freeing up floors and grouping employees so as to create unheated empty areas;
- lowering the heating temperature to 19° in the day, with a limited remotely-controlled modulation, and turning off the heating at night and at weekends;
- reducing air conditioning and turning it off in empty areas;
- raising employee awareness of environmentally responsible actions;
- reduce the lighting in the head office car parks based on a 2/3 (daytime) 1/3 (evenings and weekends) system;
- adjust operation of CMV[1] in the restrooms to working hours.

Solocal's membership of the EcoWatt Charter (electricity forecasting service, which now provides information on low-carbon hours) continued in 2023 as part of our energy efficiency plan.

(1) *Controlled Mechanical Ventilation.*

2023 Commitments	2023 Initiatives
Optimising rental space and improving the environmental quality of the Company's real estate portfolio	– Continued to reduce the average leasable area by moving from the Roubaix site to the Marcq-en-Barœul site, where the leasable area has been halved
Promoting responsible digital technology	– Continued migration of the Group's infrastructures and systems to the cloud – Continuation of decommissioning: VM, hypervisors, physical servers, etc. – Establishment of **golden rules for eco-design** – Internal webinar on Green IT – One-day hackathon (23 November 2023) for technical teams to raise awareness of green IT tools
Train employees and raise their awareness of eco-responsible behaviour and safe driving practices	– A **message** was sent to employees to inform them of good **eco-driving practices** – E-learning training on road risks for field sales staff – Message on the 10 commandments of responsible digital technology
Reducing our carbon footprint and energy consumption	– Continuation of the **energy efficiency plan** with a view to contributing to the common effort to reduce our energy consumption – Reduction in energy consumption in kWh following implementation of the energy efficiency plan – Continued membership of the **EcoWatt Charter** (energy forecasting service), which provides information on low-carbon hours. – Implementation of tools for monitoring environmental impact analysis measures and improving indicators on an ongoing basis (Fruggr, Ecocode, Green Score API)

3.2.4 APPENDICES

3.2.4.1 Additional risks

Details on the inclusion of major categories required by Order No. 2017-1180 on the publication of non-financial information

Social consequences of the business activity	
Collective agreements entered into in the Company and their impacts on its economic performance and employee working conditions	This topic is covered in the social priorities.
Actions against discrimination and to promote diversity	This topic is covered under "Strengthening employee engagement and making Solocal more appealing".
Environmental consequences of the activity and impact of climate change	
Consequences on climate change of the business activity and of the use of the goods and services it produces	This topic is covered in "Optimising energy consumption, use of resources and reducing the carbon impact".
Societal commitments to sustainable development, the circular economy and the fight against food waste	This topic is not a major non-financial risk for Solocal. It is not covered by the Company's Statement on Non-Financial Performance.
Societal commitments	
Fight against food insecurity, working to secure animal welfare and responsible, fair and sustainable nutrition	This topic is not a major non-financial risk for Solocal. It is not covered by the Company's Statement on Non-Financial Performance.
Human rights	Risks that are not on the list of "Non-financial risks and priorities" are not considered as major risks for Solocal. However: Our Code of conduct is aligned with fundamental and universal principles such as those of the Universal Declaration of Human Rights, those set forth in International Labour Organization agreements on freedom of association, the right to collective bargaining, eliminating discrimination in respect to employment and occupation, eliminating forced or compulsory labour, and abolishing child labour, and those of the Organisation for Economic Cooperation and Development (especially with respect to efforts to fight corruption). Solocal also signed up in 2020 to the Principles of the **UN's Global Compact** (United Nations), allowing the company to contribute to the achievement of the **Sustainable Development Goals** (SDGs) through the annual publication of a Progress Report to the UN.
Corruption	This topic is detailed under "Consolidating ethical governance and taking CSR aspects into account to ensure the Company's sustainability".
Tax evasion	This topic is not a main risk for Solocal. However, Solocal uses market prices with Solocal companies outside France. These prices have been approved by the tax board which prepares the documentation for transfer pricing each year.

3.2.4.2 Methodology note

Solocal issues its Statement on Non-Financial Performance in response to European directive 2014/95/EU of the European Parliament and the Council of 22 October 2014, Order No. 2017-1180 of 19 July 2017 and its implementing decree No. 2017-1265 of 9 August 2017.

Within the framework of its Statement on Non-Financial Performance, Solocal is continuing to deploy policies linked to its priorities while ensuring that it responds as fully as possible to the risks identified according to its stated strategy.

A reporting process has been put in place to collect all of the required information. It comprises several stages which are described below.

Reporting scope

Scope

Solocal has identified its main non-financial risks on the basis of its entire operations and its currently integrated subsidiaries.

Depending on the priorities and risks, qualitative and quantitative indicators may cover a smaller scope. This is specified for each indicator.

Within the scope of its proactive strategy, Solocal aims in the future to extend its reporting to all its subsidiaries in the regions in which it operates. For the quantitative social indicators, the Group scope is favoured. In the event of a smaller scope, a note is provided in each of the paragraphs concerned.

Since the move of the head office in May 2016, the reporting scope has progressed significantly to take into account almost all the French subsidiaries on most environmental indicators.

For fiscal year 2023, the scope taken into consideration is therefore Solocal Group, unless otherwise specified.

Period and frequency

Solocal's Statement on Non-Financial Performance is published annually in the Registration Document and since 2020 in the Solocal Universal Registration Document. The information required covers the past calendar year in line with Solocal's financial year, from 1 January to 31 December 2023.

In the case of indicators for which the information required is not fully available, two cases arise:

- the data is extrapolated so as to end up with an annual result;
- the period taken into consideration differs from the calendar year.

Organisation of the report

Non-financial indicators are provided by a network of CSR Correspondents. Their role consists, among other things, in organising and coordinating the feedback of information to the Compliance & CSR department, and in guaranteeing the quality and exhaustive nature of the data supplied by means of consistency and probability checks. There are four successive stages in the reporting process:

- data collection and checking, by a contributor;
- validation of the data collected, by an officer;
- overall verification and consolidation, carried out by the Compliance & CSR Department;
- the use of the data collected: forwarding of the end results to those responsible for the commitments, for project management, and publication in the Solocal Universal Registration Document.

Reporting tool

The quantitative and qualitative CSR data in this report was collected using the "Reporting 21" tool which was introduced in 2015 and updated in the course of preparing the SNFP. This tool has provided for the reliable collection, consolidation and control of CSR information.

Independent verification

In accordance with regulations, an Independent Third Party Organisation (ITPO) was appointed to audit the non-financial information published by Solocal in its Universal Registration Document for the part concerning the Statement on Non-Financial Performance. The audit procedures were determined with Solocal in advance. The auditors ensure that Solocal has implemented a data collection process conducive to the compliance and accuracy of the information. The compliance review examines: the presence of the business model, description of the main risks, policies and due diligence for each risk, including key performance indicators, review of the risk analysis process, review of the presence of information categories (social, environment, corruption, etc.) and the information required by regulations (food waste, etc.).

The auditors examine by sampling the collection, compilation, processing and checking processes for the information considered as being the most important for the Company and perform detail tests on them.

The conclusions of these external audits are formalised in an audit report published in the Universal Registration Document.

The auditors also mention the steps involved in completing their work.

Further, the statutory auditors must certify that the Statement on Non-Financial Performance is included in the management report. In their role of statutory auditors, they are not required to check the compliance and accuracy of the information published in the statement, or its consistency with the financial statements. They produce a certification of presence stating that all parts of the Statement on Non-Financial Performance have been included.

Main methodological details for the indicators

Certain indicators for which all or some of the data was not available were extrapolated or estimated.

The main scenarios are presented below:

Indicators	Assumptions
Electricity consumption by offices excluding data centers	Estimate of consumption based on an average ratio of kWh/sq.m. in the event that data is missing for a site (e.g. missing bill, meter problem, etc.). The average ratio is calculated on the basis of an average of the consumption of sites for which all the information was available
Water consumption	Change of consolidation method in 2018 with application of a ratio compared with the premises actually occupied by Solocal

Details on a number of social indicators

- All social indicators (except when otherwise specified in the document) are measured excluding interns, VIEs (French International Volunteers in Business), temporary workers, apprentices and professionalisation contracts Specific indicators explain the apprenticeship policy
- Training: the training indicators include any training format and period. Employees provided with less than 30 minutes' training represent an insignificant proportion of the numbers trained. The training data (budget, hours and number of employees trained) published are as at 31 December and do not fully cover the financial year as some additional data are consolidated for January and February of the following year. Finally, the elements consolidated in the training budget may vary between the French and foreign subsidiaries (Yelster and Solocal Interactive)
- Work-related injuries and commuting accidents: work-related injuries exclude commuting but take into account accidents occurring during business trips. The workplace injury frequency rate is the number of first settlement accidents per million hours worked (i.e.: *1,000,000 x [number of work accidents with lost time] / [total number of hours worked over the year]*). The workplace injury severity rate is the number of days of absence from work per 1,000 hours worked (i.e.: *1,000 x [number of days of absence from work due to a work accident over the year] / [total number of hours worked over the year]*)
- Internal mobility: change of job within the Company and/or change of scope (without necessarily a change of manager, but with additional scopes)
- Employment rate of people with disabilities: publication only for France
- Absenteeism rate: Number of days of sick leave during the fiscal year counted in working days (excluding interns, VIEs (International Internships), temporary workers, apprentices and professionalisation contracts) out of the total number of theoretical days of work requested (excluding interns, VIEs, temporary workers, apprentices and professionalisation contracts) (excluding public holidays; hours worked by employees who left during the year are included)
- Index: the professional equality index is based on the prior year's data calculated in March of the current year

Method for calculating greenhouse gas emissions

In order to calculate the greenhouse gas emissions resulting from electricity consumption, urban heating and business travel, the following emissions factors, based on the Base Empreinte of ADEME, the French Environment and Energy Management Agency, were used:

1. for electricity (France): 0.0520 kg CO_2e/kWh (upstream and production excluding line losses);
2. for urban heating (concerning Citylights):
   - cold: 0.026 kg CO_2e/kWh for the ZAC Ile Seguin Rives de Seine, Boulogne-Billancourt (excluding line losses), hot: 0.114 kg CO_2e/kWh for the ZAC Ile Seguin Rives de Seine, Boulogne-Billancourt (excluding line losses);
3. for natural gas (LCV) (France): 0.239 kg CO_2e per kWh LCV;
4. for business trips:
   - diesel, mainland France: 3.1 kg CO_2e/litre,
   - petrol, also mainland France: 2.7 kg CO_2e/litre.

These emissions factors were updated in 2023 by referring to the ADEME's Base Empreinte.

3.2.4.3 Report of the independent third party organisation on the assessment of fairness and compliance of the statement on non-financial performance included in the management report

To the shareholders,

In our capacity as independent third party organisation, Cofrac accreditation no. 3-1860 (list of locations and scope available at www.cofrac.fr), we hereby submit our report on the statement of non-financial performance relating to the financial year ended 31 December 2023 (hereafter the "Statement"), presented in the management report in application of the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

The Company's responsibility

It is the responsibility of the Board of Directors or the Executive Committee to draw up a Statement complying with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied in respect of those risks as well as the results of those policies, including key performance indicators.

The Statement was prepared using the entity's internal procedures.

Independence and quality control

Our independence is defined by the provisions set out in Article L. 822-11-3 of the French Commercial Code. We have also introduced a quality control system that comprises documented policies and procedures, a programme available upon request aimed at ensuring compliance with applicable laws and regulations.

Responsibility of the independent third party organisation

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

- the compliance of the Statement with the provisions set out in Article R. 225-105 of the French Commercial Code;
- the truthfulness of the information provided in accordance with the 2nd and 3rd paragraphs of I of article R. 225 105 of the French Commercial Code, i.e. the results of the policies, including the key performance indicators, and the actions, relating to the main risks, hereafter the "Information".

However, it is not our responsibility to express an opinion on the entity's compliance with other applicable legal and regulatory provisions, in particular with regard to the vigilance plan and the fight against corruption and tax evasion, or on the compliance of products and services with applicable regulations.

Nature and extent of the engagement

Our work described below was carried out in accordance with Articles A. 225-1 et seq. of the French Commercial Code:

- we carried out forward planning of the assignment and conducted an internal launch meeting and a launch meeting with the client to review the Statement, the scope, the risks of inaccuracies and to adjust the planning;
- we conducted a critical review to assess the overall coherence of the SNFP;
- we verified compliance: we verified that the Statement covers each category of information provided for in III of Article L. 225-102-1 with regard to social and environmental matters and, where applicable, with regard to respect for human rights and the fight against corruption and tax evasion, we verified that the Statement presents the information provided for in I of Article R. 225-105 and the information provided for in II of Article R. 225-105 when relevant with regard to the main risks and includes, where applicable, an explanation of the reasons for the absence of the information required by the second paragraph of III of Article L. 225-102-1;
- we presented our interim findings and reviewed the corrections made;
- we verified that the Statement covers the consolidated scope, that is, all the companies included in the scope of consolidation pursuant to Article L. 233-16, where applicable, with the limits specified in the Statement;
- we identified the persons in charge of the collection processes and examined the collection, compilation, processing and control processes aimed at ensuring the completeness and fairness of the information;
- we reviewed the consistency of changes in the results and key performance indicators;
- we identified the detailed testing to be carried out and listed the evidence to be collected;
- we consulted documentary sources and conducted interviews to corroborate the qualitative information which we considered most important;

- we verified the fairness of a selection of key performance indicators and quantitative results (historical data) that we considered to be the most important[1] through detailed testing (verification of the correct application of definitions and procedures, verification of consolidation, reconciliation of data with supporting documents). This work was carried out at a selection of contributing entities and covers 26% to 100% of the data selected for these tests;
- the Group has published indicators for green revenues, green investment and green expenditure in accordance with Regulation (EU) 2020/852. We have not verified the accuracy of this publication in accordance with the provisions of this regulation.

Means and resources

Our work drew on the skills of six people and was carried out between October 2023 and February 2024 over a total period of five months. We conducted 19 interviews with the people responsible for preparing the Statement.

Conclusion

Based on our work, we did not identify any material misstatement liable to call into question the fact that the statement on non-financial performance complies with the applicable regulatory provisions and that the information, taken as a whole, is presented fairly.

Comments

Without qualifying the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comments:

- concerning the scope, please refer to the "methodology note" paragraph in the appendices;
- we note an improvement in internal control concerning environmental matters.

Toulouse, 24 April 2024

THE INDEPENDENT THIRD-PARTY ORGANISATION
SAS CABINET DE SAINT FRONT

Pauline de Saint Front

Chairwoman

(1) ***Most important indicators and entities tested (Citylights - Boulogne Billancourt):*** *Percentage of changes in digital audits carried out • Transactional satisfaction rating of PagesJaunes.fr users • PagesJaunes NPS score • Percentage of PagesJaunes app that is digitally accessible • Percentage of employees trained in personal data protection issues • Percentage of cybersecurity maturity score • Cumulative number of suppliers evaluated • EthiFinance Gaïa rating • Percentage of employees who responded to the internal opinion survey who feel that the company enables them to develop their skills and employability • Operational absenteeism rate • Percentage of employees who responded to the internal opinion survey who consider that they are satisfied with their working environment • Percentage of women among senior executives • Training provided • Top employer certification • Percentage change in grammes of CO2 per vehicle • Percentage change in carbon impact of offices (in kg of CO_2 equivalent).*

Other non-financial indicators

Indicators	2022	2023	Chg. 2022/2023	Comments
Societal				
All of the societal indicators monitored are directly presented in the Statement on Non-Financial Performance.				
Governance				
Number of requests for the modification of personal data received by customer service	123,153[1]	143,953	+16.89%	Variations can be explained in particular by the Group's communication campaigns, which have resulted in greater media visibility.
Number of requests for the deletion of personal data received by customer service	15,664	17,047	+8.83%	Variations can be explained in particular by the economic climate – current events, etc.
Number of women on the Board of Directors as at 31 December	5	5	0%	Stabilisation in the number of women on the Board of Directors
Number of women on the Executive Committee as at 31 December	1	1	0%	Stabilisation of the number of women on the Executive Committee
Employer responsibility				
Registered global workforce	2,740	2,426	-11.46%	Decline in the overall workforce
Workforce on indefinite-term contracts	2,711	2,427	-10.48%	Decline in the number of employees on indefinite-term contracts in line with the decline in the overall workforce
Workforce on definite-term contracts	29	2	-93.10%	Decline in the number of employees on fixed-term contracts linked to fewer short-term absences requiring replacement
Proportion of the workforce on indefinite-term contracts	98.94%	99.9%	+0.96 pts	Stabilisation of the proportion of the workforce on indefinite-term contracts
Number of part-time employees	153	132	-13.73%	Decline in the number of part-time employees
Share of part-time employees	5.58%	5.43%	+0.15 pts	Stabilisation of the share of part-time employees
Number of employees trained	2,641	2,537	-3.94%	Slight fall in line with the decline in the workforce at Solocal
Total training expenses (€)	5,292,464	4,871,167	-7.96%	Fall in training expenditure linked to the fall in the number of employees trained
Participation rate in the internal survey	72%	68%	+4 points	Slight decline in labour force participation rate
Number of workplace accidents resulting in absence	19	20	+5.26%	Stabilisation in the number of days lost as a result of workplace accidents
Work accident frequency rate	5.39%	5.91%	+0.52 pts	Stabilisation of the frequency of workplace accidents
Work accident severity rate	1.37%	1.59%	+0.22 pts	Stability (severity rate = number of days compensated per 1,000 hours worked)

(1) *The 138,817 figure for 2022 corresponded to the total number of moderations expressed by our customers (rectification and deletion). In order to have a relevant comparability on the number of rectifications received (at equivalent scope), we correct this figure to 123,153 (which corresponds only to rectification requests).*

Indicators	2022	2023	Chg. 2022/2023	Comments
Total aggregate number of hours worked during the year	3,527,176	3,383,934	-4.06%	Fall in the number of hours worked
Aggregate number of days of absence during the year	4,846	5,397	+11.37%	Increase in the number of days off work due to GP prescription
Number of days of sick leave	75,763	58,799	-22.39%	Decrease in the number of days of sick leave due to GP prescription and decrease in staff numbers
Number of theoretical working days	696,227	651,721	-6.39%	Decrease in the number of theoretical working days due to the decrease in staff numbers
Average age of employees	40.4	41.4	-2.48%	Stabilisation of average age of employees
Average years of service of employees	10.6	11.4	+7.55%	Slight increase in average employee length of service
Total payroll	€128,346,744	€118,776,450	-7.46%	Decrease in payroll due to the decrease in staff numbers
Overall turnover	29.1	32.0	+9.97%	Increased turnover due to tightness in the labour market
Employees recruited on indefinite-term contracts	791	520	-34.26%	Decline in hires on indefinite-term contracts due to stabilisation of certain organisations (cross-functional functions)
Departures of employees on indefinite-term contracts at the end of the trial period	224	268	+19.64%	Increase in departures of employees on indefinite-term contracts at the end of their probation period, linked to a high turnover rate in the sales force
Voluntary departures of employees on indefinite-term contracts	326	343	+5.21%	Increase linked in part to the attractiveness of the digital market and to the tightness in these professions
Non-voluntary departures of employees on indefinite-term contracts	241	209	-13.28%	Decrease in involuntary departures of employees on indefinite-term contracts due to fewer redundancies and retirements
Total number of indefinite-term contract departures	791	820	+3.67%	Increase in the total number of departures of employees on indefinite-term contracts due to the two effects mentioned above
Number of senior executives	78	69	-11.54%	Decrease in the number of senior managers due to the attractiveness of the digital market
Share of senior executives/total workforce	2.85%	2.84%	-0.01 pts	Stable proportion of senior executives due to the attractiveness of the digital market
Number of female senior executives	20	18	-10.00%	Decrease due in part to the decline in the number of senior executives
Hiring under work-study programmes (apprenticeship and professional training contract)	147	52	-64.63%	Decrease in hires of work/study students linked to the stabilisation of organisations, with fewer needs, particularly for the field sales force, and some work/study students were on multi-year contracts.
Recruitment of interns	12	6	-50.00%	Decrease in the number of interns taken on as a result of greater emphasis on work/study contracts

Indicators	2022	2023	Chg. 2022/2023	Comments
Percentage rate of employment of people with disabilities	3.6%	3.98%	+0.38 pts	Relative stability in the employment rate of people with disabilities
Environmental[(1)]				**Data Solocal SA**
Number of computers per employee[(2)]	1.67	1.57	-5.99%	Slight decrease linked to the policy of streamlining IT equipment (includes internal and external employees)
Number of printers per employee	0.05	0.05	0%	Stabilisation of the number of printers per employee
Electricity consumption by offices (excl. data centers) in MWh[(1)]	1,837.3	1,648.1	-10.30%	Decrease linked to the application of an energy efficiency policy at the end of 2022 and the closure of unoccupied surface areas; Also note the termination of the lease for the Roubaix site in September 2023, replaced by a new site at Marcq-en-Barœul, which is more recent and has half the surface area.
Gas consumption in MWh	0	0	-	Does not apply to Solocal
Energy consumption associated with IDEX urban network (cold/hot) in MWh[(1)]	1,499.3	1,460.2	-2.61%	Relative decrease in line with the application of the energy efficiency policy introduced at the end of 2022
Business travel (train / plane) in kg CO_2-eq	146,804	84,225	-42.62%	Decrease linked to a significant reduction in the number of trips (894 in 2022 vs. 654 in 2023)

(1) Calculation scope: Solocal Group, Solocal SA, Solocal Marketing Services.

(2) Including external staff concerned by the loan of computers as part of their duties.

CHAPTER

4 Corporate governance

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4.1 Administrative and general management body

4.1.1 COMPOSITION OF THE BOARD OF DIRECTORS

As of the date of this document, the Board of Directors is composed of the following members:

- Philippe Mellier, Chairman of the Board of Directors;
- David Amar, Vice-Chairman of the Board of Directors;
- Cédric Dugardin;
- Alexandre Fretti;
- Delphine Grison;
- Bruno Guillemet;
- Ghislaine Mattlinger;
- Marie-Christine Levet;
- Catherine Robaglia;
- Sophie Sursock.

The Board of Directors, on the date of this document, is composed of ten members, including one Director representing employees, one Non-Independent Director and eight Independent Directors.


SIC

Philippe Mellier
Chairman


GC

David Amar
Vice-Chairman

AC *Audit Committee*
GC *Governance Committee*
SIC *Strategy & Innovation Committee*
Independent Director


Cédric Dugardin


SIC

Alexandre Fretti


GC

Bruno Guillemet


AC

Delphine Grison


AC

Ghislaine Mattlinger


SIC

Marie-Christine Levet


GC

Catherine Robaglia


AC

Sophie Sursock

Name	Nationality	Function	Date appointed	Date office expires	Number of shares	Independent Director	Other duties and main offices held in all companies over the past 5 years
Philippe Mellier Born 2 September 1955 16 Villa Dupont 75116 Paris	French	Chairman of the Board of Directors Chairman of the Strategy & Innovation Committee (Committee created on 2 June 2022)	30 June 2021	General Shareholders' Meeting to be held in 2027	141,000	YES	– Director and Chairman of the Strategy & Innovation Committee of Groupe Réel (France) – Chairman of the Supervisory Board and Chairman of the Human Resources Committee of Streem Group (formerly Ermewa) (France) **Offices no longer held:** – Chairman and member of the Board of Directors of Fraikin (France)
David Amar Born 25 May 1981 Route Suisse 35 1297 Founex Swiss	Swiss	Vice-Chairman of the Board of Directors Director Member of the Governance Committee	13 June 2017	General Shareholders' Meeting to be held in 2025	958,585	YES	– Representative of Amar Family Office (Switzerland) – Managing Director of Holgespar Luxembourg SA (Luxembourg) – Director of Matignon Investissement et Gestion (France) **Offices no longer held:** – Director of SQLI (listed company – France) until December 2019 – Chairman of SA EHPBG (France)
Cédric Dugardin Born 12 November 1966 204 rond-point du Pont de Sèvres 92100 Boulogne-Billancourt	French	Director Chief Executive Officer	7 June 2023	General Shareholders' Meeting to be held in 2024	1	NO	– Director of IKKS (France)
Alexandre Fretti Born 21 October 1980 6 rue Blanche 75009 Paris	French	Director Member of the Strategy & Innovation Com mittee	7 June 2023	General Shareholders' Meeting to be held in 2025	1	YES	– Deputy Chief Executive Officer of Malt Community
Bruno Guillemet Born 13 June 1957 3 rue Villaret de Joyeuse 75017 Paris	French	Director Chairman of the Governance Committee	2 June 2022	General Shareholders' Meeting to be held in 2026	50,000	YES	– Director and Chairman of the REEL Group Remuneration Committee – Member of the Remuneration Committee of the Paris 2024 Olympic Games – Member of the Remuneration Committee of France 2023 - Rugby World Club
Delphine Grison Born 10 December 1968 Solocal 204, rond-point du Pont-de-Sèvres 92100 Boulogne-Billancourt France	French	Director Member of the Audit Committee	13 June 2017	General Shareholders' Meeting to be held in 2025	5,929*	YES	– Chair of DGTL Conseil (France) – Director of Dekuple and member of the Audit Committee and the Appointments and Compensation Committee (listed company - France) – Director of Pierre & Vacances and member of the Audit Committee and the Strategy and CSR Committee (listed company - France) **Offices no longer held:** – Member of the Supervisory Board of Asmodée Holding (France)

Name	Nationality	Function	Date appointed	Date office expires	Number of shares	Independent Director	Other duties and main offices held in all companies over the past 5 years
Ghislaine Mattlinger Born 10 May 1968 5 rue Villaret de Joyeuse 75017 Paris France	French	Director Chair of the Audit Committee	20 April 2023	General Shareholders' Meeting to be held in 2026	1,002	YES	– Chair of Aurige Conseil – Director of the Ponant Foundation **Offices no longer held:** – Chair of Smovengo
Marie-Christine Levet Born 28 March 1967 91 rue du Cherche-Midi 75006 Paris France	French	Director Member of the Strategy & Innovation Committee	15 December 2017	General Shareholders' Meeting to be held in 2024	839**	YES	– Chair of Educapital (France) – Director of Econocom (listed company – Belgium) – Director of the PMU (France) **Offices no longer held:** – Director of Iliad (listed company – France) – Director of Mercialys (listed company – France) – Director of HiPay (France) – Director of Avanquest (listed company – France) – Director of Maisons du Monde (listed company – France) – Director of the AFP (France)
Catherine Robaglia Born 25 January 1968 Solocal 204, rond-point du Pont-de-Sèvres 92100 Boulogne-Billancourt France	French	Director representing employees Member of the Governance Committee	15 October 2020	15 October 2024	54	NO	– None **Offices no longer held:** – None
Sophie Sursock Born 7 November 1979 Move Capital 112 avenue Kleber 75116 Paris France	French	Director Member of the Audit Committee	13 June 2017	General Shareholders' Meeting to be held in 2025	1,678***	YES	– Director and member of the Compensation Committee of Subfero Limited (United Kingdom) – Director of Gatewatcher (France) – Director of Shark Robotics - Elwedys (France) **Offices no longer held:** – Director of Dada Spa (Italy) – Director of Inty Limited (United Kingdom) – Director of Italiaonline S.p.A (formerly Seat Pagine Gialle S.p.A and Italia Online S.p.A) (Italy) – Member of the Strategy Committee of Italia Online (Italy) – Director and member of the Audit Committee of Euronews (France) – Director of Supernap International (Italy)

* *63,125 shares held in 2019. Following the financial restructuring carried out in 2021, Delphine Grison holds 5,929 shares with a cost price of €9.25, i.e. an investment of €54,843.*

** *5,000 shares held in 2019. Following the financial restructuring carried out in 2021, Marie-Christine Levet holds 839 shares.*

*** *10,000 shares held in 2019. Following the financial restructuring carried out in 2021, Sophie Sursock holds 1,678 shares with a weighted average purchase price of €7,584, i.e. an investment of €12,727.*

Governance model

On 5 November 2014, the Board of Directors opted to separate the functions of Chairman of the Board of Directors and Chief Executive Officer in line with corporate governance best practice. The Board of Directors chose to maintain this separation of functions during the change of governance in 2021. The choice of governance model is largely due to the Company's wish to make a clear distinction between responsibility for strategic guidance and oversight, which lies with the Board of Directors, and the Chief Executive Officer's operational and executive powers. This governance model also enables the Group to benefit from the complementary skills and experience of the Chief Executive Officer and the Chairman of the Board of Directors.

Non-Voting Director

For 2023, the Board of Directors decided not to make use of Article 12 of the Company's Articles of Association, which allows the Board of Directors to appoint one or more Non-Voting Directors who would participate in Board meetings but would not have any voting rights.

Changes in the composition of the Board of Directors as of the date of this document

	Departure	Appointment	Reappointment
Board of Directors	Anne-France Laclide (31 May 2023)	Ghislaine Mattlinger (31 May 2023)	
	David Eckert (31 March 2023)	Cédric Dugardin (7 June 2023)	
	Paul Russo (31 March 2023)	Alexandre Fretti (7 June 2023)	
Strategy & Innovation Committee	David Eckert (31 March 2023)	Alexandre Fretti (7 June 2023)	
	David Amar (20 December 2023)		
Audit Committee	Paul Russo (31 March 2023)	Cédric Dugardin (7 June 2023) until 22 November 2023*	
	Cédric Dugardin (22 November 2023)	Sophie Sursock (20 December 2023)	
Governance Committee	Sophie Sursock (20 December 2023)	David Amar (20 December 2023)	

* *In accordance with Article L. 823-19 of the French Commercial Code, no executive officer of Solocal may be a member of the Audit Committee. Cédric Dugardin was appointed Chief Executive Officer of Solocal on 22 November 2023; he has resigned from his office as a member of the Audit Committee.*

Following consideration and recommendation by the Governance Committee, the Board of Directors will propose that the upcoming 2024 Annual General Shareholders' Meeting reappoint Marie-Christine Levet and Cédric Dugardin as Directors of the Company.

Accordingly, at the end of the Company's upcoming 2024 General Shareholders' Meeting, the Board of Directors will be composed of the following members:

- Philippe Mellier, Chairman of the Board of Directors;
- David Amar, Vice-Chairman of the Board of Directors;
- Cédric Dugardin (if the shareholders vote in favour of his reappointment);
- Alexandre Fretti;
- Delphine Grison;
- Bruno Guillemet;
- Marie-Christine Levet (if the shareholders vote in favour of her reappointment);
- Ghislaine Mattlinger;
- Catherine Robaglia;
- Sophie Sursock.

The Board of Directors will be composed of ten Directors, including one Director representing employees, one Non-Independent Director and eight Independent Directors.

Independent Directors

In accordance with the recommendations of the AFEP–MEDEF Code, the Board of Directors must be comprised of a majority of Independent Directors. Such Directors must not have any dealings of any kind with the Company, its group or management that could compromise their freedom of judgement.

The Board of Directors, which has chosen to refer entirely to the criteria set out in the AFEP-MEDEF Code with regard to independence, must therefore ensure that its members, qualified as independent by the Remuneration and Appointments Committee, fulfil the following criteria:

- **criterion 1**: the Director is not or has not been, over the last five years (i) an employee or executive corporate officer of the Company, (ii) an employee, executive corporate officer or Director of a company that the Company controls;
- **criterion 2**: the Director is not an executive corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee appointed as such or an executive corporate officer of the Company (currently in office or having been so in the last five years) holds a directorship;
- **criterion 3**: the Director is not a customer, supplier, corporate banker or investment banker that is (i) significant for the Company or its Group, or (ii) for whom the Company or its Group represents a significant portion of their business;
- **criterion 4**: the Director has no close family ties with a corporate officer;
- **criterion 5**: the Director has not been a Statutory Auditor for the Company over the last five years;
- **criterion 6**: the Director has not been a member of the Board for more than 12 years, as Directors cannot be classified as independent after 12 years;
- **criterion 7**: a non-executive corporate officer cannot be considered independent if they receive variable compensation in cash or securities or any remuneration relating to the Company or the Group's performance;
- **criterion 8**: the Director does not represent a major shareholder (more than 10%) vested with any control over the Company.

The Board of Directors has deemed that in 2023 eight of its members meet the independence criteria described above, i.e. 80% are independent members (excluding the Director representing employees); Catherine Robaglia does not qualify as an Independent Director given the position she holds within the Group. In addition, the Board of Directors, in its decision dated 20 December 2023 and on the recommendation of the Governance Committee, took the view that Cédric Dugardin, as Chief Executive Officer, did not meet criterion 1 and should therefore be classified as non-independent within the meaning of the AFEP-MEDEF Code.

Summary of Board member independence as at 31 December 2023

Criteria[1]	Philippe Mellier	David Amar	Cédric Dugardin[2]	Delphine Grison	Ghislaine Mattlinger[3]	Marie-Christine Levet	Catherine Robaglia[4]	Alexandre Fretti[5]	Sophie Sursock	Bruno Guillemet
Criterion 1: Employee corporate officer over the last five years	✔	✔	✖	✔	✔	✔	✖	✔	✔	✔
Criterion 2: Cross-directorships	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 3: Substantial business dealings	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 4: Family ties	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 5: Statutory Auditor	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 6: Term of office longer than 12 years	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 7: Non-executive corporate officer	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Criterion 8: Major shareholder	✔	✔	✖	✔	✔	✔	✔	✖	✔	✔

(1) *In this table, ✔ means an independence criterion has been satisfied and ✖ means an independence criterion has not been satisfied.*
(2) *Cédric Dugardin was co-opted as a Director at the Board meeting of 7 June 2023.*
(3) *Ghislaine Mattlinger was co-opted as a Director at the Board meeting of 20 April 2023.*
(4) *Director representing employees.*
(5) *Alexandre Fretti was co-opted as a Director at the Board meeting of 7 June 2023.*

Biographies of the members of the Board of Director

- From 2018 to July 2022, **Philippe Mellier** was the President of Fraikin, the European leader in industrial and utility vehicle leasing. He oversaw a profound transformation of the company, returning it to profitability and developing value-added services, especially in the area of digital and telematic services. In 2020, Philippe Mellier consolidated Fraikin's leading position in Europe with the acquisition of Via Location. Philippe has extensive governance experience and is currently Chairman of the Supervisory Board of Streem Group (formerly Ermewa) and a member of the Board of Directors of Groupe Réel (a mid-cap in the Lyon region).

  He began his career at Ford where he became Vice-President of Marketing, Sales and Services for Ford of Europe. In 2000, he was appointed Chairman and CEO of Renault Trucks. In 2003, he joined Alstom. As Executive Vice President of Alstom and President of Alstom Transport, he played a key role in the Group's recovery until 2011. He then joined De Beers as Chief Executive Officer of the Group until 2016.
- **David Amar** joined the Amar Family Office in 2009 and assumed responsibility for its management in 2013. He specialises in long-term investment in listed companies, wine estates and wine trading companies, hotel properties and property development. He is also a Director of the private equity firm Matignon Investissement et Gestion. He was in charge of asset management in various major Swiss banks from 2006 to 2009. He earned an MBA in Geneva in 2006.
- **Cédric Dugardin** has been a Director since 7 June 2023. He has also been Chief Executive Officer of Solocal since 22 November 2023. He specialises in business turnaround, crisis management, restructuring and transformation. He works in a wide range of sectors and in particularly complex environments. A graduate of Sciences Po Paris, the Sorbonne and the London School of Economics, Cédric Dugardin began his career at PwC followed by Seita-Altadis. Among other achievements, he successfully led the turnaround of Quick, the restructuring of Conforama and, more recently, the winding up of the Presstalis group, whose assets were taken over by France Messagerie, which he managed until January 2021. Cédric Dugardin then led the transformation of APST, the leading French travel operators guarantee association, and assisted the tour operator Salaün in its financial restructuring. From September 2022 to November 2023, he headed the Eugène Perma group, an iconic French cosmetics firm. Cédric Dugardin is a Director of the IKKS Group.

- **Alexandre Fretti** is a graduate of Telecom Bretagne (2003) and Stanford University (Executive MBA, class of 2017). He began his career as a strategy consultant with Deloitte and McKinsey & Company. In 2006, he joined Webhelp and became CEO of the company ten years later. He helped transform one of France's most successful unicorns, increasing its revenue from €30 million when he joined the company to €1.5 billion at the time of his departure. In 2017, Alexandre Fretti received the Next Leader Award and entered the Choiseul ranking of the most promising young business leaders. In 2020, he joined the freelance consulting marketplace Malt as Managing Director and then Co-CEO from 2022 onwards, building it into the European leader in the freelance market.
- **Delphine Grison** is Chair of DGTL Conseil, where she works as a digital strategy and transformation consultant. She is also a Director of Dekuple and the Pierre & Vacances Center Parcs Group. From 2015 and 2020, she served as Chief Marketing and Data Intelligence Officer at CBRE France, having previously spent over a decade in the media sector in various roles spanning finance, strategy, marketing and digital. In particular, she led Lagardère Active's digital activities until 2013, as Chair of Lagardère Active Digital and a member of the Lagardère Active Executive Committee. She also served as a Director at Asmodée from 2014 to 2018. Ms Grison is an alumnus of the ENS, has a doctorate in quantum physics and is a civil engineer.
- **Bruno Guillemet** has been a Director of Solocal Group since June 2022. He chairs the Governance Committee (formerly known as the "Remuneration and Appointments Committee"). After studying law and attending the Centre Interdisciplinaire de Formation à la Fonction Personnel (CIFFOP), Bruno Guillemet began his career with the Sacilor group in 1984. He worked at Danone from 1989 to 2004, first as Human Resources Director for fresh products, then as Human Resources Director for Evian and Volvic, before being appointed Social Policy Director for the group in 2001 and, finally, Human Resources Director for the Americas, based in the United States. In 2004, he was appointed Human Resources Director for Alstom Transport and then Human Resources Director for Alstom group in 2010. He was previously Group Human Resources Senior Vice President at Valeo (from 2015). He is now a member of the Board of Directors of Groupe Réel and Chairman of its Compensation Committee, a member of the Remuneration Committee of Paris 2024 Olympic Games and a member of the Remuneration Committee of France 2023, the organiser of the Rugby World Club.
- **Marie-Christine Levet**, a pioneer of the internet in France, has managed several major French internet brands. In 1997, she founded Lycos to launch the French version of the search engine and developed it by buying Caramail, Spray and Multimania. From 2001 to 2007, she ran Club-Internet, an internet service provider, where she oversaw the development of its content and services offer before selling it to Neuf Cegetel (now SFR) in 2007. She then took over the management of the Tests group, a leading hi-tech information group, as well as Nextradiotv group's internet activities. In 2009, Ms Levet focused her career on venture capital and helped create Jaina Capital, an investment fund specialising in seed financing and which finances approximately 20 companies. In 2017, she set up Educapital, the first investment fund focused specifically on the Education and Innovative Training sectors. Marie-Christine Levet is a Director of Econocom and the PMU. She is a graduate of HEC business school and has an MBA from INSEAD business school.
- **Ghislaine Mattlinger** joined Compagnie du Ponant in June 2022 as Group Chief Financial Officer and a member of the Management Board. She began her career at Arthur Andersen, and has been Chief Financial Officer of various companies in both the financial sector (VIEL Tradition, Natixis and Newedge) and the non-financial sector (PagesJaunes Group from 2006 to 2010 and Indigo). She was non-executive Chair of Smovengo and is currently a Board member of the Ponant Foundation and Chair of Aurige Conseil. Ghislaine Mattlinger is a graduate of HEC business school and holds a Company Directors' Certificate from Science Po-IFA and IFMT certification (Institut de Formation Management de Transition). She has been an Independent Director at Solocal since 31 May 2023.
- **Catherine Robaglia** is a graduate of IMAC with a degree in engineering. She began her career at Bossard Gemini Consulting, where she spent seven years as a consultant in organisation and information systems. In 1999, she joined the IT department of PagesJaunes and played an active role in the information system renewal projects. In 2004, she joined the new DOSQ (Department of Organisation, Strategy and Quality) as Head of Organisation, a role in which she took part in the transformation projects. In 2008, she was appointed Head of Internal Audit, reporting to the Chief Executive Officer and the Chairman of the Audit Committee, where she audited all of the Company's subsidiaries and major processes on behalf of the Board of Directors. She then became Project Director within the Customer Operations department. For the past three years, Catherine, together with her teams, has managed quality policy and implementation for all Group operations. In February 2024, she joined the Customer Experience department as Process and Quality Director.
- **Sophie Sursock** is co-founder and partner at Move Capital, an investment company specialising in the BtoB Tech sector. She is also a co-founder and shareholder of Accelero Capital, an investment and management group specialising in the TMT sector (Telecommunications, Media, Technologies). She has conducted several transactions in the technology and media sector. In particular, she took part in the restructuring of Seat Pagine Gialle S.p.A and is a member of the Board of Directors of Subfero Limited, Gatewatcher SaS and Shark Robotics - Elwedys SaS. She was previously Corporate Finance Manager at Orascom Telecom Holding S.A.E/Weather Investments from 2007 to 2011. She also worked in the M&A Operations department of Deloitte's Corporate Finance department in Paris from 2005 to 2007, before becoming Junior Project Manager at PrimeCorp Finance S.A. and Junior Investment Manager at Axa Investment. Ms Sursock has a Bachelor's Degree in Business Administration, a Master's (MSc) in International Business from ESCP-EAP Paris Business School and a Certificate in Management of Technology.

Directors who resigned in 2023

- **David Eckert** has led numerous companies in a variety of industries. He is currently Director and CEO of Yellow Pages Limited (Canada). Previously, he was President & CEO of the Hibu Group and has served on the Boards of Directors of X-Rite, Inc., Safety-Kleen Systems, Inc., Clean Harbors, Inc., Italiaonline SpA and Yellow Pages Limited (Canada). During his career, he has chaired and served on the boards of many companies. In the 1980s, he was Vice-President and Partner of Bain & Company. He holds an MBA from Harvard Business School. *David Eckert resigned from his duties as a Director and as a member of the Strategy & Innovation Committee on 31 March 2023.*
- **Anne-France Laclide-Drouin** has been Group CFO and Corporate Officer of Ingenico since 1 December 2022. Before that, she was CFO of RATP Dev, CFO and a member of the Executive Committee of Consolis group and CFO of the Idemia group (formerly Oberthur Technologies) and of various other companies such as Elis, GrandVision, AS Watson (Marionnaud) and Guilbert. She began her career at PricewaterhouseCoopers. She sits as an independent Director on the Board of Directors of CGG, a global geoscience group with annual revenues of 1.193 billion that works for the energy industry and of Believe, a world leader in digital music with annual revenues of 577 million. She is Chair of the Audit Committee of these two companies. She held the same positions, i.e. Independent Director on the Board of Directors and Chair of the Audit Committee, at SFR. Anne-France Laclide-Drouin supports Clubhouse, a non-profit association that works with people suffering from mental illnesses and helps them integrate into society. *Ms Laclide resigned from her duties as a Director of Solocal on 31 May 2023.*
- **Paul Russo** has been a Board member of Yellow Pages Limited (Canada) since 2017, where he chairs the Human Resources and Compensation Committee and is a member of the Audit Committee. Previously, he served as Chief Executive Officer of Color Spot Nurseries and as Executive Vice President in charge of development at Hibu Group. He began his career as a partner of Bain & Company and went on to be a Director of numerous companies. He graduated from the University of California, Berkeley and holds an MBA from Harvard Business School. Prior to graduation, he began his career with Arthur Young and Company and obtained CPA certification. *Paul Russo resigned from his duties as a Director and as a member of the Audit Committee on 31 March 2023.*

SKILL SETS OF THE MEMBERS OF THE BOARD OF DIRECTORS AS OF THE DATE OF PUBLICATION OF THIS DOCUMENT

The members of the Board of Directors have been selected by the Governance Committee and by the Board of Directors on the basis not only of their individual expertise, but also the complementarity of their skills. The table below shows the Directors' skills in relation to Solocal's activities, its environment and its current economic situation:

Full name	Digital and Innovation	Finance	Restructuring and turnaround	Customer knowledge, salesforce management and customer relations	Technology, data and cyber-risk	Compliance, ethics and CSR
Philippe Mellier		✓	✓	✓		
David Amar	✓	✓		✓		
Cédric Dugardin		✓	✓	✓		
Alexandre Fretti	✓			✓	✓	
Delphine Grison	✓	✓			✓	✓
Bruno Guillemet			✓	✓		✓
Marie-Christine Levet	✓			✓	✓	
Ghislaine Mattlinger		✓	✓			✓
Catherine Robaglia	✓			✓	✓	
Sophie Sursock	✓	✓			✓	

4.1.2 CRIMINAL OFFENCES AND POTENTIAL CONFLICTS OF INTEREST

There are no arrangements or agreements of any kind with shareholders, customers, suppliers or others pursuant to which any member of the Board of Directors has been selected as a member of an administrative, management or supervisory body or as a member of the Company's senior management.

The Company is not aware at this time of any potential conflict of interest between the duties of the members of the administrative bodies and of senior management towards the Company, and their private interests and/or other duties.

4.1.3 COMPOSITION OF THE MANAGEMENT BODIES

Cédric Dugardin
Chief Executive Officer

Catherine Cussigh
Restructuring Officer

Agnès Mauffrey
Chief Technology Officer

Quentin Mazurrier
Sales Director

Charlotte Millet
Communications Director

Stéphane Monat
Product and Media Marketing Director

Malvina Prault
Customer Experience Director

Jean-Charles Rebours
Human Resources Director

Nicolas Regal
Delivery Director

Olivier Regnard
Chief Financial Officer

As of the date of this document, the Company's senior management is composed of the following members:

- **Cédric Dugardin** has been Chief Executive Officer since 22 November 2023. He specialises in business turnaround, crisis management, restructuring and transformation. He works in a wide range of sectors and in particularly complex environments. A graduate of Sciences Po Paris, the Sorbonne and the London School of Economics, Cédric Dugardin began his career at PwC followed by Seita-Altadis. Among other achievements, he has successfully led the turnaround of Quick, the restructuring of Conforama and, more recently, the winding up of the Presstalis group, whose assets were taken over by France Messagerie, which he managed until January 2021. Cédric Dugardin then went on to lead the transformation of APST, the leading French travel operators guarantee association and assisted the tour operator Salaün in its financial restructuring. From September 2022 to November 2023, he headed Eugène Perma, an iconic French cosmetics firm. Cédric Dugardin is a Director at IKKS and Solocal.
- **Catherine Cussigh** has been interim Chief Restructuring Officer since September 2023. Catherine has held senior management positions for over 20 years in France and abroad, in the BtoBtoC, media, digital and retail sectors. She joined Procter & Gamble in 1985, where she held various roles over 15 years in Sales, Marketing and Media. She became Managing Director of Editions Harlequin in 2000 before joining the Executive Committee of the Lagardère Publishing group in 2008 as President of Hachette Livre International and Director of Digital Development for the group. She implemented the group's digital strategy and organisation. At the beginning of 2017, Catherine took over as President of Form Development (a network of gyms) and then joined the Actissia Group as CEO in 2018, after it entered receivership in late 2017. She resigned from her post in March 2021. Since then, Catherine Cussigh has been working as a transformation consultant to business leaders in the digital, retail and marketing sectors.
- **Agnès Mauffrey** has been transitional Chief Technology Officer since January 2024. Before joining Solocal, Agnès Mauffray was CIO of the Sodexo Group, a global food services provider, which she joined in 2019. At Sodexo, Agnès brought about a far-reaching transformation of the Tech function, putting IT at the heart of the business model to drive the group's profitable, sustainable growth. After studying engineering, Agnès spent 15 years in the telecommunications sector, becoming CIO of SFR at the end of the 1990s. She then went on to work for major digital services companies. In 2008, Agnès joined Michelin as Group CIO, where she oversaw the transformation of the IT function to align it more closely with the global tyre leader's business lines.
- **Quentin Mazurier** has been Chief Operating Officer since 1 September 2022. Quentin joined Solocal in November 2021 as Sales Director VSE/SME. Since September 2023, he has managed the Large Accounts, VSE/SME Field Sales and Telesales departments. He began his career as Northern Sales Director for Completel (Altice Group). In 2010, he became Regional Head and then Sales Director of Completel, where he developed the sales strategy and managed the performance of a team of 220 people. In 2015, following the takeover of SFR by Altice, he took up the position of Direct Sales Director at SFR Business, France's second-largest telecoms company and B2B ICT operator, while also serving as CEO of Completel. Two years later in 2017, he became Deputy CEO of Linkt, the new B2B telecoms operator within the Altitude Group, where he was in charge of sales, production, operations, marketing, communication and training.
- **Charlotte Millet** has been Group Communications Director since 2018. Charlotte began her career in 2002 as a public and media relations and crisis communications consultant. In 2004, she joined Initiative Média (IPG Group), followed by Interbrand (Omnicom) in 2007, where she was in charge of media coverage for Best Global Brands (a league table of brands ranked on their financial value). From 2010 to 2016, Charlotte served as Director of Communication for Publicis Media. In 2016, she headed communications for Cdiscount (Casino) before joining Solocal two years later as Communications Director. As such, she is responsible for overseeing all of the Group's communication activities, including press relations, events, social media, internal communication and brand and advertising activity, and has mounted several on and offline advertising campaigns. Charlotte Millet is a graduate of the Grenoble Ecole Supérieure de Commerce (2001) and the Institut MultiMédia (2017).
- **Stéphane Monat** joined Solocal in April 2022 as Group Marketing, Products and Media Director. He began his career at Orange in 1996, where he notably held the position of Marketing and Communication Manager for the Networked Games Business Unit. He joined the PagesJaunes SA Group in 2004 and was appointed head of the Marketing department of the PagesJaunes media five years later. The Group was then in the midst of a digital transformation, with the PagesJaunes media being the primary vector. In 2015, Stéphane Monat was appointed CEO of ClicRDV, a Solocal subsidiary which publishes the SaaS online appointment booking solution, which he developed for four years before taking over responsibility for the Solutions & Websites service line in 2019. During his 20 years of experience within the Solocal Group, Stéphane Monat has strengthened his expertise in business transformation and sales development and has acquired recognised experience in digital product development. Over the course of this rich and varied career, combining strategy and operational execution, he has launched numerous high-value services and overseen several transformation programmes. With his expert knowledge of the Group and its results, Stéphane Monat's appointment as head of the Group's Marketing, Products and Media department is a logical step. Stéphane Monat holds a master's degree in Telecommunications and New Media Management from the University of Paris Dauphine (1996).

- **Malvina Prault** is Customer Experience Director. With a master's degree in marketing, Malvina Prault began her career in 2009 within various start-ups in Lille before joining Arvato in 2013, where she worked on new products. In 2017, at Lyreco France, Malvina led the company's transformation programme for two years and oversaw its operational implementation. She then drove the transformation at the international level. In order to improve Solocal's relationships with its 270,000 customers, the Group hired Malvina in June 2022 to drive forward its customer relations strategy. The creation of the position of Customer Experience Director reflects the company's ambition to strengthen loyalty and satisfaction among the Group's VSE/SME customers and, most importantly, to make tackling churn a key issue.
- **Nicolas Regal** is Director of Delivery. After graduating from ENSTA Paris Tech and the University of Michigan in 2000, Nicolas Regal began his career as a consultant at Accenture, and then at Altran, where he specialised in tech projects in the media, telecoms and aeronautics industries. He joined Solocal in February 2010 as Head of Sourcing & Partnerships and was appointed Head of Data four years later. He then took up the position of Data & Content Director in 2017. In 2021, Nicolas was in charge of the multi-broadcast solution within the Connect and Connect Réseau solutions. Currently appointed Director of Delivery, Nicolas is in charge of building and operating websites, search engine and social media advertising campaigns, programmatic advertising, Data & Direct Marketing offers as well as all content on PagesJaunes and its media partners for our 270,000 customers. He manages 300 product experts based in France, including SEO, SEA and SMA experts, web copywriters, web designers and data & direct marketing specialists.
- **Olivier Regnard** is Chief Financial Officer. He is a graduate of ESSEC business school. From the first quarter of 2018, he was CFO of Europe Snacks (an agri-food company with annual revenue of €350 million, employing 2,100 people) where he played a noteworthy part in the company's external expansion. Between 2013 and 2017, Olivier Regnard was Deputy CEO and Chief Financial Officer of Latécoère (a first-tier aeronautical contractor listed on Euronext, with annual revenue of €660 million and employing around 5,000 people). He was in charge of the Financial, Legal and Purchasing departments. During this time, he made a considerable contribution to Latécoère's transformation plan. Prior to this experience, Olivier Regnard spent almost 15 years with Deloitte, in Auditing and Financial Advisory Services. During this period, he had the opportunity to work in highly diverse business activities and environments in France and abroad.
- **Jean-Charles Rebours** has been Director of Human Resources since June 2022. He is responsible for supporting the Group's transformation, steering organisational changes and contributing to the development of a stimulating and fulfilling work environment for Solocal's employees. With his strong expertise in change management, his mission will be to give strategic impetus to future developments in HR policy, the management of social dialogue and the deployment of an innovative work organisation. Jean-Charles began his career at Valeo. In 2000, he joined the Renault group, where he gradually rose through the ranks in various roles within recruitment followed by employee relations. In 2009, he joined GSK France as Director of Social Relations. He led several transformation projects before being promoted to HR Director France and Southern Europe of the Consumer Healthcare Division in 2012. In September 2014, he was appointed GSK France's Vice President in charge of Human Resources. Jean-Charles Rebours is a graduate of Sciences Po Paris with a postgraduate degree in Human Resources.

4.2 Functioning of the Board and the Committees

The Company is managed by a Board of Directors that decides on business strategy and oversees its execution by senior management. Without prejudice to the powers expressly reserved by law for General Shareholders' Meetings and within the limits of the corporate purpose, the Board may address any concern that may have an impact on the Company's business and decide any matters within its remit. It presides over all decisions relating to the Company's major strategic, economic, corporate, financial and technological policies.

4.2.1 COMPLIANCE WITH CORPORATE GOVERNANCE STANDARDS

Solocal Group embraces the principles of corporate governance of listed companies set out in the AFEP-MEDEF Corporate Governance Code in its revised version of December 2022.

The Board of Directors has identified no difference between Solocal Group's practices and the recommendations of the AFEP-MEDEF Corporate Governance Code.

4.2.2 SERVICE AGREEMENTS

No members of the Board of Directors and no Chief Executive Officers have a service agreement with the Company or with any of its subsidiaries that provides for benefits upon contract termination.

4.2.3 CORPORATE GOVERNANCE REPORT ADOPTED BY THE BOARD OF DIRECTORS

This report is prepared in accordance with Articles L. 22-10-8 et seq. and Articles L. 225-37 et seq. of the French Commercial Code. It has four sections:

Part I: Compensation policy for corporate officers, pursuant to Article L. 22-10-8 of the French Commercial Code (ex ante vote)

Part II: Compensation paid or awarded to corporate officers for the 2023 financial year in accordance with Article L. 22-10-9 of the French Commercial Code (ex post vote)

Part III: Corporate governance (Article L. 22-10-10 of the French Commercial Code)

Part IV: Significant factors in the event of a public tender offer or public exchange offer (L. 22-10-11 of the French Commercial Code)

PART I: COMPENSATION POLICY FOR CORPORATE OFFICERS, PURSUANT TO ARTICLE L. 22-10-8 OF THE FRENCH COMMERCIAL CODE (EX ANTE VOTE)

The General Shareholders' Meeting of 29 June 2023 voted on the compensation policy for the Chairman of the Board of Directors and for the Chief Executive Officer.

In accordance with the law, the compensation policy for all Solocal Group corporate officers will be put to the vote of the shareholders as part of the ex ante vote at the General Shareholders' Meeting called to approve the financial statements for the financial year ended 31 December 2023.

Items of compensation or compensation commitments may only be determined, awarded, made or paid if they are consistent with the compensation policy approved by the shareholders or, if approval has not been given, in line with the compensation awarded for the previous financial year or, failing that, with existing practices within the Company.

In the interests of clarity, the common aspects of the compensation policy applicable to all corporate officers are presented first, followed by the compensation policies for the Chairman of the Board of Directors, the Chief Executive Officer and the Directors.

It is also specified that the amounts referred to constitute upper limits and the total compensation and the benefits in kind awarded to the executive corporate officers of Solocal Group may involve lower amounts.

Compensation policy – common aspects

Alignment with the Company's interests

The Board of Directors ensures that the compensation policy for Solocal Group's corporate officers is in line with the Company's interests. Compensation amounts are determined with regard to the size of the Group and the Board sees to it that the performance criteria and the clarity and measurement of those criteria ensure effective senior management.

The compensation policy also contributes to the Company's sustainability and strategy because it is based on the ongoing pursuit of a balance between Solocal's interests, recognition of senior executives' performance and consistency in compensation practices, while fostering loyalty among Solocal's staff. Compensation is set in a way that rewards performance and promotes the exacting standards that operate within the Group.

Methods of determining, reviewing and implementing the policy

The compensation of the Group's corporate officers is determined in accordance with the recommendations of the AFEP-MEDEF Corporate Governance Code, in its revised version of December 2022. It is decided by the Board of Directors, on the recommendation of the Governance Committee, and put to the vote of the General Shareholders' Meeting.

It is subject to regular comparative studies in order to ensure that the compensation policy within the Group is competitive, consistent with Solocal's objectives and also fair.

In determining the compensation policy, the Board of Directors assesses the situation of each corporate officer, taking into account any relationships that he or she may have with the Company or the Group companies that could impair his or her ability to make independent judgements or lead to potential conflicts of interests with the Company.

Application of compensation policy provisions to newly appointed corporate officers

In the event that a new executive corporate officer is appointed during the year, the principles, criteria and items of compensation set out in the current compensation policy will apply to him or her on a pro rata basis. However, the Board of Directors, on the recommendation of the Remuneration Committee, will determine the targets, performance levels and structure of the compensation of the newly appointed executive corporate officer, adapting them to the situation of Solocal and the individual concerned.

In the event that the positions of Chairman and Chief Executive Officer are combined, the principles, criteria and items of compensation set out in the compensation policy for the Chief Executive Officer will be adapted by the Board of Directors, on the recommendation of the Remuneration Committee, to reflect this change.

Employment contract or services agreement

As stated in section 4.2.2 of the Universal Registration Document, no corporate officer has a service agreement with the Company or with any of its subsidiaries that provides for benefits upon contract termination.

Furthermore, no corporate officer has an employment contract with the Company.

Adjustment of the compensation policy

In accordance with Article L. 22-10-8 of the French Commercial Code, the Board of Directors may, in exceptional circumstances, derogate from the compensation policy, provided that such derogation is temporary, in the Company's best interests and necessary to ensure the Company's long-term future and viability. In such an event, the Board of Directors would be able to grant an item of compensation that is not provided for in the compensation policy previously approved by the General Shareholders' Meeting but is made necessary by these exceptional circumstances.

The Board of Directors may also use its discretionary powers to adapt the policy if justified by unforeseen or exceptional circumstances. Thus, for example, the recruitment of a new executive corporate officer in unforeseen circumstances could require some existing items of compensation to be temporarily adjusted or new items of compensation to be offered. In such an event, the Board of Directors would take into account the experience, expertise and compensation of the officer concerned in order to offer exceptional compensation not exceeding the amount of benefits which he or she would have to forego on leaving his or her previous position.

It may also be necessary to modify, in compliance with the ceilings stipulated in the compensation policy, the performance conditions governing the vesting of all or part of the existing items of compensation in the event of exceptional circumstances including as a result of a significant change in the Group's scope of consolidation due to a merger or divestment, the acquisition or creation of a significant new business or the discontinuation of a significant business, a change in accounting policy or a major event affecting the markets and/or major competitors.

The Board of Directors will make its decisions based on the recommendation of the Remuneration Committee and after seeking the advice of an independent consulting firm, where necessary.

It is specified, insofar as necessary, that any adjustment to the compensation policy, in exceptional circumstances, can only be temporary pending the approval of the amended compensation policy by the forthcoming General Shareholders' Meeting, and would have to be duly substantiated.

Compensation policy for executive corporate officers

The conditions of compensation of executive corporate officers include, firstly, targets for annual growth, operational effectiveness, Company progress and personal performance and, secondly, long-term targets linked to the Group's economic and financial performance, with the exception of 2023 and 2024 in view of the Solocal Group's financial situation. They provide a balance between the various items of compensation, taking into account the experience and skills of corporate officers, market practices, including in the digital sector, and the Company's strategic objectives.

In the 2023 financial year, the Board of Directors decided that the targets for executive corporate officers should be focused on cash generation and on customer and user satisfaction.

Please refer to section 4.1 of the Universal Registration Document on the individual terms of office of the executive corporate officers.

As of the date of this document, the functions of Chairman of the Board of Directors and of Chief Executive Officer are separate. However, the Agreement in Principle relating to the Company's financial restructuring, signed on 12 April 2024, provides for the functions of Chairman of the Board of Directors and Chief Executive Officer to be combined, effective from and subject to the effective completion of the proposed capital increases and issuances of securities in connection with the financial restructuring.

A. Compensation policy for the Chairman of the Board of Directors

The next Annual General Shareholders' Meeting will be asked to approve the compensation policy for the Chairman of the Board of Directors. This policy consists of (i) all common elements of the compensation policy referred to in the section headed "Compensation policy - common aspects" and (ii) all elements described in this paragraph.

The Chairman of the Board of Directors receives annual fixed all-inclusive compensation of €150,000 for his office as Chairman of the Board of Directors, with a possible further fee if he participates in any of the Company's Committees. In the event that the functions of Chairman of the Board of Directors and Chief Executive Officer are combined, this fixed all-inclusive compensation will not be paid to the Chairman of the Board and CEO, and he will only be eligible for the items of compensation described in paragraph B. below.

He does not receive any other compensation or benefit referred to in Article R. 22-10-4 of the French Commercial Code.

B. Compensation policy for the Chief Executive Officer

The next Annual General Shareholders' Meeting will be asked to approve the compensation policy for the Chief Executive Officer. This policy consists of (i) all common elements of the compensation policy referred to in the section headed "Compensation policy - common aspects" and (ii) all elements described in this paragraph.

The compensation policy for the Chief Executive Officer described below will apply *mutatis mutandis* if the functions of Chairman of the Board of Directors and Chief Executive Officer are combined.

1. Annual compensation

1.1. Structure of the annual compensation

The annual compensation of the Chief Executive Officer comprises a fixed portion and a variable portion.

1.2. Annual fixed compensation

For the 2024 financial year, the Chief Executive Officer will receive gross annual fixed compensation of €450,000 paid monthly.

1.3. Annual variable compensation

In general, the targets set for assessing variable compensation are presented to the Chief Executive Officer each year by the Board of Directors, which sets them based on a recommendation by the Governance Committee. The assessment of the achievement of the targets and the amount of the corresponding variable portion of remuneration is approved each year by the Board of Directors, based on a recommendation by the Governance Committee.

For the 2024 financial year, in accordance with the Company's compensation practices, the parameters of variable compensation were set by the Board of Directors at its meeting of 23 April 2024. These targets will not be revised during the year unless out of technical necessity relating to the inability to measure an indicator.

The Chief Executive Officer's variable compensation for targets achieved is thus equal to 100% of his fixed compensation. It may range from 0% to 150% of fixed compensation, depending on the achievement of the following criteria:

- 35%: EBITDA – CAPEX
- 20%: FCF
- 20%: Cumulative sales over the preceding 12 months
- 20%: Absenteeism among operational staff
- 5%: CSR – Average CO_2 emission per vehicle

The Board of Directors, on the recommendation of the Governance Committee, decided to opt for a climate-related CSR criterion to better reflect the impact of environmental, social and corporate governance issues in the Group's strategy.

In the event of the Chief Executive Officer's departure during the year, the variable compensation payable will be calculated on a pro rata basis, and the Board of Directors may decide either to estimate the achievement of targets at the date of the end of the appointment or to carry out an assessment at the end of the financial year.

In any event, it should be noted that payment to the Chief Executive Officer of the variable portion of his compensation will be conditional upon the ex post approval by the Company's General Shareholders' Meeting of the fixed, variable and exceptional items of the total compensation and the benefits in kind paid or awarded to the Chief Executive Officer for the financial year ended.

By derogation from the above provisions and in the context of Solocal's financial restructuring, it has been agreed that Cédric Dugardin will resign from his duties as Chief Executive Officer on the date of the effective completion of the proposed capital increases and issuances of securities in connection with the financial restructuring. Therefore, in view of this particular context, which makes it difficult to set appropriate criteria, it has been agreed that Mr Dugardin will not be granted any variable compensation.

1.4. Multi-year variable compensation

N/A.

1.5. Exceptional compensation

In exceptional circumstances, the Board of Directors may derogate from the application of the compensation policy in accordance with Article L. 22-10-8 of the French Commercial Code. This measure must be temporary, in the Company's best interests and necessary to safeguard the Company's sustainability or viability. In such circumstances, the exceptional compensation policy will be defined by the Board of Directors, on the recommendation of the Governance Committee. It will reflect the Company's best interests and the particular situation it finds itself in. In order to best respond to these circumstances, the Board of Directors may waive any or all of the items of compensation and/or benefits in kind included in the compensation policy for corporate officers.

1.6. Compensation, indemnities or benefits payable or potentially payable to the Chief Executive Officer upon taking up his post

If a Chief Executive Officer is recruited from outside the Company, a special welcome bonus (in cash or securities) may be granted with or without a repayment clause in the event of early departure. It is intended to compensate for the loss of benefits resulting from the Chief Executive Officer's departure from his previous position. The characteristics and amount of the bonus would be made public once determined. The payment of the exceptional portion of the Chief Executive Officer's compensation will be subject to the approval of the overall compensation by the shareholders at the Annual General Meeting, in accordance with Article L. 22-10-34 II of the French Commercial Code.

1.7. Any other item of compensation that may be awarded in respect of the appointment

N/A.

1.8. Benefits in kind

For the 2023 financial year, the Chief Executive Officer will receive the following benefits in kind:

- a retirement savings plan which replaced, pursuant to the Pacte Law, the defined-contribution supplementary retirement plan (Article 83 of the French Tax Code) in force at Solocal and that results in a contribution of 5.5% applied to compensation tranches B and C, 60% of which is paid by the Company, i.e. 3.3%, with the remaining 40% payable by the beneficiary i.e. 2.2%;
- healthcare and benefits plans on the terms currently applicable to management-level employees of the Company, or a similar plan, and civil liability insurance in his capacity as Chief Executive Officer;
- the Company will refund his business expenses incurred when performing his functions as Chief Executive Officer, in particular accommodation and travelling costs, on production of receipts, in accordance with the Company's rules;
- the Company will pay the unemployment insurance (GSC) enrolment costs and contributions for executive corporate officers, it being specified that the Company intends to opt for the coverage level of 55% over 12 months; and
- a company car in accordance with the Company's practices, with the benefit from personal use assessed in accordance with the Company's rules.

1.9. Compensation for his directorship

In accordance with the Company's compensation practices, the compensation to which the Chief Executive Officer may, if applicable, be entitled during the term of his office as a Director or permanent representative in a Group company (the Company and its subsidiaries) or in an entity in which he may act as a representative of a Group company will be either unpaid (in the case, in particular, of the subsidiaries) or repaid to the Company.

2. Long-term compensation

2.1. Allotments of share subscription or purchase options

No allotments of share subscription or purchase options are planned for 2024.

2.2. Allotments of free performance shares

The Board of Directors reserves the right to propose that the next Annual General Shareholders' Meeting approve the allotment of free shares subject to performance conditions to the Chief Executive Officer, it being specified that no formal decision has been taken as of the date of this document and that the Board of Directors will make its final decision on this matter at a later date.

3. Severance package

Because the Chief Executive Officer does not have an employment contract, he will receive a severance payment in the event of his Forced Departure from the Company, under the conditions set forth below:

- the severance payment is equal to 12 months of the Chief Executive Officer's average (i) gross annual fixed all-inclusive compensation and (ii) gross annual variable compensation over the preceding two complete financial years;
- payment is subject to the following performance condition: the Chief Executive Officer must have achieved an average of at least 50% of his annual targets during the preceding two complete years. If the departure occurs less than two years after taking up his post, the annual targets taken into account for the performance condition and the calculation of the severance payment will be those which were applicable during the time he was with the Company;
- the severance payment will only be paid after the Board of Directors of the Company has determined that the applicable performance condition has been met and after the Company's General Shareholders' Meeting has approved the payment within the scope of the ex post vote.

In accordance with the AFEP-MEDEF Corporate Governance Code, the aggregate of the severance payment and the non-competition compensation may not exceed two years' fixed and variable compensation.

No sums are payable in this respect, upon the termination of duties, by any company that controls or is controlled by the Company, within the meaning of Article L. 233-16 II and III.

The severance payment will not be paid if the Chief Executive Officer has the possibility of exercising his pension rights.

The above commitment in favour of the Chief Executive Officer is subject, in the event of payment, to the approval of the General Shareholders' Meeting within the scope of the ex post vote.

The Board of Directors may review this commitment at the end of three years.

4. Non-competition compensation

The Chief Executive Officer is subject to a non-competition obligation in the event that he ceases to serve as Chief Executive Officer for any reason and in any manner, under the conditions set forth below:

- the ban on competition is limited to a period of 12 months commencing on the day he actually leaves office;
- pursuant to this non-competition obligation, the Chief Executive Officer agrees not to exercise any professional activity, of any kind whatsoever, in Europe, for a competitor of the Company, which shall include:
  - any competing undertaking providing, as a main activity, an online local search engine service, whether general or vertical, through the internet or a mobile app, and digital marketing services designed to enhance the visibility of advertisers on the same service,
  - any competing undertaking providing, as a main activity, a website construction service for SMEs and mid-caps,
  - any competing undertaking providing, as a main activity, marketing services enabling businesses to enhance their visibility on the internet and to generate contacts and introductions to customers and prospects;
- the corresponding non-competition compensation will be equal, on the basis of a 12-month non-competition period, to six months' fixed and variable compensation calculated on the basis of the monthly average of the gross fixed compensation paid over the 12 months of activity preceding the date of termination of the Chief Executive Officer's duties.

At the Board of Directors' discretion, the Company may, upon the termination of his duties, (i) waive the non-competition agreement (in which case it will not have to pay the corresponding compensation), or (ii) reduce the duration, the scope of activities and/or the geographical scope of said agreement (in which case the amount of the non-competition compensation will be reduced accordingly).

In accordance with the AFEP-MEDEF Corporate Governance Code, the aggregate of the severance payment and the non-competition compensation may not exceed two years' fixed and variable compensation.

In addition, the non-competition compensation shall not be paid if the beneficiary has the possibility of exercising his pension rights. In any event, no non-competition compensation may be paid past the age of 65.

The above commitment in favour of the Chief Executive Officer is subject, in the event of payment, to the approval of the General Shareholders' Meeting within the scope of the ex post vote.

C. Directors' compensation policy

The next Annual General Shareholders' Meeting will be asked to approve the Directors' compensation policy. This policy consists of (i) all common elements of the compensation policy referred to in the section headed "Compensation policy - common aspects" and (ii) all elements described in this paragraph.

Members of the Board of Directors are compensated by allotment of a fixed aggregate sum granted by the General Shareholders' Meeting and distributed by the Board of Directors among its members.

1. Decision-making process followed for determining, reviewing and implementing the Directors' compensation policy

The Combined General Shareholders' Meeting of 29 June 2023 set the annual amount of directorship compensation allocated to Board members at €547,600 for the 2023 financial year and subsequent financial years, and until further decision by the General Shareholders' Meeting.

The rules for allocating this amount between the Directors are adopted, revised and implemented by decision of the Board of Directors based on the recommendations made by the Governance Committee.

2. Compensation amounts for Directors' participation in the work of the Board of Directors and its Committees – Allocation rules

In accordance with the rules adopted by the Board of Directors based on the recommendations of the Governance Committee, the rules for the distribution of the €547,600 budget, defined to take account of changes in the nature and composition of the Committees and to reward the work accomplished in accordance with current practices within companies in the digital sector, are as follows:

- €150,000 per annum for the Chairman;
- equal allocation for Directors, i.e. €37,700 per annum for each Director, based on the assumption of attendance at all meetings of the Board of Directors and the Committees of which they are members;
- an €18,000 annual lump-sum payment for the Chairman of the Audit Committee;
- a €7,000 annual lump-sum payment for the members of the Audit Committee;
- an €18,000 annual lump-sum payment for the Chairman of the Governance Committee;
- a €7,000 annual lump-sum payment for the members of the Governance Committee;

- an €18,000 annual lump-sum payment for the Chairman of the Strategy & Innovation Committee or any other Committee set up by the Board of Directors;
- a €7,000 annual lump-sum payment for the members of the Strategy & Innovation Committee or any other Committee set up by the Board of Directors.

With, however, three exceptions:

- allocation on a pro rata basis for Directors having resigned during the year;
- a reduction in the amount paid for Directors with an attendance rate below the annual threshold of 85% given the assumption of attendance at all meetings of the Board of Directors and the Committees of which they are members;
- no compensation for internal Directors (Director representing employees, Chief Executive Officer (if the duties of the Chief Executive Officer and the Chairman of the Board of Directors are separated)).

3. Terms of office / Employment or service contracts

The members of the Board of Directors are appointed for four years.

Any member of the Board of Directors may be removed from office under the conditions provided for by ordinary legislation (scope of the General Shareholders' Meeting).

No member of the Board of Directors has an employment contract with the Company or has entered into a service agreement with the Company.

4. Other

It is specified for the avoidance of doubt that none of the members of the Board of Directors, apart from the Chief Executive Officer (see sections 2 et seq. above) receives any items of compensation, indemnities or benefits payable or potentially payable as a result of the termination or a change of duties, or subsequent thereto, or conditional rights granted in respect of defined-benefit pension commitments that meet the characteristics of the schemes referred to in Articles L. 137-11 and L. 137-11-2 of the French Social Security Code.

It is also specified that, apart from the Chief Executive Officer (see section 2.12 above), none of the members of the Board of Directors receives any benefits in kind.

PART II: COMPENSATION PAID OR AWARDED TO CORPORATE OFFICERS FOR THE 2023 FINANCIAL YEAR (EX POST VOTE)

In accordance with Article L. 22-10-34 I and II of the French Commercial Code, the following will be submitted to the next Annual General Shareholders' Meeting:

- a draft resolution relating to the information referred to in Article L. 22-10-9 I of the French Commercial Code including in particular the total compensation and the benefits in kind for the offices held paid during or awarded in respect of the past financial year to all corporate officers, as set out below, and resulting, in the event that the resolution is rejected, in the suspension of the compensation allocated to the Directors (general ex post vote);
- a specific draft resolution relating to the total compensation and the benefits in kind paid during or awarded in respect of the past financial year to Philippe Mellier in his capacity as Chairman of the Board of Directors, as set out below, and resulting, in the event that the resolution is rejected, in the non-payment of the variable or exceptional compensation awarded for the past financial year (specific ex post vote);
- a specific draft resolution relating to the total compensation and the benefits in kind paid during or awarded in respect of the past financial year to Hervé Milcent in his capacity as Chief Executive Officer for the period from 1 January 2023 to 21 November 2023 as set out below, and resulting, in the event that the resolution is rejected, in the suspension of the variable or exceptional compensation awarded for the past financial year (specific ex post vote).
- a specific draft resolution relating to the total compensation and the benefits in kind paid during or awarded in respect of the past financial year to Cédric Dugardin in his capacity as Chief Executive Officer for the period from 22 November 2023 to 31 December 2023 as set out below, and resulting, in the event that the resolution is rejected, in the suspension of the variable or exceptional compensation awarded for the past financial year (specific ex post vote).

Compensation of the executive corporate officers subject to the approval of the General Shareholders' Meeting pursuant to Article L. 22-10-34 II of the French Commercial Code (specific ex post vote)

The items of compensation paid or awarded for the 2023 financial year to each of the above-mentioned corporate officers were done so in accordance with the principles and criteria for determining, allocating and awarding executive corporate officers' compensation that were approved by the Combined General Shareholders' Meeting of 29 June 2023 within the scope of the ex ante vote. These principles and criteria are set out in the corporate governance report, pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code ("2022 Report"). This report appears in the Company's 2022 Universal Registration Document filed with the AMF. These documents are available at www.solocal.com.

It is specified, with regard to the Chief Executive Officer and the Chairman of the Board of Directors, that since financial year 2017, the payment of variable and exceptional components of compensation is conditional upon the approval by the General Shareholders' Meeting of the items of compensation of the officer concerned.

A. Items of compensation paid during or awarded in respect of the 2023 financial year to the Chairman of the Board of Directors

Philippe Mellier

Chairman of the Board of Directors

Items of compensation put to the vote	Amounts awarded in respect of the past financial year or book value	Description
Fixed compensation	N/A	No fixed compensation.
Annual variable compensation	N/A	No variable compensation.
Multi-year variable compensation	N/A	No multi-year variable compensation.
Exceptional compensation	N/A	No exceptional compensation.
Stock options, performance shares or any other long-term benefit (warrants, etc.)	N/A	No allotment in 2023.
Compensation for his office as Chairman of the Board and other terms of office on Committees	€168,000	– Gross annual fixed compensation of €150,000 paid for his office as Chairman of the Board of Directors – €18,000 for his office as Chairman of the Strategy & Innovation Committee.
Benefits in kind	N/A	No benefits in kind.
Severance package	N/A	None.
Non-competition compensation	N/A	None.
Supplementary retirement plan	N/A	None.

B. Items of compensation paid during or awarded in respect of the 2023 financial year to the Chief Executive Officer

At its meeting of 17 November 2023, the Board of Directors decided to terminate Hervé Milcent's term of office as Chief Executive Officer of Solocal Group with effect from 21 November 2023. The Board of Directors' Meeting of 17 November 2023 approved, on the recommendation of the Governance Committee, the financial terms and conditions of Mr Milcent's departure.

The items of Hervé Milcent's compensation for the 2023 financial year until the date of termination of his duties as Chief Executive Officer on 21 November 2023 as set out below were approved at the Combined General Shareholders' Meeting of 29 June 2023:

Hervé Milcent (for the period from 1 January 2023 to 21 November 2023 inclusive)

Chief Executive Officer

Items of compensation put to the vote	Amounts awarded in respect of the 2023 financial year or book value	Description
2023 fixed compensation	€412,500	Gross annual fixed compensation of €450,000 paid monthly on a pro rata basis from 1 January 2023 to 21 November 2023 inclusive.
2023 annual variable compensation	€98,760	Gross annual variable compensation on a pro rata basis between 0% and 150% of fixed compensation. As a reminder, the targets set for the Chief Executive Officer by the Board of Directors for the 2023 financial year comprised five quantitative criteria: (i) 35%: EBITDA – CAPEX, (ii) 20%: FCF, (iii) 20%: Cumulative net sales over the preceding 12 months, (iv) 20%: Absenteeism among operational staff, (vi) 5%: Average CO_2 emission per vehicle. This amount was approved by the Board of Directors at its meeting of 28 February 2024, on the basis of 24.64 % of his variable compensation and will be submitted for approval to the Company's upcoming 2024 Combined General Shareholders' Meeting.
Multi-year variable compensation	N/A	No multi-year variable compensation.
Exceptional compensation	N/A	No exceptional compensation.
Stock options, performance shares or any other long-term benefit (warrants, etc.)	€0	The shareholders of the Company, meeting at the General Shareholders' Meeting of 27 November 2020, authorised the Board of Directors to implement, pursuant to a decision dated 15 April 2021, two free share plans in tranches subject to a performance condition, one referred to as the "Classic" LTI plan (initial allotment of 130,000 shares) and the other the "Booster" LTI plan (initial allotment of 145,000 shares), the latter being subject to an investment by the Chief Executive Officer. Regarding the "Classic" LTI plan, the initial allotment for 2021 was 36,000 shares, corresponding to the first tranche and subject to the achievement of annual free cash flow of €40 million. On the recommendation of the Governance Committee, the Board of Directors, at its meeting of 17 November 2023, decided to exercise its option to waive the continued employment condition in recognition of the Company's performance in 2021. The 36,000 shares are therefore considered vested (subject to compliance with the lock-in condition), unlike the other tranches (2022 and 2023) for which the performance conditions have not been met. Regarding the "Booster" LTI plan, the initial allotment for 2021 was 18,000 shares, corresponding to the first tranche and subject to the achievement of annual free cash flow of €40 million and an investment by the Chief Executive Officer of €50,000 in Company shares before the end of July 2021.

Hervé Milcent (for the period from 1 January 2023 to 21 November 2023 inclusive)

Chief Executive Officer

Items of compensation put to the vote	Amounts awarded in respect of the 2023 financial year or book value	Description
		In addition, at the time of Hervé Milcent's appointment, the Company had undertaken to waive the continued employment condition for the "Booster" LTI plan in the event of dismissal before the end of the vesting period. The continued employment condition and the investment condition having been met, the 18,000 shares are considered vested (subject to compliance with the lock-in condition), unlike the other tranches (2022 and 2023) for which the performance conditions have not been met. The vesting of the shares under these plans will be submitted to the Company's upcoming 2024 Combined General Shareholders' Meeting for approval.
Compensation for his directorship	N/A	The Chief Executive Officer is not a Director of Solocal Group.
Benefits in kind	€48,070 (book value on a pro rata basis – total benefits in kind excluding civil liability insurance the premium for which is non-individualised)	Payment for/provision of: – healthcare and benefits plans on the terms currently applicable to management-level employees of the Company, or a similar plan; – business expenses incurred when performing his functions as Chief Executive Officer, in particular accommodation and travelling costs, which will be refunded by the Company on production of receipts, in accordance with the Company's rules; – the unemployment insurance (GSC) enrolment costs and contributions for executive corporate officers; and – a company car in accordance with the Company's practices, with the benefit from personal use assessed in accordance with the Company's rules. At the meeting of 17 November 2023, the Board of Directors decided to allow Hervé Milcent to benefit from the portability of his health plan for a maximum period of 12 months. Hervé Milcent does not have any employment contract with any Solocal Group entity. He resigned from his other offices within Solocal Group with effect from 21 November 2023. Therefore, he will not receive any payments other than those mentioned above from any Solocal Group entity upon the termination of his duties as Chief Executive Officer of Solocal Group.

Hervé Milcent (for the period from 1 January 2023 to 21 November 2023 inclusive)

Chief Executive Officer

Items of compensation put to the vote	Amounts awarded in respect of the 2023 financial year or book value	Description
Severance payment	Nothing was paid in the 2023 financial year	In the event of his forced departure from the Company (i.e. any departure other as a result of resignation or of dismissal for gross misconduct, except, in the case of resignation, if this is due to a change in control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code) or a change in strategy decided by the Board of Directors), the Chief Executive Officer will receive a severance payment under the conditions set forth below: – the severance payment is equal to 12 months of the Chief Executive Officer's average (i) gross annual fixed all-inclusive compensation and (ii) gross annual variable compensation over the preceding two complete financial years; – payment will be subject to the following performance condition: the Chief Executive Officer must have achieved an average of at least 50% of his annual targets during the preceding two complete years. If the departure occurs during the first year after taking up his post, 100% of the bonus will be taken into account for the calculation of the severance payment; – the severance package would only be paid after the Board of Directors of the Company has recorded the achievement of the applicable performance condition. The aggregate of the severance payment and the non-competition compensation may not exceed two years' fixed and variable compensation. The Board of Directors gave its prior approval to this commitment at its meeting on 8 January 2021, as did the Combined General Shareholders' Meeting on 3 June 2021. At its meeting of 17 November 2023, the Board of Directors noted that the condition of achievement of 50 % of his annual targets during the preceding two complete years had not been met.
Non-competition compensation	Nothing was paid in the 2023 financial year	The Chief Executive Officer is subject to a non-competition obligation in the event that he ceases to serve as CEO for any reason and in any manner, under the conditions set forth below: – the ban on competition will be limited to a period of 12 months commencing on the day he actually leaves office; – the corresponding non-competition compensation, based on a 12-month non-competition period, will be equal to six months' total compensation, based on the monthly average of his total gross compensation paid over the preceding 12 months of service. The aggregate of the severance payment and the non-competition compensation may not exceed two years' fixed and variable compensation. Upon the termination of his duties, the Company may (i) waive the non-competition agreement (in which case it will not have to pay the corresponding compensation), or (ii) reduce the duration, the scope of activities and/or the geographical scope of said agreement (in which case the amount of the non-competition compensation will be reduced proportionally).

Hervé Milcent (for the period from 1 January 2023 to 21 November 2023 inclusive)

Chief Executive Officer

Items of compensation put to the vote	Amounts awarded in respect of the 2023 financial year or book value	Description
Non-competition compensation (continued)		In addition, the non-competition compensation shall not be paid if the beneficiary exercises his or her pension rights. In any event, no non-competition compensation may be paid past the age of 65. The Board of Directors gave its prior approval to this commitment at its meeting on 8 January 2021, as did the Combined General Shareholders' Meeting on 3 June 2021. At its meeting of 17 November 2023, the Board of Directors decided to release Hervé Milcent from his twelve-month non-competition undertaking. Therefore, Solocal will not be required to pay Hervé Milcent any non-competition compensation.
Supplementary retirement plan	€9,061.19 (employer contribution)	Defined-contribution supplementary retirement plan (Article 83 of the French Tax Code), resulting in a contribution of 5.5% applied to compensation tranches B and C. The Company will pay 60% of this contribution, or 3.3%, with the remaining 40%, or 2.2%, being the CEO's responsibility. The Board of Directors gave its prior approval to this commitment at its meeting of 8 January 2021, as did the Combined General Shareholders' Meeting of 29 June 2023.

In accordance with Article L. 22-10-8 of the French Commercial Code, it is specified that the payment of the items of variable and exceptional compensation referred to in this section of Part II of the report is conditional, for each of the persons concerned, upon the approval by the next General Shareholders' Meeting, of the items of variable and exceptional compensation comprising the total compensation paid or to be paid to that person for the financial year ended 31 December 2022.

At its meeting of 17 November 2023, the Board of Directors, on the recommendation of the Governance Committee, decided to appoint Cédric Dugardin with effect from 22 November 2023 to replace Hervé Milcent. The financial terms and conditions of Cédric Dugardin's appointment were also approved by the Board of Directors at its meeting of 17 November 2023 on the recommendation of the Governance Committee.

In accordance with the rule that the compensation policy approved at the General Shareholders' Meeting of 29 June 2023 remains valid, where applicable, in the event of a change in senior management, Cédric Dugardin received compensation for the 2023 financial year in accordance with the compensation policy approved at the last General Shareholders' Meeting in 2023.

Thus, Cédric Dugardin's items of compensation for the 2023 financial year on a pro rata basis to his assumption of office on 22 November 2023 as set out below are as follows:

Cédric Dugardin (for the period from 22 November 2023 to 31 December 2023)

Chief Executive Officer

Items of compensation put to the vote	Amounts awarded in respect of the 2022 financial year or book value	Description
2023 fixed compensation	€50,000	Gross annual fixed compensation of €450,000, paid monthly on a pro rata basis from 22 November 2023 to 31 December 2023.
2023 annual variable compensation	€12,153	Gross annual variable compensation on a pro rata basis between 0% and 150% of fixed compensation. As a reminder, the targets set for the Chief Executive Officer by the Board of Directors for the 2023 financial year comprised five quantitative criteria: (i) 35%: EBITDA – CAPEX, (ii) 20%: FCF, (iii) 20%: Cumulative net sales over the preceding 12 months, (iv) 20%: Absenteeism among operational staff, (vi) 5%: Average CO_2 emission per vehicle. This amount was approved by the Board of Directors at its meeting of 28 February 2024, on the basis of 24.64% of his variable compensation and will be submitted for approval to the Company's upcoming 2024 Combined General Shareholders' Meeting.
Multi-year variable compensation	N/A	No multi-year variable compensation.
Exceptional compensation	N/A	No exceptional compensation.
Stock options, performance shares or any other long-term benefit (warrants, etc.)	N/A	None
Compensation for his directorship	N/A	In accordance with the Company's compensation practices, no compensation will be payable to Cédric Dugardin for his directorship of the Company from the date of which he took up his post as Chief Executive Officer on 22 November 2023.
Benefits in kind	€1,383 (book value on a pro rata basis – total benefits in kind excluding civil liability insurance the premium for which is non-individualised)	Payment for/provision of: – welfare benefit plans on the terms currently applicable to management-level employees of the Company, or a similar plan; – business expenses incurred when performing his functions as Chief Executive Officer, in particular accommodation and travelling costs, which will be refunded by the Company on production of receipts, in accordance with the Company's rules; – the unemployment insurance (GSC) enrolment costs and contributions for executive corporate officers; and This commitment will be submitted to the next Combined General Shareholders' Meeting for approval.

Cédric Dugardin (for the period from 22 November 2023 to 31 December 2023)

Chief Executive Officer

Items of compensation put to the vote	Amounts awarded in respect of the 2022 financial year or book value	Description
Severance payment	Nothing was paid in the 2023 financial year	In the event of his forced departure from the Company (i.e. any departure other as a result of resignation or of dismissal for gross misconduct, except, in the case of resignation, if this is due to a change in control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code) or a change in strategy decided by the Board of Directors), the Chief Executive Officer will receive a severance payment under the conditions set forth below: – the severance payment is equal to 12 months of the Chief Executive Officer's average (i) gross annual fixed all-inclusive compensation and (ii) gross annual variable compensation over the preceding two complete financial years; – payment will be subject to the following performance condition: the Chief Executive Officer must have achieved an average of at least 50% of his annual targets during the preceding two complete years. If the departure occurs during the first year after taking up his post, 100% of the bonus will be taken into account for the calculation of the severance payment; – the severance package would only be paid after the Board of Directors of the Company has recorded the achievement of the applicable performance condition. The aggregate of the severance payment and the non-competition compensation may not exceed two years' fixed and variable compensation. The Board of Directors gave its prior approval to this commitment at its meeting of 17 November 2023.
Non-competition compensation	Nothing was paid in the 2023 financial year	The Chief Executive Officer is subject to a non-competition obligation in the event that he ceases to serve as CEO for any reason and in any manner, under the conditions set forth below: – the ban on competition will be limited to a period of 12 months commencing on the day he actually leaves office; – the corresponding non-competition compensation, based on a 12-month non-competition period, will be equal to six months' total compensation, based on the monthly average of his total gross compensation paid over the preceding 12 months of service. The aggregate of the severance payment and the non-competition compensation may not exceed two years' fixed and variable compensation. Upon the termination of his duties, the Company may (i) waive the non-competition agreement (in which case it will not have to pay the corresponding compensation) or (ii) reduce the duration, the scope of activities and/or the geographical scope of said agreement (in which case the amount of the non-competition compensation will be reduced accordingly).
Non-competition compensation (continued)		In addition, the non-competition compensation shall not be paid if the beneficiary exercises his or her pension rights. In any event, no non-competition compensation may be paid past the age of 65.
Supplementary retirement plan	€1,100.89 (employer contribution)	Defined-contribution supplementary retirement plan (Article 83 of the French Tax Code), resulting in a contribution of 5.5% applied to compensation tranches B and C. The Company will pay 60% of this contribution, or 3.3%, with the remaining 40%, or 2.2%, being the CEO's responsibility. This commitment received the prior approval of the Board of Directors at its meeting of 17 November 2023 and will be submitted to the next Combined General Shareholders' Meeting for approval.

In accordance with Article L. 22-10-8 of the French Commercial Code, it is specified that the payment of the items of variable and exceptional compensation referred to in this section of Part II of the report is conditional, for each of the persons concerned, upon the approval by the next General Shareholders' Meeting of the items of variable and exceptional compensation comprising the total compensation paid or to be paid to that person for the financial year ended 31 December 2023.

Payment of a non-competition bonus to the Chief Executive Officer in 2024

In the context of Solocal's financial restructuring, it has been agreed that Cédric Dugardin will resign from his duties as Chief Executive Officer on the date the operation is completed.

In accordance with the current compensation policy (approved at the General Shareholders' Meeting held in 2023) and in view of the importance of Cédric Dugardin's position, his recognised skills and the sensitive information to which he will have had access during the restructuring of the Group, the Board of Directors has decided to impose a non-competition obligation on Cédric Dugardin following his departure. This obligation would last for 12 months and would prevent him from joining any companies operating in the same field of activity as that of Solocal in France. In return for this commitment, the Board of Directors has decided to pay him non-competition compensation of a gross amount of €225,000 payable in a single payment on the date on which his term of office as Chief Executive Officer ends. In accordance with the compensation policy, this amount is equal to "six months' fixed and variable compensation calculated on the basis of the monthly average of the gross fixed compensation paid over the 12 months of activity preceding the date of termination of the Chief Executive Officer's duties". For these purposes, no variable compensation is expected for this period.

The payment of non-competition compensation will be put to the vote of the General Shareholders' Meeting to be held in 2024.

Information on the compensation of corporate officers subject to the approval of the General Shareholders' Meeting pursuant to Article L. 22-10-34 I of the French Commercial Code (general ex post vote)

This section presents, for each corporate officer of the Company, all of the information referred to in Article L. 22-10-9 I of the French Commercial Code relating to their compensation for the 2023 financial year.

In accordance with the provisions of Article L. 22-10-34 I of the French Commercial Code, the Company's shareholders will be asked to vote on this information in a draft resolution put to the vote at the next Annual General Shareholders' Meeting.

It is specified that the payment of items of Directors' compensation for the current financial year is conditional upon the approval of the above-mentioned draft resolution concerning the information referred to in Article L. 22-10-9 I of the French Commercial Code or, in the event the draft proposal is rejected, the approval, at the following General Shareholders' Meeting, of a revised compensation policy.

In accordance with Article L. 22-10-9, I, 8° of the French Commercial Code, it is stipulated that the compensation of each corporate officer of the Company for the 2023 financial year as presented in this report complies with the Company compensation policy adopted for the said financial year.

The compensation policy contributes to the Company's long-term performance because it is based on the ongoing pursuit of a balance between Solocal's interests, recognition of senior executives' performance and consistency in compensation practices. As well as fostering loyalty amongst Solocal's staff, the aim when setting compensation is to reward performance and promote the Group's own exacting standards.

The information relating to executive corporate officers required under Article L. 22-10-9 I of the French Commercial Code is presented in detail in section A and the information relating to Directors is presented in section B. In accordance with the same article, the following information will then be presented in sections C and D respectively: the pay ratios (ratios d'équité) between the compensation of executive corporate officers and the average and median compensation of the Company's employees and changes in these ratios as a result of changes in the Company's performances, the compensation of corporate officers and the average compensation of the Company's employees.

A. Information on the individual compensation of executive corporate officers

The total compensation and benefits in kind paid to the Chief Executive Officers and the Chairman of the Board of Directors in respect of their offices during the past financial year are presented in the table above in the section headed "Compensation of executive corporate officers subject to the approval of the General Shareholders' Meeting pursuant to L. 22-10-34 II of the French Commercial Code (specific ex post vote)".

The commitments made by the Company and corresponding to items of compensation, indemnities or benefits payable or potentially payable as a result of the commencement, termination or change of duties or subsequent to the performance thereof are also presented in the section headed "Compensation of executive corporate officers subject to the approval of the General Shareholders' Meeting pursuant to Article L. 22-10-34 II of the French Commercial Code (specific ex post vote)".

B. Items of Directors' compensation

All compensation received by the Directors for their office during the past year is presented in the table below.

If the composition of the Board of Directors were to no longer comply with the first paragraph of Article L. 22-10-3 of the French Commercial Code, following a change in its current composition, the payment of the Directors' compensation for their contribution to the Board's work would be suspended. Payment would resume, including back payment accrued since suspension, once the Board of Directors was properly composed again.

Non-executive officers	Amounts paid in 2023*	Amounts paid in 2022*
David Amar		
Directorship compensation	44,700	41,200
Other compensation		
Alexandre Fretti(1)		
Directorship compensation	25,491	-
Other compensation		
Cédric Dugardin(2)		
Directorship compensation	24,908	-
Other compensation		
Delphine Grison		
Directorship compensation	44,700	48,766
Other compensation		
Anne-France Laclide(3)		
Directorship compensation	23,208	55,700
Other compensation		
Ghislaine Mattlinger(4)		
Directorship compensation	30,991	-
Other compensation		
Marie Christine Levet		
Directorship compensation	44,700	43,600
Other compensation		

Non-executive officers	Amounts paid in 2023*	Amounts paid in 2022*
Catherine Robaglia(5)		
Directorship compensation		
Other compensation	101,878	96,870
David Eckert(6)		
Directorship compensation	9,425	43,600
Other compensation		
Paul Russo(7)		
Directorship compensation	11,175	44,100
Other compensation		
Sophie Sursock		
Directorship compensation	44,700	43,833
Other compensation		
Bruno Guillemet(8)		
Directorship compensation	55,700	32,792
Other compensation (Non-Voting Director until 2 June 2022)	-	15,708

* *The amounts shown do not take into account the 30% withholding tax for foreign tax residents and the 21% withholding tax for French tax residents.*

(1) *Alexandre Fretti was co-opted by the Board of Directors on 7 June 2023 and his co-option was ratified at the General Shareholders' Meeting of 29 June 2023.*

(2) *In accordance with the Company's compensation practices, no compensation will be payable to Cédric Dugardin for his directorship of the Company from the date on which he took up his post as Chief Executive Officer on 22 November 2023.*

(3) *Anne-France Laclide resigned from her duties as a Director and as Chair of the Audit Committee with effect from 31 May 2023.*

(4) *Ghislaine Mattlinger was co-opted by the Board of Directors on 26 April 2023 and her co-option was ratified at the General Shareholders' Meeting of 29 June 2023.*

(5) *Catherine Robaglia was elected as Director representing employees on 15 October 2020. Compensation payable by a company within the Solocal Group scope of consolidation in accordance with Article L. 233-16 of the French Commercial Code.*

(6) *David Eckert resigned from his duties as a Director and as a member of the Strategy & Innovation Committee on 31 March 2023.*

(7) *Paul Russo resigned from his duties as a Director and as a member of the Audit Committee on 31 March 2023.*

(8) *Bruno Guillemet was appointed as a Director at the General Shareholders' Meeting of 2 June 2022 and subsequently as Chairman of the Governance Committee.*

C. Pay ratios between the compensation of the Chairman of the Board of Directors and the Chief Executive Officer and the average and median compensation of Solocal Group employees

The table below shows the ratios between the level of compensation of the Chairman of the Board of Directors and the Chief Executive Officer and (i) the average compensation of employees of the Group's French companies other than corporate officers and (ii) the median compensation of employees of the Group's French companies other than corporate officers.

The ratios set out below have been calculated based on the fixed and variable gross annual compensation paid during the past five financial years:

Table of ratios pursuant to Article L. 22-10-9 I. 6° and 7° of the French Commercial Code[1]

	2019 financial year	2020 financial year	2021 financial year	2022 financial year	2023 financial year
Change *(as %)* in the compensation of the Chief Executive Officer					
Information concerning the scope of the listed company					
Change *(as %)* in employees' average compensation	-3%	-8%	1%	16%	-15.6%
Ratio to employees' average compensation[1]	1,617%	2,183%	904%	1,115%	932%
Change in the ratio *(as %)* compared to the previous financial year	40%	35%	-59%	23%	-16%
Ratio to employees' median compensation[1]	1,903%	2,502%	1,046%	1,530%	1,091%
Change in the ratio *(as %)* compared to the previous financial year	44%	31%	-58%	46%	-29%
Additional information on the expanded scope					
Change *(as %)* in employees' average compensation					
Ratio to employees' average compensation[1]					
Change in the ratio *(as %)* compared to the previous financial year					
Ratio to employees' median compensation[1]					
Change in the ratio *(as %)* compared to the previous financial year					
Performance of the Company					
Financial criteria					
Change *(as %)* compared to the previous financial year					
Change *(as %)* in the compensation of the Chief Executive Officer[2][3][4][5][8]	36%	40.9%	-51.4%	8.4%	-29.4%
Change *(as %)* in the compensation of the Chairman of the Board[6][7]					
Information concerning the scope of the listed company					
Change *(as %)* in employees' average compensation	-3%	-8%	1%	16%	-15.6%
Ratio to employees' average compensation[1]	271%	294%	292%	251%	297%
Change in the ratio *(as %)* compared to the previous financial year	3%	9%	-1%	-14%	18%

	2019 financial year	2020 financial year	2021 financial year	2022 financial year	2023 financial year
Ratio to employees' median compensation[1]	318%	337%	338%	334%	348%
Change in the ratio *(as %)* compared to the previous financial year	6%	6%	0%	2%	1%
Additional information on the expanded scope					
Change *(as %)* in employees' average compensation					
Ratio to employees' average compensation[1]					
Change in the ratio *(as %)* compared to the previous financial year					
Ratio to employees' median compensation[1]					
Change in the ratio *(as %)* compared to the previous financial year					
Performance of the Company					
Financial criteria					
Change *(as %)* compared to the previous financial year					
Change *(as %)* in the compensation of the Chairman of the Board of Directors[7][8]	0%	0%	0%	0%	0.0%

(1) Ratios calculated from the compensation paid by French entities.
(2) Pierre Danon from 5 October 2020 to 31 October 2020.
(3) Pierre Danon from 1 January 2021 to 5 April 2021.
(4) Éric Boustouller from 11 October 2017 to 4 October 2020.
(5) Hervé Milcent from 6 April 2021 to 21 November 2023.
(6) Pierre Danon from 1 January 2021 to 29 June 2021.
(7) Philippe Mellier from 30 June 2021 to 31 December 2023.
(8) Cédric Dugardin from 22/11/2023 to 31/12/2023

The Company has not put in place any specific supplementary retirement plans for its corporate officers.

D. Annual changes in compensation, the Company's performances and the average compensation of Solocal Group employees other than senior executives

In accordance with Article L. 22-10-9, I, 7° of the French Commercial Code, the table below presents annual changes in compensation, Solocal Group's performances and the average compensation on a full-time equivalent basis of the Company's employees other than senior executives in financial years 2018 to 2022:

	2023	2022	2021	2020	2019
1. Total compensation granted by the General Shareholders' Meeting to the members of the Board of Directors and distributed by the Board of Directors* *(in euros)*					
David Amar[1]	44,700	41,200	40,100	44,875	45,000
Jacques-Henri David[2]	–	–	–	43,188	45,500
David Eckert[3]	9,425	43,600	42,500	10,625	–
Alexandre Fretti[4]	25,491	–	–	–	–
Cédric Dugardin[5]	24,908	–	–	–	–
Delphine Grison[6]	44,700	48,766	53,700	48,917	40,000
Bruno Guillemet[7]	55,700	32,792	–	–	–
Anne-France Laclide[8]	23,208	55,700	55,700	46,871	20,750
Marie Christine Levet[9]	44,700	43,600	42,500	38,784	40,000
Ghislaine Mattlinger[10]	30,991	–	–	–	–
Joëlle Obadia[11]	–	–	–	100,797	100,501
Paul Russo[12]	11,175	44,100	43,500	10,875	–
Catherine Robaglia[13]	101,878	96,870	97,619	91,266	–
Sophie Sursock[14]	44,700	43,833	43,500	41,230	44,000
Philippe de Verdalle[15]	–	–	–	29,563	42,500
2. Compensation of the Chairman of the Board of Directors – Philippe Mellier *(in euros)*					
Fixed compensation	168,000	159,000	75,000	–	–
3. Compensation of the Chief Executive Officer – Hervé Milcent from 1 January 2023 to 21 November 2023 inclusive *(in euros)*					
Fixed compensation[16]	412,500	450,000	332,386[14]	–	–
Annual variable compensation[17]	98,760	0	203,721	–	–
Valuation of free shares	0	12,585	245,092	–	–
Benefits in kind	48,070	27,415	30,340	–	–
4. Compensation of the Chief Executive Officer – Cédric Dugardin from 22 November 2023 to 31 December 2023 *(in euros)*					
Fixed compensation[16]	50,000	–	–	–	–
Annual variable compensation[17]	12,153	–	–	–	–
Valuation of free shares	–	–	–	–	–
Benefits in kind	1,383	–	–	–	–

	2023	2022	2021	2020	2019
5. Average compensation of employees excluding corporate officers					
Average compensation	50,442	59,771	51,347	51,002	55,443
6. Performance of the Company *(in thousands of euros)*					
Consolidated annual net income	45,852	3,251	23,517	65,584	32,100

* *The amounts shown do not take into account the 30% withholding tax for foreign tax residents and the 21% withholding tax for French tax residents.*

(1) *David Amar was appointed at the General Shareholders' Meeting of 13 June 2017. His term of office was renewed at the General Shareholders' Meeting of 3 June 2021.*

(2) *Jacques-Henri David was appointed at the General Shareholders' Meeting of 19 October 2016. Jacques-Henri David's term of office expired at the end of the General Shareholders' Meeting of 24 July 2020 and was not renewed.*

(3) *David Eckert was co-opted by the Board on 2 October 2020 and his co-option was ratified at the General Shareholders' Meeting of 27 November 2020. David Eckert resigned from his duties as a Director and as a member of the Strategy & Innovation Committee on 31 March 2023.*

(4) *Alexandre Fretti was co-opted by the Board of Directors on 7 June 2023 and his co-option was ratified at the General Shareholders' Meeting of 29 June 2023.*

(5) *Cédric Dugardin was co-opted by the Board of Directors on 7 June 2023 and his co-option was ratified at the General Shareholders' Meeting of 29 June 2023. From the date of his appointment as Chief Executive Officer on 22 November 2023, Cédric Dugardin waived his entitlement to compensation for his directorship.*

(6) *Delphine Grison was appointed at the General Shareholders' Meeting of 13 June 2017. Her term of office was renewed at the General Shareholders' Meeting of 3 June 2021.*

(7) *Bruno Guillemet was appointed as a Director at the General Shareholders' Meeting of 2 June 2022 and subsequently as Chairman of the Governance Committee.*

(8) *Anne-France Laclide was co-opted at the Board of Directors' meeting of 19 June 2019 and her co-option was ratified at the General Shareholders' Meeting of 24 July 2020. Anne-France Laclide resigned from her duties as a Director and as Chair of the Audit Committee with effect from 31 May 2023.*

(9) *Marie-Christine Levet was co-opted at the Board of Directors' meeting of 15 December 2017.*

(10) *Ghislaine Mattlinger was co-opted by the Board of Directors on 26 April 2023 and her co-option was ratified at the General Shareholders' Meeting of 29 June 2023.*

(11) *Joëlle Obadia was elected as Director representing employees on 7 April 2016. The compensation shown includes compensation payable by a company within the Solocal Group scope of consolidation in accordance with Article L. 233-16 of the French Commercial Code.*

(12) *Paul Russo was co-opted by the Board on 2 October 2020 and his co-option was ratified at the General Shareholders' Meeting of 27 November 2020. Her term of office was renewed at the General Shareholders' Meeting of 3 June 2021. Paul Russo resigned from his duties as a Director and as a member of the Audit Committee on 31 March 2023.*

(13) *Catherine Robaglia was elected as Director representing employees on 15 October 2020. The compensation shown includes compensation payable by a company within the Solocal Group scope of consolidation in accordance with Article L. 233-16 of the French Commercial Code.*

(14) *Sophie Sursock was appointed at the General Shareholders' Meeting of 13 June 2017. Her term of office was renewed at the General Shareholders' Meeting of 3 June 2021.*

(15) *Philippe de Verdalle was appointed at the General Shareholders' Meeting of 13 June 2017. Philippe de Verdalle resigned at the Board of Directors' meeting of 28 August 2020.*

(16) *On a pro rata basis.*

(17) *This amount is subject to approval at the Company's upcoming 2024 General Shareholders' Meeting establishing the annual variable compensation of the Chief Executive Officer.*

PART III: CORPORATE GOVERNANCE (ARTICLE L. 22-10-10 OF THE FRENCH COMMERCIAL CODE)

1. List of all offices and duties held by each corporate officer in any company during the 2023 financial year

The list of all offices and duties held by each corporate officer in any company during the 2023 financial year is presented in section 4.1.1 of the Universal Registration Document.

2. Regulated agreements and current agreements

2.1. Regulated agreements

The following agreements and commitments are subject to Article L. 225-38 of the French Commercial Code and were entered into in 2023, or in a previous year and were still in effect in 2023:

- the amounts due in respect of the newly issued bonds (€18.7 million) were secured by a fifth-rank pledge over the securities account relating to the securities issued by Solocal SA and held by Solocal Group. The Company's Board of Directors authorised the signing of the pledge agreement at its meeting of 7 August 2020.

No other agreement referred to in Article L. 225-38 of the French Commercial Code was entered into in 2023 or was entered into in a previous year and was still in effect in 2023.

2.2. Current agreements

The Company has introduced a charter on internal procedures for monitoring current agreements (the "**Charter**") that falls within the framework of (i) regulations governing non-regulated and regulated agreements, as brought into force by the Pacte Law of 11 April 2019 and (ii) AMF recommendation No. 2012-05 of 2 July 2012, as amended on 29 April 2021.

The purpose of this Charter is to: a) set out the regulatory framework applicable to regulated agreements and commitments and provide details as to the internal methodology used to classify the various agreements entered into; and b) institute a procedure within Solocal Group, in accordance with the Pacte Law, allowing the regular assessment of non-regulated agreements entered into in the ordinary course of business and on arm's length terms.

The Charter applies to Solocal Group and all its French subsidiaries that are subject to regulated agreement regulations.

3. Summary table of current delegations of authority granted to the Board of Directors

The Combined General Shareholders' Meeting of the Company held on 29 June 2023 delegated authority to the Board of Directors for the following purposes, under the conditions set out below:

Securities concerned	Term of the authorisation and expiration	Maximum amount of debt securities	Maximum nominal amount of capital increase
1. Purchase or transfer of shares within the limit of 10% of the share capital (thirteenth resolution of the General Shareholders' Meeting of 29 June 2023)	18 months 29 December 2024	-	Repurchase programme ceiling: €65,953,325
2. Delegation of authority to the Board of Directors to increase the share capital, with retention of shareholders' preferential subscription rights, by issuance of shares and/or equity securities granting access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities granting access to equity securities to be issued (fourteenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	€300,000,000	Ceiling: €39,571,996 Overall ceiling for issues 2, 3 and 4: € 52,762,661

Securities concerned	Term of the authorisation and expiration	Maximum amount of debt securities	Maximum nominal amount of capital increase
3. Delegation of authority to the Board of Directors to increase the share capital, with cancellation of shareholders' preferential subscription rights, by issuance of shares and/or equity securities granting access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities granting access to equity securities to be issued, within the framework of public offerings (fifteenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	€300,000,000	Ceiling: €13,190,665 Overall ceiling of issues 3 and 4: €13,190,665
4. Delegation of authority to the Board of Directors to increase the share capital, with cancellation of shareholders' preferential subscription rights, by issuance of shares and/or equity securities granting access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities granting access to equity securities to be issued, in favour of qualified investors or a small circle of investors (sixteenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	€300,000,000	Ceiling: €13,190,665
5. Authorisation given to the Board of Directors to increase the number of securities to be issued, in the event of a capital increase with or without cancellation of shareholders' preferential subscription rights (seventeenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	-	Regulatory ceiling
6. Delegation of authority to the Board of Directors to increase the Company's share capital by incorporation of reserves, profits or premiums (eighteenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	-	Ceiling: €13,190,665
7. Share capital increase, with cancellation of shareholders' preferential subscription rights, reserved for members of a group savings plan (nineteenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	-	Ceiling: €1,319,006

4. Composition, preparation and organisation of the Board of Directors' work

4.1. Internal regulations

Internal regulations based on those recommended in the AFEP-MEDEF Corporate Governance Code were adopted by the Board of Directors at its meeting of 23 September 2004 and amended at its meeting of 2 October 2020. These internal regulations set out the guiding principles governing the operation of the Board and the rights and duties of the Directors.

The main provisions of the Board of Directors' internal regulations are described in the Articles of Association section of the Universal Registration Document.

4.2. Meetings of the Board of Directors

The Board of Directors presides over all decisions relating to the Company's major strategic, economic, corporate, financial and technological policies and monitors the implementation of these policies by senior management.

The Board met 23 times in 2023. On average, 92% of Directors attended each Board meeting during the financial year. The average duration of a Board of Directors' meeting is three hours and 30 minutes.

The main activities of the Board of Directors were as follows:

- review of financial statements and results: the Board examined and approved the Company and consolidated annual and semi-annual financial statements, and the management reports. It examined the revenues and the main quarterly results along with the corresponding financial disclosures. It drew up the reports and draft resolutions submitted to the General Shareholders' Meetings. It was also involved in the oversight of the financial restructuring undertaken (capital increase, debt restructuring, etc.) by examining all of the related documentation;
- business review: a presentation on business performance is given by senior management at each Board meeting, enabling Directors to keep close track of the Group's business activity "in real time";
- review of strategic direction: presentations of each of the Group's strategic activities are given regularly to the Board by the person in charge of the activity;
- review of the Group's restructuring process;
- the Board of Directors was engaged in actively monitoring the Company's financial situation and cash position throughout the year;
- selection of three new Directors and a Chief Executive Officer;
- corporate social responsibility (CSR): the Board of Directors is kept informed of market trends and developments in the competitive environment and major issues including in relation to the Company's environmental and social responsibility.

Since December 2020, the majority of Board of Directors' meetings have been followed by a session without executive corporate officers in attendance.

4.3. Evaluation of the Board of Directors

The Board of Directors performs a regular assessment of its work, reviews a summary of the assessment and draws conclusions from it. Furthermore, in line with AFEP-MEDEF Code recommendations, in February 2023 the Board of Directors also carried out a formal evaluation of its own operation and that of its Committees, with the assistance of an external consultant. This evaluation was based on a documentary analysis and on the results of interviews conducted with all Directors and certain members of management, under the supervision of the Chairman of the Board and the Chairman of the Governance Committee. This external review covers both the overall operation of the Board and its Committees and each Director's personal contribution. The Board of Directors examined the findings of the evaluation at its meeting of 4 April 2023.

It reveals the following:

- The Board of Directors is compliant with the AFEP-MEDEF recommendations regarding the number of independent members, gender parity and the composition of the committees, as well as the practical operating and organisational arrangements.
- Leadership of the new Chairman: all those interviewed identified the appointment of the new Chairman as having improved dialogue and trust between the Chairman, the Board of Directors and senior management.
- The Directors show a great deal of commitment and engagement.
- The Audit Committee and the Governance Committee operate effectively. The recently created Strategy & Innovation Committee is a valuable addition to the other two Committees and will play a major role in helping to improve strategic alignment.

With regard to the improvement opportunities shared with the Directors, a number of possible options were mentioned:

- Composition of the Board of Directors: the Directors made several suggestions on the backgrounds and skills that should be sought in potential members of the Board of Directors in order to strengthen its composition.
- The Company's strategy: certain strategic issues should be examined in greater depth at the relevant Board meetings but an annual strategy seminar should also be organised.

The evaluation also included individual assessments of each Director's actual contribution to the Board's work, with each Director having had the opportunity to express their views on the input of Board members to Board meetings.

4.4. Committees formed by the Board of Directors

The Board Committees has set up three Committees within the Company – an Audit Committee, a Governance Committee and a Strategy & Innovation Committee.

Following the appointment of Cédric Dugardin as Chief Executive Officer, the Board of Directors, in its decision of 20 December 2023 and on the recommendation of the Governance Committee, decided to change the composition of the committees, as described in Article 4.1.1 of this chapter.

4.4.1. Audit Committee

The Audit Committee must have at least two members, which are appointed by the Board of Directors on the Chairman's recommendation. The Chairman of the Audit Committee is appointed by the Board of Directors on the recommendation of the Governance Committee and/or the Chairman of the Board.

Anne-France Laclide resigned from her post as Chair of the Audit Committee with effect from 31 May 2023 and was replaced by Ghislaine Mattlinger.

Following Cédric Dugardin's departure from the Audit Committee in December 2023, the composition of the Committee as of the date of this report is as follows:

- Ghislaine Mattlinger, Chair;
- Delphine Grison;
- Sophie Sursock.

Paul Russo resigned from his duties as a Director and as a member of the Audit Committee on 31 March 2023.

Therefore, 100% of its members are Independent Directors.

The Audit Committee monitors all matters connected with the preparation and auditing of accounting and financial information. Without prejudice to the powers of the administrative, management and supervisory bodies, it is responsible for the following, in particular:

- monitoring the preparation of financial information, specifically:
  - reviewing draft Company and consolidated annual and semi-annual financial statements and draft management reports and sales and earnings tables,
  - reviewing financial communication documents,
  - monitoring compliance with the accounting standards adopted for the preparation of the Company and consolidated financial statements,
  - reviewing the accounting treatment of specific transactions and the corresponding disclosures,
  - checking the quality and relevance of the information communicated to shareholders;
- monitoring the effectiveness of internal control and risk management systems, in particular:
  - checking that internal data collection and control procedures are complied with,
  - reviewing the procedure for selecting the Company's Statutory Auditors, particularly their choice and their terms of compensation for the purpose of making observations;
- each year, examining the respective audit programmes proposed by the statutory and (if applicable) internal auditors, examining the internal audit reports for the past year (if any) and preparing the audit engagement programme for the current year;
- each year, assessing the Group's exposure to risks and in particular to financial and litigation risks, significant off-balance sheet commitments and the effectiveness of the internal control system;
- monitoring the statutory audit of the annual Company, and if applicable consolidated, financial statements;
- monitoring the independence of the Statutory Auditors;
- issuing a recommendation on the Statutory Auditors put forward for appointment by the General Shareholders' Meeting;
- reporting regularly to the Board of Directors on the performance of its duties and informing it immediately of any difficulty encountered.

These duties do not limit the powers of the Board of Directors, which may not rely on the duties or opinions of this Audit Committee to reduce its responsibility.

The Audit Committee may meet as often as it considers necessary and may address any matter that falls within its remit. It may ask the Company to provide it with any document or information it needs to carry out its duties and conduct any internal or external audit on any matter it believes is pertinent to these duties. When reviewing draft annual and semi-annual financial statements, the Committee may question the Statutory Auditors in the absence of the Company's senior executives. The Audit Committee must be notified of any accounting or auditing irregularity.

The Audit Committee met five times in 2023. The average attendance rate of Audit Committee members during the year was 94%. It met regularly with the Company's senior executives, senior Finance department managers and the Statutory Auditors to discuss their work programmes and follow-up actions.

In 2023, the Audit Committee examined the following matters in particular:

- the annual Company and consolidated financial statements for the years ended 31 December 2023 and 31 December 2022;
- quarterly condensed consolidated financial statements for 2023;
- the review of the budget and forecasts and the resulting cash forecasts;
- review of the risk map;
- review of the business plan;
- the 2023 internal control plan;
- monitoring of the project to upgrade the back office systems.

Since July 2022 and the departure or transfer of its members, the Audit and Internal Control department has not been renewed. However, an Audit, Compliance and Cybersecurity department was set up within Solocal on 1 February 2024. This department covers the following areas: Audit - Compliance & CSR - Personal data and Cybersecurity. Internal Audit will report directly to the Audit Committee and on a functional basis to the Chief Audit, Compliance and Cybersecurity Officer, who is also the Secretary of the Board of Directors.

4.4.2. Governance Committee

The Committee is comprised of at least three members, who are appointed by the Board of Directors on the Chairman's recommendation. The Chairman of the Governance Committee is appointed by the Board of Directors on the recommendation of the Governance Committee and/or the Chairman of the Board.

As of the date of this document, the Governance Committee was composed of the following members:

- Bruno Guillemet, Chairman;
- David Amar;
- Catherine Robaglia.

During its meeting of 7 June 2023, the Board of Directors approved the ongoing participation of Philippe Mellier as a guest.

Therefore, more than 66% of its members are Independent Directors.

The Governance Committee is tasked with making recommendations to the Board of Directors for the appointment of Board members, the Chairman of the Board, the Chief Executive Officer and members of Board Committees.

The Committee is also kept informed by the Chief Executive Officer of any other senior executive appointments within the Group. The Committee also advises the Board of Directors on the amount of Directors' fees to be submitted to the General Shareholders' Meeting and on the allocation of these fees between Board members.

In addition, the Committee makes recommendations to the Board of Directors on the compensation of corporate officers and may, at the Chairman's request, give an opinion on methods used to determine the compensation of Company senior executives. The Committee reviews the compensation structure for Company executives, and in particular approves the structure of variable remuneration for the Executive Committee.

In 2023, the Governance Committee met eight times, with an attendance rate of 97%.

Among other matters, the Committee examined changes in the governance of the Company (including the recruitment of a new Chief Executive Officer and three Directors to replace departing Board members), the setting of targets and methods of calculating the variable portion of the Chief Executive Officer's compensation, the principles governing compensation of the Company's key executives and the establishment of a long-term compensation plan for the Group's Chief Executive Officer and key executives. In 2024, the Committee will also resume work on developing a succession plan to ensure continuity of senior management.

While not participating in any discussions of the Committee that might concern him individually, the Chief Executive Officer was regularly invited to present information to the Committee about the criteria for determining the variable compensation of the members of the Executive Committee and certain Chief Officers.

Finally, since 2022 the Governance Committee has begun to incorporate issues relating to CSR, with presentations and discussions on the following topics:

- Information and implementation schedule regarding the Corporate Sustainability Reporting Directive (CSRD);
- 2023 Statement on Non-Financial Performance;
- Solocal's external actions and visibility on CSR;
- CSR communications roadmap;
- Digital accessibility of PagesJaunes.

On the recommendation of the Governance Committee, the Board of Directors decided to set up an ad hoc committee in charge of recruiting three new Directors to replace departures in 2023.

The Committee also examined CSR factors in the setting of compensation criteria for the Chief Executive Officer and the members of the Executive Committee (variable compensation).

4.4.3. Strategy & Innovation Committee

The Strategy & Innovation Committee has a minimum of three members, who are appointed by the Board of Directors on the recommendation of its Chairman. The Chairman of the Strategy & Innovation Committee is appointed by the Board of Directors on the recommendation of the Governance Committee and/or the Chairman of the Board of Directors.

As of the date of this report, the Strategy & Innovation Committee had the following members:

- Philippe Mellier, Chairman;
- Marie-Christine Levet;
- Alexandre Fretti.

Therefore, 100% of its members are Independent Directors.

In 2023, the Strategy & Innovation Committee met twice, with an attendance rate of 100 %.

The Strategy & Innovation Committee was tasked with examining financial, commercial and organisational strategies and the Company's major priorities as well as analysing the directions taken by competitors and market trends.

4.5. Non-Voting Directors

In accordance with Article 12 of the Company's Articles of Association, the Board of Directors may appoint one or more Non-Voting Directors, who participate in Board meetings but are not entitled to vote at those meetings.

As of the date of this document, the Board of Directors does not include any Non-Voting Directors.

Compensation for Non-Voting Directors' duties, if applicable, is not included in the budget for Directors' compensation.

4.6. Attendance of members of the Board of Directors

Attendance of members of the Board of Directors at Board and Committee meetings in 2023:

Full name	Function	Attendance
Philippe Mellier	Chairman of the Board of Directors	100%
	Chairman of the Strategy & Innovation Committee	100%
David Amar	Vice-Chairman and Director	96%
	Member of the Strategy & Innovation Committee until 31 December 2023	100%
Cédric Dugardin	Director	100%
	Member of the Audit Committee until 21 November 2023	100%
David Eckert	Director until 31 March 2023	100%
	Member of the Strategy & Innovation Committee until 31 March 2023(1)	-
Alexandre Fretti	Director from 7 June 2023	89%
	Member of the Strategy & Innovation Committee from 7 June 2023	100%
Delphine Grison	Director	94%
	Member of the Audit Committee	100%
Bruno Guillemet	Director	96%
	Chairman of the Governance Committee	100%
Anne-France Laclide	Director until 31 May 2023	43%
	Chair of the Audit Committee until 31 May 2023	100%
Marie-Christine Levet	Director	92%
	Member of the Strategy & Innovation Committee	100%
Ghislaine Mattlinger	Director since 1 June 2023	100%
	Member of the Audit Committee since 1 June 2023	100%
Catherine Robaglia	Director since 15 October 2020	96%
	Member of the Governance Committee since 29 June 2022	100%
Paul Russo	Director until 31 March 2023	100%
	Member of the Audit Committee until 31 March 2023	67%
Sophie Sursock	Director	100%
	Member of the Governance Committee until 31 December 2023	88%

(1) *The Strategy & Innovation Committee did not meet during the period in which David Eckert was a member in 2023, as he resigned from his duties on 31 March 2023.*

5. Description of the diversity policy applied to the members of the Board of Directors

As of the date of this document, the Board of Directors (excluding the Director representing employees) comprises four women: Delphine Grison, Marie-Christine Levet, Ghislaine Mattlinger and Sophie Sursock, and three men: David Amar, Philippe Mellier, Cédric Dugardin, Alexandre Fretti and Bruno Guillemet, i.e. 40% women and 60% men.

Pursuant to Article L. 22-10-3 of the French Commercial Code, the proportion of Directors of each gender on the Board of Directors must not be less than 40%.

6. Description of the training policy applied to the members of the Board of Directors

In accordance with the recommendations of the AFEP-MEDEF Code, when a new Director is appointed, he or she is offered various training sessions with the Group's main senior executives on its activity, organisation and governance. New Directors are given copies of the Company's governance documents (including the Articles of Association, the Board's internal regulations and the Securities Trading Code of Conduct). Thus, when Ghislaine Mattlinger, Alexandre Fretti and Cédric Dugardin took up their posts, they met with the Group's key executives and their direct reports to gain a better understanding of the Group's activities, business model and organisation.

In addition, Directors may request training on the specific features of the Company, its business lines and its sector and be given training relevant to the performance of their duties as a Director.

Directors representing employees may also enrol in economic training courses provided by an external institution chosen by the Director, after the Chairman of the Board has approved the institution and the programme. In this regard, when Catherine Robaglia began her term of office in 2021, she took a course for members of boards of directors of companies offered by the Paris Institute of Political Studies. The Company also pays Catherine Robaglia's membership fees for the Institut français des administrateurs (IFA).

7. Limitations that the Board of Directors has placed on the Chief Executive Officer's powers

The Chief Executive Officer, subject to the powers expressly granted by law to Shareholders' Meetings and the Board of Directors, and within the limits of the corporate purpose, is vested with the widest powers to act, in all circumstances, in the name of the Company, with the following stipulations:

(i) the Chief Executive Officer must present a draft strategic plan to the Board of Directors each year defining the Group's medium-term business objectives, including projected trends for the Group's key operational and financial indicators, in addition to a draft annual budget;

(ii) the following decisions are subject to prior approval by the Board of Directors:

- approval of the annual budget and any significant changes thereto,
- approval of the annual and three-year business plans,
- the acquisition or disposal of a business by Solocal or any of its subsidiaries that is not included in the annual budget, for a total amount, including all liabilities and other off-balance sheet commitments, greater than €10 million per year,
- investments or divestments not included in the annual budget and involving fixed assets of an amount, including all liabilities and other off-balance sheet commitments, greater than €10 million,
- amendments to the employment contract, hiring/appointment or dismissal/removal of the Chief Financial Officer of the Company; any amendment to the employment contract of, or the hiring/appointment or dismissal/removal of the Group's Human Resources Director or of the Secretary to the Board of Directors shall not require prior authorisation by the Board of Directors, but shall nevertheless require the prior agreement of the Remuneration and Appointments Committee,
- any increase in the total indebtedness of Solocal Group or any of its subsidiaries that exceeds the amount authorised under the financing or loan agreements previously authorised by Solocal Group's Board of Directors,
- the execution of any agreement in order to create a joint-venture with a third party, not included in the annual budget and generating a commitment for Solocal or one of its subsidiaries for a total amount greater than €10 million over the duration of the joint-venture,

- any decision to have the securities of Solocal or any of its subsidiaries listed on a regulated exchange and any operation with a view to the listing of additional securities of Solocal or any of its subsidiaries subsequent to the original listing on a regulated exchange,
- any decision to delist or buy back shares (except share purchases under liquidity agreements previously authorised by the Board of Directors),
- the acquisition or subscription, by Solocal or any of its subsidiaries, of shares, other equity securities or any securities giving access to the capital of any company (x) of a value, including all liabilities and other off-balance sheet commitments, greater than €10 million if the liability of Solocal or its subsidiaries is limited and the transaction is not already included in the annual budget, or (y) irrespective of the amount invested if Solocal or any of its subsidiaries is acting as an unlimited liability partner in such a company,
- any diversification of the business activities of Solocal or any of its subsidiaries that is unrelated to previous business activities, or any diversification that is related to previous business activities but is not included in the annual budget and involves a financial commitment greater than €10 million,
- any sale, transfer or termination of a major business activity of Solocal or any of its subsidiaries that is not included in the annual budget or the three-year business plan,
- the implementation of any incentive plan (as defined under French labour law or any similar legislation in another country, with the exception of a mandatory or standard voluntary profit-sharing plan) within Solocal or its subsidiaries, or any measure that encourages employees to directly or indirectly acquire shares in Solocal or its subsidiaries,
- any authorisation or instruction to a Solocal subsidiary to examine or undertake any of the transactions referred to in this appendix,
- the execution of any agreement not included in the annual budget involving payments or the supply of goods or services by Solocal or its subsidiaries for a total amount greater than €10 million per year,
- any decision relating to plans for the merger or demerger of any Solocal subsidiary, the spin-off of the assets of a Solocal subsidiary, or a long-term agreement to manage a Solocal subsidiary, that is not included in the annual budget or the three-year business plan, excluding internal reorganisation that has no material impact on Solocal's position,
- any transfer or sale in order to provide collateral, any decision to grant a security interest or pledge by Solocal or any of its subsidiaries, in order to meet debts or honour guarantees given to third parties, not included in the annual budget and for a total amount greater than €10 million per year,
- any loans granted by Solocal or any of its subsidiaries which in total exceed €5 million and are not included in the annual budget.

8. Application of the AFEP-MEDEF Code

Solocal observes the AFEP/MEDEF Corporate Governance Code, available on the www.medef.fr website, and complies with all of the operating rules recommended in this Code.

9. Special terms and conditions for shareholder attendance at General Shareholders' Meetings

9.1. Access, participation and voting at General Shareholders' Meetings

General Shareholders' Meetings are made up of all shareholders whose shares are fully paid up and whose entitlement to participate in General Shareholders' Meetings has been evidenced by the registration of the shares in the name of the shareholder or of the intermediary registered on the shareholder's behalf, on the second working day prior to the meeting at 12 midnight (Paris time), in either the registered share accounts held by the Company (or its representative), or the bearer share accounts held by the authorised intermediary.

The registration of shares in the bearer share accounts held by the financial intermediary is evidenced by a shareholder certificate issued by the financial intermediary, electronically if applicable, under the conditions provided for in Article R. 225-61 of the French Commercial Code. The certificate is appended to (i) the remote voting form or (ii) the proxy voting form or (iii) the application for the admission card issued in the shareholder's name or on behalf of the shareholder represented by the registered intermediary.

Access to the General Shareholders' Meeting is open to its members with proof of their status and identity. The Board of Directors may, if it considers it appropriate, arrange for shareholders to be sent personal admission cards bearing their names and require these cards to be shown at the General Shareholders' Meeting.

The shareholder may, under the conditions provided for in applicable laws and regulations, attend the General Shareholders' Meeting in person, or vote remotely (any remote voting form to be received by the Company (or its representative) no later than 3 p.m. (Paris time) on the day before the General Shareholders' Meeting), or appoint a proxy. Intermediaries registered on behalf of shareholders may participate in the General Shareholders' Meeting under the conditions provided for in applicable laws and regulations.

It is specified that for any proxy given by a shareholder without indication of the proxyholder, the Chairman of the General Shareholders' Meeting will cast a vote in favour of the adoption of the draft resolutions submitted or approved by the Board of Directors and a vote against the adoption of all other draft resolutions.

In accordance with Article R. 22-10-28 of the French Commercial Code, it is specified that any shareholder who has already voted remotely, sent in a proxy form or applied for an admission card to the General Shareholders' Meeting or a shareholder certificate, may not then choose any other mode of participation.

Proxy and remote voting forms and certificates of non-transferability of shares may be submitted in electronic form duly signed under the conditions provided for in applicable laws and regulations.

If the Board of Directors so decides at the time of convening the meeting, forms may be completed and signed electronically directly on a site set up by the Company. This site must use a process including a username and password, in accordance with the terms set out in the first sentence of paragraph 2 of Article 1367 of the French Civil Code, or any other process which meets the conditions set out in the first sentence of paragraph 2 of Article 1367 of the French Civil Code.

The proxy form or ballot submitted in this way prior to the meeting by such electronic means, and any receipts which are provided for them, shall be considered to be fully enforceable, irrevocable written records, subject to the points set out below. By derogation, in the event of a sale of shares occurring prior to 12 midnight (Paris time) on the second working day preceding the meeting, the Company shall invalidate or alter accordingly, as the case may be, the proxy form or ballot submitted prior to the meeting, using the electronic means set up by the Board of Directors.

Owners of Company shares, who are not residents of France, may be registered in the accounts and represented at the meeting by any intermediary who is registered on their behalf and holds a general securities management mandate, provided such intermediaries have previously declared themselves as intermediaries holding shares on behalf of others at the time shares are registered in the accounts with the Company or account-holding financial intermediary, in accordance with applicable laws and regulations.

The Company is entitled to ask any intermediary who is registered on behalf of shareholders not residing in France and who holds a general mandate to provide a list of the shareholders they represent and whose rights are to be exercised at the meeting.

General Shareholders' Meetings may be held by videoconference or by any other means of telecommunication, including the internet, which enables shareholders to be identified under the conditions set out in applicable laws and regulations.

Ordinary General Shareholders' Meetings

Ordinary General Shareholders' Meetings are called to make all decisions that do not amend the Articles of Association. They are held at least once a year within six months of the end of the financial year, to approve the financial statements for the previous financial year, unless this period is extended by Court order.

Ordinary General Shareholders' Meetings cannot validly deliberate, on the first Notice of Meeting, unless shareholders present, represented or voting remotely, hold at least one-fifth of shares with voting rights. Upon a second Notice of Meeting, no quorum is required. Decisions are made by majority vote of the shareholders who are present, represented or have voted remotely.

For the purposes of calculating quorum and majority, shareholders are deemed to be present if they take part in an Ordinary General Shareholders' Meeting by videoconference or any other means of telecommunication enabling them to be identified, the nature and terms of use of which are defined by applicable laws and regulations.

Extraordinary General Shareholders' Meetings

Only Extraordinary General Shareholders' Meetings are authorised to amend any provisions of the Articles of Association. However, they may not increase shareholders' commitments except through transactions resulting from a properly executed share consolidation.

Subject to legal stipulations applicable to share capital increases by the incorporation of reserves, profits or issue premiums, Extraordinary General Shareholders' Meetings cannot validly deliberate unless shareholders present, represented or voting remotely hold, on the first Notice of Meeting, at least one-quarter or, on the second Notice of Meeting, one-fifth of the shares with voting rights. If the latter quorum cannot be reached, the second meeting may be reconvened up to two months after the original date, at which point a one-fifth quorum is again required.

Subject to the same conditions, decisions are made by a two-thirds majority vote of shareholders who are present, represented or have voted remotely.

For the purposes of calculating quorum and majority, shareholders are deemed to be present if they take part in an Extraordinary General Shareholders' Meeting by videoconference or any other means of telecommunication enabling them to be identified, the nature and terms of use of which are defined by applicable laws and regulations.

9.2. Forms and deadlines for Notices of Meeting (Article 27 of the Articles of Association)

General Shareholders' Meetings are convened by the Board of Directors under the conditions provided for by law.

Failing this, they may also be convened by the Statutory Auditors or by any person authorised for this purpose.

Shareholders' Meetings are held at the registered office or at any other place stated in the Notice of Meeting.

Except as otherwise provided for by law, notices are issued at least 15 full days before the scheduled date of a General Shareholders' Meeting and this period is reduced to ten full days for General Shareholders' Meetings held after a second Notice of Meeting and for reconvened meetings.

The meetings take place at the date, time and place stated in the Notice of Meeting.

Notices of Meeting must include the agenda for the meeting, which shall be drawn up by the convenor of that meeting.

9.3. Officers of General Shareholders' Meetings (Article 29 of the Articles of Association)

General Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in his or her absence, by a Director appointed by the Board for this purpose. Failing this, the General Shareholders' Meeting elects its own Chairman.

The duties of scrutineers are performed by the two members of the General Shareholders' Meeting with the greatest number of votes and who are willing to perform these duties.

The officers of a General Shareholders' Meeting appoint a secretary, who is not required to be a shareholder.

9.4. Agenda

The Agenda of General Shareholders' Meetings is drawn up by the convenor of the meeting.

One or more shareholders representing the percentage of capital required by applicable regulatory provisions and acting in accordance with legal conditions and time limits may request that draft resolutions be added to the agenda.

Requests for draft resolutions to be added to the agenda must be sent by registered letter with recorded delivery after the Notice of Meeting has been published in the French bulletin of mandatory legal announcements (BALO) and up to 25 days prior to the meeting (however, if the notice is published more than 45 days prior to the meeting, draft resolutions must be sent within 20 days of publication of the notice). The persons making the request must demonstrate at the date of their request that they possess or represent the required proportion of share capital by having the corresponding shares shown either in the registered share accounts held by the Company (or its representative), or the bearer share accounts held by the authorised intermediary. They must submit a registration certificate along with their request. Consideration of the item or resolution is subject to the submission by the applicants of a new certificate evidencing the registration of the shares in the same accounts as of 12 midnight (Paris time) on the second working day prior to the meeting. Requests for items to be added to the agenda must include the reasons for the request.

Only matters on the agenda may be discussed at General Shareholders' Meetings. Nevertheless, the General Shareholders' Meeting may, under any circumstances, dismiss and replace one or more members of the Board of Directors.

The agenda may not be amended where a second Notice of Meeting has been issued, or in the event of a meeting being reconvened.

9.5. Conditions for exercising voting rights

At all General Shareholders' Meetings, each shareholder has as many votes as the number of shares he or she owns or represents, with no limitations other than those which may arise from legal provisions or the Articles of Association, subject to a Court order in certain cases. The provisions of the Articles of Association stipulating the existence of a double voting right, as adopted by the General Shareholders' Meeting of 7 June 2011, became effective on 1 May 2013. A double voting right is attributed to all fully paid-up registered shares of the Company that have been registered in the name of the same holder for at least two years.

Shares are indivisible with regard to the Company. Joint owners of shares must arrange for one of them to act as their representative with the Company, and such person shall be considered to be the sole owner and representative. In the event of failure to agree, the sole representative may be appointed by the Court at the request of the first joint owner to so request. Unless the Company is properly notified of any agreement to the contrary, beneficial owners have the right to vote at Ordinary General Shareholders' Meetings and bare owners have the right to vote at Extraordinary General Shareholders' Meetings.

PART IV: SIGNIFICANT FACTORS IN THE EVENT OF A TENDER OFFER OR PUBLIC EXCHANGE OFFER (ARTICLE L. 22-10-11 OF THE FRENCH COMMERCIAL CODE)

1. Structure of the Company's share capital at 31 December 2023

	Number of shares	% of share capital	Voting rights	% of voting rights
GoldenTree AM	30,616,900	23.2%	30,616,900	23.2%
Credit Suisse AM	7,684,500	5.8%	7,684,500	5.8%
Melqart AM	6,474,300	4.9%	6,474,300	4.9%
Public	86,391,681	65.5%	86,714,978	65.8%
Solocal Group employees(1)	305,384	0.2%	305,384	0.2%
Treasury shares held(2)	433,889	0.3%	-	-
TOTAL	**131,906,654**	**100.0%**	**131,796,062**	**100.0%**

(1) Under the Solocal Group Savings Plan.

(2) 433,889 treasury shares are held under a liquidity agreement.

The items listed in paragraphs 1-10 below are provided for information only. The Company considers that they are unlikely to be relevant in the event of a public offer.

2. Statutory restrictions on the exercise of voting rights and the transfer of shares or the clauses of agreements made known to the Company pursuant to Article L. 233-11

N/A.

3. Direct or indirect interests in the Company's capital, of which it is aware, pursuant to Articles L. 233-7 and L. 233-12 (1)

The list of direct or indirect interests in the Company's capital, of which it is aware, pursuant to Articles L. 233-7 and L. 233-12 will be presented in section 6.4 of the Universal Registration Document.

4. List of holders of all securities including special controlling rights, with the description of these rights

N/A.

5. Control mechanisms included in the employee shareholding system (2)

According to the regulations on the employee shareholding fund (FCPE) of the Group Savings plan invested in Solocal shares, the voting rights attached to this fund's capitalised securities are exercised by the fund's Supervisory Board.

With no express mention in the regulations of any cases in which the Supervisory Board must seek the shareholders' opinion in advance, the Supervisory Board decides on the contribution of this fund's capitalised securities to purchase or exchange offers, in accordance with Article L. 214-164 of the French Monetary and Financial Code.

At 31 December 2022, the FCPE held 0.2% of the Company's share capital and 0.2% of voting rights at General Shareholders' Meetings.

(1) Crossing of statutory thresholds.

(2) Under the assumption that the controlling rights are not exercised by the Company's employees.

6. Agreements between shareholders of which the Company is aware and that may lead to restrictions on the transfer of shares or the exercise of voting rights

The Company is not aware of any agreements between shareholders that may lead to restrictions on the transfer of shares or the exercise of voting rights.

7. Rules applicable to the appointment and replacement of members of the Board of Directors as well as the amendment of the Company's Articles of Association

No stipulation in the Articles of Association or agreement between the Company and a third party includes any special provision on the appointment and/or replacement of Company Directors that may have an impact in the event of a tender offer.

8. Powers of the Board of Directors (particularly concerning the issue or redemption of shares)

The main delegations of authority in favour of the Board of Directors are listed in the Summary table of current delegations of authority granted to the Board of Directors in Part II of this document.

9. Agreements entered into by the Company that are subject to modification or termination in the event of a change in control of the Company

A number of agreements entered into by the Company include a change in control clause.

10. Agreements providing for the payment of indemnities to members of the Board of Directors or employees

No agreements have been entered into the Company providing for the payment of indemnities to members of the Board of Directors or employees of the Company. For commitments made in favour of the Chief Executive Officer, in the event of a forced departure and related to a change in control or strategy, see section B3 above "*Items of compensation paid during or awarded for the 2023 financial year to the Chief Executive Officer*".

4.3 Compensation and benefits

4.3.1 OVERALL COMPENSATION AND BENEFITS IN KIND

All gross compensation, excluding employer charges and benefits in kind, individually owed and paid by the Company to the corporate officers during the year ended 31 December 2023 within Solocal Group is summarised in the tables below:

Summary table of compensation and options and shares granted to each executive corporate officer

	2023 financial year	2022 financial year
Philippe Mellier, Chairman of the Board of Directors		
Compensation due for the financial year (detailed in the table below)	168,000	159,000
Valuation of the options awarded during the year	-	-
Valuation of the performance shares awarded during the year	-	-
Valuation of other long-term compensation plans	-	-
Hervé Milcent, Chief Executive Officer until 21 November 2023 inclusive		
Compensation due for the financial year (detailed in the table below)	412,500(1)	450,000
Variable compensation due for the financial year	98,760(1)	0
Valuation of the options awarded during the year	-	-
Valuation of the performance shares awarded during the year	0(2)	12,585(2)
Valuation of other long-term compensation plans	-	-
Valuation of benefits in kind	48,070(3)	27,415(3)
Cédric Dugardin, Chief Executive Officer from 22 November 2023 to 31 December 2023		
Compensation due for the financial year (detailed in the table below)	50,000(1)	-
Variable compensation due for the financial year	12,153(1)	-
Valuation of the options awarded during the year	-	-
Valuation of the performance shares awarded during the year	-	-
Valuation of other long-term compensation plans	-	-
Valuation of benefits in kind	1,383(3)	-

(1) *On a pro rata basis.*

(2) *LTI plan as approved by the General Shareholders' Meeting of 27 November 2020 and implemented pursuant to Board decisions dated 8 January 2021 and 15 April 2021, one referred to as the "classic" LTI plan and the other the "booster" LTI plan, the latter being subject to investment by eligible persons. On the recommendation of the Governance Committee, the Board of Directors, at its meeting of 17 November 2023, decided to deliver 36,000 shares under the first tranche of the Classic LTI plan and 18,000 shares under the first tranche of the Booster LTI plan.*

(3) *Excluding civil liability insurance, the premium for which is non-individualised.*

Summary table of the compensation of each executive corporate officer

	2023 financial year		2022 financial year	
	Amounts awarded	Amount paid	Amounts awarded	Amount paid
Philippe Mellier, Chairman of the Board of Directors				
Compensation for his duties as Director, Chairman of the Board of Directors and member of Committees (formerly Directors' fees)	168,000	168,000	159,000	159,000
Benefits in kind				
TOTAL	**168,000**	**168,000**	**159,000**	**159,000**
Hervé Milcent, Chief Executive Officer until 21 November 2023				
Fixed compensation	412,500	412,500	450,000	450,000
Annual variable compensation	98,760(2)(4)		0	0
Exceptional compensation				
Severance payment				
Compensation for his directorship (formerly Directors' fees)				
Benefits in kind(1)	48,070	48,070	27,415	27,415
TOTAL	**559,930**	**461,170**	**477,415**	**477,415**
Cédric Dugardin, Chief Executive Officer from 22 November 2023 to 31 December 2023				
Fixed compensation	50,000	50,000	-	-
Annual variable compensation	12,153(3)(4)			
Exceptional compensation				
Severance payment				
Compensation for his duties as Director (formerly Directors' fees)	24,908(5)	24,908		
Benefits in kind(1)	1,383	1,383	-	-
TOTAL	**88,444**	**76,291**	**-**	**-**

(1) *Excluding civil liability insurance, the premium for which is non-individualised.*

(2) *This amount was approved by the Board of Directors at its meeting of 28 February 2023, on the basis of 24.64% of his variable compensation and will be submitted for approval to the Company's upcoming 2024 Combined General Shareholders' Meeting.*

(3) *This amount was approved by the Board of Directors at its meeting of 28 February 2023, on the basis of 24.64% of his variable compensation and will be submitted for approval to the Company's upcoming 2024 Combined General Shareholders' Meeting.*

(4) *On a pro rata basis.*

(5) *In accordance with the Company's compensation practices, no compensation will be payable to Cédric Dugardin for his directorship of the Company from the date on which he took up his post as Chief Executive Officer on 22 November 2023.*

Information concerning the commitments taken in favour of the executive corporate officers and the procedure with regard to the application of the variable portion of the Chief Executive Officer's compensation is provided in the corporate governance report (see section 4.2).

Executive corporate officers	Employment contract		Supplementary retirement plan		Indemnities or benefits payable or potentially payable as a result of termination or a change of duties		Indemnities tied to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Philippe Mellier Chairman of the Board of Directors		X		X		X		X
Hervé Milcent Chief Executive Officer (until 21 November 2023 inclusive)		X	Defined-contribution supplementary retirement plan (Article 83 of the French Tax Code)		X		X	
Cédric Dugardin Chief Executive Officer (from 22 November 2023)		X	Defined-contribution supplementary retirement plan (Article 83 of the French Tax Code)		X			

Table of compensation payable for directorships and other compensation received by non-executive officers*

Non-executive officers	Amounts due in 2023*	Amounts due in 2022*
David Amar		
Directorship compensation	44,700	41,200
Other compensation		
Alexandre Fretti(1)		
Directorship compensation	25,491	-
Other compensation		
Cédric Dugardin(2)		
Directorship compensation	24,908	-
Other compensation		
Delphine Grison		
Directorship compensation	44,700	48,766
Other compensation		
Anne-France Laclide(3)		
Directorship compensation	23,208	55,700
Other compensation		
Ghislaine Mattlinger(4)		
Directorship compensation	30,991	-
Other compensation		

Non-executive officers	Amounts due in 2023*	Amounts due in 2022*
Marie Christine Levet		
Directorship compensation	44,700	43,600
Other compensation		
Catherine Robaglia(5)		
Directorship compensation		
Other compensation	101,878	96,870
David Eckert(6)		
Directorship compensation	9,425	43,600
Other compensation		
Paul Russo(7)		
Directorship compensation	11,175	44,100
Other compensation		
Sophie Sursock		
Directorship compensation	44,700	43,833
Other compensation		
Bruno Guillemet(8)		
Directorship compensation	55,700	32,792
Other compensation (Non-Voting Director until 2 June 2022)	-	15,708

* *The amounts shown do not take into account the 30% withholding tax for foreign tax residents and the 21% withholding tax for French tax residents.*

(1) *Alexandre Fretti was co-opted by the Board of Directors on 7 June 2023 and his co-option was ratified at the General Shareholders' Meeting of 29 June 2023.*

(2) *In accordance with the Company's compensation practices, no compensation will be payable to Cédric Dugardin for his directorship of the Company from the date on which he took up his post as Chief Executive Officer on 22 November 2023.*

(3) *Anne-France Laclide resigned from her duties as a Director and as Chair of the Audit Committee with effect from 31 May 2023.*

(4) *Ghislaine Mattlinger was co-opted by the Board of Directors on 26 April 2023 and her co-option was ratified at the General Shareholders' Meeting of 29 June 2023.*

(5) *Catherine Robaglia was elected as Director representing employees on 15 October 2020. Compensation payable by a company within the Solocal Group scope of consolidation in accordance with Article L. 233-16 of the French Commercial Code.*

(6) *David Eckert resigned from his duties as a Director and as a member of the Strategy & Innovation Committee on 31 March 2023.*

(7) *Paul Russo resigned from his duties as a Director and as a member of the Audit Committee on 31 March 2023.*

(8) *Bruno Guillemet was appointed as a Director at the General Shareholders' Meeting of 2 June 2022 and subsequently as Chairman of the Governance Committee.*

The Company has not put in place any specific supplementary retirement plans for its corporate officers.

The Combined General Shareholders' Meeting of 29 June 2023 set the annual amount of directorship compensation allocated to Board members at €547,600 for the 2023 financial year and subsequent financial years, and until further decision by the General Shareholders' Meeting.

The rules for allocating this amount between the Directors are adopted, revised and implemented by decision of the Board of Directors based on the recommendations made by the Governance Committee.

In accordance with the rules adopted by the Board of Directors based on the recommendations made by the Governance Committee, the rules for the allocation of the €547,600 budget are as follows:

- €150,000 for the Chairman;
- equal allocation for Directors, i.e. €37,700 per annum for each Director, based on the assumption of attendance at all meetings of the Board of Directors and the Committees of which they are members;
- an €18,000 annual lump-sum payment for the Chairman of the Audit Committee;
- a €7,000 annual lump-sum payment for the members of the Audit Committee;
- an €18,000 annual lump-sum payment for the Chairman of the Governance Committee;
- a €7,000 annual lump-sum payment for the members of the Governance Committee;
- an €18,000 annual lump-sum payment for the Chairman of the Strategy & Innovation Committee or any other Committee that the Board may create;
- a €7,000 annual lump-sum payment for the members of the Strategy & Innovation Committee or any other Committee.

With, however, three exceptions:

- allocation on a pro rata basis for Directors having resigned during the year;
- a reduction in the amount paid for Directors with an attendance rate of less than 85% in a half-year period given the assumption of attendance at all meetings of the Board of Directors and the Committees of which they are members;
- no compensation for internal Directors (Director representing employees, Chief Executive Officer).

4.3.2 AMOUNTS PROVISIONED OR OTHERWISE RECOGNISED FOR PAYMENT OF PENSION, RETIREMENT OR OTHER BENEFITS

On the date of this Universal Registration Document, the sums provisioned or otherwise recognised for the payment of pensions, retirement or other benefits were as follows:

- for Hervé Milcent: €0;
- for Cédric Dugardin €0;
- for Catherine Robaglia: €87,324 (IFC provision).

CHAPTER

5

Financial statements

5.1 Activity report for the year ended 31 December 2023

5.1.1 OVERVIEW

Solocal Group operates in the Digital sector and generated revenue of €359.7 million in the 2023 financial year. It can be broken down as follows:

- the Connect offer enables VSEs and SMEs to manage their digital presence on PagesJaunes and over the entire web (several dozen media in total including Google, Facebook, Bing, Tripadvisor, Instagram, etc.) in just a few clicks, in real time and with complete autonomy, via a single mobile app, or a web interface. This offer also has a number of relational features to facilitate interactions between businesses and their customers, including instant messaging, appointment booking and Click & Collect. Connect generated revenue of €98.6 million in 2023 and is sold on a subscription basis with auto-renewal;
- the Booster offer enables businesses to augment their digital visibility beyond their natural online presence with a view to expanding market share locally. This offer includes, among other things, the Ranking service and generated revenue of €204.3 million in 2023;
- Solocal's Website range takes care of the creation and ranking of customers' websites. It is adapted to various budgets and sold on a subscription basis with auto-renewal. The Website range generated revenue of €56.8 million in 2023.

The Connect and Booster ranges are designed for VSEs/SMEs and are also available for large network accounts.

5.1.2 COMMENTARY ON THE RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

Consolidated income statement for the financial years ended 31 December 2023 and 31 December 2022

(in millions of euros)	Year ended 31/12/2023	Year ended 31/12/2022	Change 2023/2022
REVENUE	**359.7**	**400.0**	**-10.1%**
Net external expenses	(119.9)	(113.1)	6.0%
Personnel expenses	(176.3)	(171.9)	2.6%
Restructuring costs	(6.0)	(0.3)	2,088.6%
EBITDA	**57.4**	**114.7**	**-49.9%**
As % of revenue	*16.0%*	*28.7%*	*-44.3%*
Depreciation and amortisation	(54.3)	(56.2)	-3.4%
OPERATING INCOME	**3.1**	**58.5**	**-94.6%**
As % of revenue	*0.9%*	*14.6%*	*-94.0%*
Financial income	0.2	0.5	-68.1%
Financial expenses	(36.7)	(29.0)	26.7%
FINANCIAL INCOME	**(36.6)**	**(28.5)**	**28.5%**
INCOME BEFORE TAX	**(33.4)**	**30.1**	**-211.2%**
Corporate income tax	(12.4)	(33.3)	-62.7%
NET INCOME FOR THE PERIOD	**(45.9)**	**(3.3)**	**1,303.6%**

Non-recurring items

Non-recurring items are income and expenses that are very limited in number, unusual, abnormal, infrequent or involve particularly significant amounts. They mainly comprise restructuring items.

In 2023, non-recurring items amounted to €6.0 million and were mainly expenses incurred in connection with the Company's discussions with its creditors and in the context of the Group's transformation.

5.1.2.1 Order book analysis

Revenue

Solocal generated revenue of €359.7 million in 2023, down 10.1% compared to the previous year.

As at 31 December 2023, secured revenue for 2024 totalled €172.9 million.

Order backlog

(in millions of euros)	Year ended 31/12/2023	Year ended 31/12/2022
Total order backlog – end of period	194.1	221.6

At 31 December 2023, the order backlog totalled €194.1 million, down 12.4% compared to 31 December 2022. This decrease reflects a lower level of acquisition compared with the churn rate.

Based on management's best estimates, the sales already recorded before 31 December 2023 will generate revenue for 2024 of €172.9 million ("secured revenue"). This figure was €191.5 million as at 31 December 2022 for 2023. Note that secured revenue does not include revenue from the renewal of contracts expiring in 2024.

Solocal's performance indicators

Solocal's **customer base** has evolved as follows:

(in thousands)	FY 2022	FY 2023	Change
Customer base – BoP[1]	**309**	**288**	**(21)**
+ Acquisitions	35	35	0
- Churn	(56)	(62)	(6)
Customer base – EoP[1]	**288**	**261**	**(27)**
Net change BoP – EoP	**(21)**	**(27)**	**(6)**
Churn[2] *(as %)*	16.6%	20.1%	+3.5 pts

(1) BoP = beginning of period/EoP = end of period.
(2) Churn rate: Number of churned customers on a LTM basis (incl. winbacks), divided by the number of customers BoP.

The Group's customer base stood at **261,000 customers at 31 December 2023,** down 9.4% versus 31 December 2022 owing to:

- A lower-than-expected level of new customer acquisition (35,000 customers) but in line with 2022;
- an increase in the number of lost customers (-62,000 customers) compared to 2022.

The Group's churn rate[1] was **20.1% in 2023,** up 3.5 pts compared to 2022.

The average customer base in 2023 was around 276,000 customers, generating a Group ARPA of around €1,305 for the year, a slight decrease on 2022 (ARPA of €1,345).

(1) Churn rate: Number of churned customers on a LTM basis (incl. winbacks), divided by the number of customers BoP.

5.1.2.2 EBITDA analysis

Net external expenses

Recurring external expenses amounted to €119.9 million in 2023, up 6.0% or €6.8 million compared to 2022, due to (i) the launch of a TV advertising campaign, (ii) an increase in customer risk due to adverse trends in the French economy, (iii) an adverse product mix leading to a higher media spend despite the decline in business. These negative effects were partly offset by strict cost control (including direct marketing expenditure) and a reduction in the number of external service providers.

Personnel expenses

Recurring personnel expenses amounted to €176.3 million in 2023, up 1.8% or €3.0 million versus 2022. This increase can be explained by:

- recruitment difficulties and a higher-than-expected turnover rate in sales capacity, particularly in the field;
- the impact of the French Court of Cassation's rulings of 13 September 2023, introducing new obligations for companies with regard to paid leave. A liability of €2.1 million has been recognised in the 2023 financial statements in respect of this obligation.

These additional costs were offset by a further reduction in average FTEs in support functions and by the reversal of the provision for retirement benefits in 2022, which did not recur in 2023.

The Group had a workforce of 2,082 people as at 31 December 2023 (excluding long-term absence) including 37% in sales. The staff count was 2,341 on 31 December 2022.

Non-recurring items

Non-recurring items amounted to -€6.0 million in 2023. They were mainly expenses incurred in connection with the Company's discussions with its creditors and fees arising from the Group's transformation plan.

EBITDA

EBITDA amounted to €57.4 million in 2023 versus €114.7 million in 2022, a decline of 49.9% or €57.3 million versus 2022.

5.1.2.3 Analysis of the other items in the income statement

Operating income

The table below shows the Group's operating income for 2023 and 2022:

(in millions of euros)	Year ended 31/12/2023	Year ended 31/12/2022	Change 2023/2022
EBITDA	**57.4**	**114.7**	**-49.9%**
As % of revenue	*16.0%*	*28.7%*	*-44.3%*
Depreciation and amortisation	(54.3)	(56.2)	-3.4%
OPERATING INCOME	**3.1**	**58.5**	**-94.6%**
As % of revenue	*0.9%*	*14.6%*	*-94.0%*

Depreciation and amortisation amounted to -€54.3 million in 2023 and were slightly down versus 2022, reflecting declining investments during the comparative periods used as the basis for calculating depreciation and amortisation.

The Group's operating income stood at €3.1 million in 2023 compared to €58.5 million in 2022.

Net income for the period

The table below shows the Group's net income for the years ended 31 December 2023 and 2022:

(in millions of euros)	Year ended 31/12/2023	Year ended 31/12/2022	Change 2023/2022
OPERATING INCOME	**3.1**	**58.5**	**-94.6%**
As % of revenue	*0.9%*	*14.6%*	*-94.0%*
Financial income	0.2	0.5	-68.1%
Financial expenses	(36.7)	(29.0)	26.7%
FINANCIAL INCOME	**(36.6)**	**(28.5)**	**28.5%**
INCOME BEFORE TAX	**(33.4)**	**30.1**	**-217.2%**
Corporate income tax	(12.4)	(33.3)	-62.7%
NET INCOME FOR THE PERIOD	**(45.9)**	**(3.3)**	**1,303.6%**

The consolidated result before tax was a loss of €33.4 million in 2023 compared to a profit of €30.1 million in 2022.

Financial expenses totalled -€36.7 million in 2023, compared with -€29.0 million in 2022 and corresponded mainly to the cost of debt. The 26.7% increase is due to higher interest rates on the Bonds, the Mini Bonds and the RCF, which are indexed to Euribor.

The Company reported a corporate income tax expense of -€12.4 million for 2023, mainly due to the write-down of deferred tax assets for -€11.3 million and the non-recognition of deferred tax assets on losses incurred during the financial year.

The Group's consolidated net result was negative for 2023, at -€45.9 million compared with a loss of -€3.3 million in 2022.

5.1.2.4 Consolidated cash flow presentation

(in millions of euros)	Year ended 31/12/2023	Year ended 31/12/2022
RECURRING EBITDA	**63.5**	**115.0**
Non-monetary items included in EBITDA	1.2	3.9
Net change in working capital	(18.9)	(34.7)
– Of which change in receivables	*(10.7)*	*(14.1)*
– Of which change in payables	*1.3*	*(6.3)*
– Of which change in other WCR items	*(9.5)*	*(14.3)*
Acquisitions of tangible and intangible fixed assets	(21.2)	(31.6)
RECURRING OPERATING FREE CASH FLOW	**24.6**	**52.6**
Non-recurring items	(7.4)	(6.4)
Financial income received/(disbursed)	(8.9)	(19.7)
Corporate income tax paid	(1.4)	(4.5)
Other	0.9	0.4
FREE CASH FLOW	**7.8**	**22.4**
Increase (decrease) in borrowings	(4.0)	(14.0)
Other	(18.8)	(17.9)
NET CHANGE IN CASH	**(15.1)**	**(9.4)**
NET CASH & CASH EQUIVALENTS BOP	**70.8**	**80.2**
NET CASH & CASH EQUIVALENTS EOP	**55.7**	**70.8**

The change in working capital amounted to -€18.9 million in 2023 compared to -€34.7 million in 2022. This consumption of working capital stemmed from:

- a -€10.7 million change in accounts receivable due to lower sales performance in 2023 and the churn of former customers with more favourable payment terms;
- a -€9.5 million change in "Other" working capital items.

Capital expenditure amounted to €21.2 million in 2023, down 33% compared to 2022.

Disbursed financial expenses stood at -€8.9 million in 2023 and consisted of the payment of bond interest, the annual interest on the RCF and the annual interest on the line of credit with BPI France. In 2022, disbursed financial expenses amounted to -€19.7 million. This decrease is attributable to the non-payment of interest on the Group's bond debt (15 June 2023, 15 September 2023 and 15 December 2023 maturity dates).

Consolidated free cash flow was positive at €7.8 million in 2023 compared to €22.4 million in 2022.

The repayment of borrowings in the amount €4 million concerns the repayment of the Atout loan from BPI based on the original schedule. As a reminder, a repayment of €10 million was made on the RCF in 2022.

The disbursement of €18.8 million recorded under "Other" relates to lease payments recognised in accordance with IFRS 16 on the Group's balance sheet (right-of-use assets/ lease liabilities).

The Group's net cash variation was therefore negative at -€15.1 million in 2023.

As at 31 December 2023, the Group had net cash of €55.7 million compared to €70.8 million as at 31 December 2022.

5.1.3 CONSOLIDATED LIQUIDITY, CAPITAL RESOURCES AND CAPITAL EXPENDITURE

The table below shows the Group's cash flows for the years ended 31 December 2023 and 31 December 2022:

(in millions of euros)	Year ended 31/12/2023	Year ended 31/12/2022
Net cash from operations	27.9	53.6
Net cash provided by (used in) investing activities	(20.1)	(31.2)
Net cash provided by (used in) financing activities	(22.9)	(31.9)
NET INCREASE (DECREASE) IN CASH POSITION	**(15.1)**	**(9.4)**

Net cash from operations stood at €27.9 million at 31 December 2023 compared to €53.6 million at 31 December 2022.

Net cash used in investing activities amounted to -€20.1 million at 31 December 2023 compared to -€31.2 million at 31 December 2022, a change of €11.1 million.

Net cash used in financing activities was a net disbursement of €22.9 million at 31 December 2023 compared to a net disbursement of €31.9 million at 31 December 2022.

The table below shows **the changes in the Group's consolidated net cash position and debt** for the years ended 31 December 2023 and 31 December 2022:

(in thousands of euros)	Year ended 31/12/2023	Year ended 31/12/2022
Cash equivalents	0.0	20.0
Cash	55.7	50.8
GROSS CASH	**55.7**	**70.8**
Bank overdrafts		
NET CASH	**55.7**	**70.8**
Nominal value of bond issues	195.4	195.4
Fair value of financing	(16.9)	(16.9)
Nominal value of revolving credit facilities drawn	34.0	34.0
Loan issue expenses included in the effective interest rate on debt	(4.1)	(4.1)
Amortisation of fair value adjustments and expenses at the effective interest rate	13.1	8.5
Other loans	7.0	11.0
Accrued interest not yet due on loans	16.6	0.9
Other	0.1	0.1
Current and non-current financial liabilities	*245.3*	*228.8*
Long-term and short-term lease liabilities	49.9	60.0
GROSS FINANCIAL DEBT	**295.2**	**288.9**
of which current	*257.6*	*63.8*
of which non-current	*37.6*	*225.0*
NET DEBT	**239.5**	**218.1**
NET DEBT OF CONSOLIDATED GROUP	**239.5**	**218.1**

Net financial debt stood at €197 million at 31 December 2023 (excluding IFRS 16), an increase on the previous year's figure of €170.4 million. It consists of bond issues maturing in 2025 (bonds of €177 million and €19 million respectively), the fully drawn revolving credit facility with an initial maturity date of September 2023 (€34 million), the Atout loan (€7 million), accrued interest of €16.6 million (including the instalments due on 15 June 2023, 15 September 2023 and 15 December 2023 that have not been paid) and cash (€55.7 million).

The impact of the application of IFRS 16 on net financial debt was €49.9 million as at 31 December 2023. This is due to the reclassification of rental commitments as lease liabilities on the balance sheet.

Net leverage as defined in the Solocal 2025 bond documentation was 4.2x at 31 December 2023 (to which IFRS 16 does not apply). The ratio of EBITDA to interest expenses, i.e. the Interest Service Coverage Ratio (ISCR) was 1.9x. The Group's capital expenditure was less than 10% of consolidated revenue in 2023.

The Group does not meet the financial ratios stipulated in the bond documentation. Nevertheless, as stated in a press release issued on 20 December 2023, the Company has obtained a waiver of some of its financial covenants under the bond issue documentation. The RCF creditors have also agreed not to exercise their rights in this respect.

As a reminder, with regard to the RCF debt, Solocal Group notified the RCF lenders, in accordance with the contractual documentation, of its proposal to repay them in shares in September 2023. The RCF lenders did not consider this to be an acceptable option, particularly given the stock price of the Solocal Group shares. Under the terms of the contractual documentation, Solocal Group considers that, in these circumstances, the maturity of the RCF debt has been extended to 30 September 2024.

5.1.4 CAPITAL EXPENDITURE

(in millions of euros)	As at 31/12/2023	As at 31/12/2022
Internally developed software	20.7	29.9
Acquisition of tangible and intangible fixed assets	1.0	1.9
Right-of-use assets related to leases [1]	2.2	4.2
INVESTMENTS	**23.9**	**36.0**

5.1.5 OUTLOOK FOR 2024

The level of acquisition in 2024 should be comparable with 2023. This stabilization should be made possible thanks to the new strategic orientation aimed at streamlining the field sales force into a single sales force in charge of both acquiring new customers and developing the current customer portfolio.

However, as a result of difficult order intake activity in 2023, a high churn rate despite substantial investment in the customer experience, and difficulties in building loyalty among VSE/SME customers facing an uncertain economic environment, the Group expects revenue to be down on 2023 by around 10%.

In 2024, the company will pursue its efforts to control costs in order to maintain an EBITDA margin of around 15%. It will focus on sales force productivity, investments with a direct short-term impact on its products and PagesJaunes media, and improving the customer experience to limit the rise in churn.

5.1.6 EVENTS AFTER THE 31 DECEMBER 2023 YEAR-END

5.1.6.1 Agreement in Principle on Solocal Group's financial restructuring

On 12 April 2024, Solocal Group announced that it had signed an Agreement in Principle between the Company, Ycor, bondholders representing 84% of the Bonds and 100% of the Mini Bonds respectively, and creditors representing 78.6% of the RCF (pending internal validation of the last RCF creditor). The terms of the Agreement in Principle, which are binding on the parties, include the following:

- **a contribution of €43 million** to the Company exclusively in equity, including a maximum of €38 million from Ycor, of which (i) €25 million via subscription to a capital increase in cash reserved for Ycor, and (ii) (if this commitment is called) approximately €13 million via a backstop commitment to a capital increase with shareholders' preferential subscription rights for a total amount of around €18 million;
- **the contribution in kind** of all shares issued by Regicom Webformance SAS ("**Regicom**") to the Company;
- at the date of the effective completion of the contemplated share capital increases and issuance of securities, **the partial repayment of existing RCF debt, in the amount of €20 million**, with part of the proceeds from the above-mentioned equity contributions;
- **a massive reduction in the nominal amount of the Company's existing gross bond debt** (Bonds and Mini Bonds including interest due) **by approximately 85%**, with different amortisation or conversion profiles depending on the nature of the reinstated debt.

This agreement will allow Solocal Group to continue its operations (and, in particular, to cover its liquidity needs over a horizon of more than 12 months) and provides a viable framework for the long-term development of the Group's business.

On 22 April 2024, the Bondholders' General Meeting of Solocal Group approved the proposed amendment of the accelerated financial safeguard plan by 99.8% of the votes cast.

(1) Increase in right-of-use assets related to new contracts signed during the year. This amount does not include the increase in right-of-use assets linked to rent indexation clauses.

The proposed financial restructuring transactions will strengthen the Group's financial structure. Net financial debt adjusted for the expected impact of the financial restructuring would be reduced by €234 million (before taking into account consultancy fees related to the execution of the transactions).

	Solocal net financial debt	
(in millions of euros)	December 2023	December 2023 adjusted
Bonds (nominal amount)	176.6	0(1)
Mini Bonds (nominal amount)	18.7	21(2)
Revolving credit facility (RCF)	34	14(3)
Prêt'Atout	7	7
Accrued interest due	16.6	0
TOTAL GROSS DEBT	**253**	**42**
Available cash	55.7	78.7(4)
NET FINANCIAL DEBT	**197.3**	**(36.7)**

(1) €5 million reinstated with amended terms (deeply subordinated and perpetual term).

(2) The 2024 Conciliation Protocol stipulates that no payment of any kind (including interest) may be made until the closing date of the restructuring and that all amounts due under the Mini Bonds (in principal, accrued interest and, if applicable, other interest, fees or commissions of any kind), which are estimated to be around €21 million, will be reinstated.

(3) After the repayment of €20 million in cash on the closing date of the restructuring, the remaining €14 million will be amortised in four equal instalments in March 2025, September 2025, March 2026 and September 2026.

(4) In addition to the available cash as at 31 December 2023, the cash position will be increased by cash capital increases of €43 million less €20 million for the partial repayment of the RCF.

Conditions precedent

The approval of the amendment to the accelerated financial safeguard plan remains subject to the fulfilment of the following main conditions precedent:

- the approval by the Company's General Shareholders' Meeting of the resolutions necessary to implement the plan no later than 28 June 2024 (unless Ycor agrees to a later date);
- the adoption of all decisions of the Company's Board of Directors necessary to implement the contemplated governance arrangements no later than on the date of completion of the contemplated issuances of securities and of all resolutions submitted to the Company's General Shareholders' Meeting necessary to implement the financial safeguard plan, and the rejection of any resolution that would be contrary to the implementation of the financial safeguard plan;
- obtaining, if necessary, an unconditional decision by any competition authority authorising or not opposing (where such non-objection is, under applicable law, construed as an authorisation to carry out the proposed restructuring) the restructuring as contemplated under the accelerated financial safeguard plan;
- obtaining a waiver from the Autorité des Marchés Financiers (AMF) from the obligation for Ycor to make a public tender offer for the Company's shares (the "**AMF Share Capital Increase Exemption**") on the basis of Article 234-9, 2° of the AMF General Regulation valid and in force; as the case may be, obtaining a waiver from the AMF of the obligation for Ycor to make a public tender offer for the Company's shares (the "**AMF Contribution Exemption**") in relation to the contribution of Regicom on the basis of Article 234-9, 3 of the AMF General Regulation valid and in force, it being specified that Ycor undertakes to formally file the AMF Share Capital Increase Exemption application no later than 31 May 2024, subject to the AMF's approval of this timetable(1);
- the delivery of the report of the contribution auditor to be appointed for the purposes of implementing the share capital increase to be subscribed by Ycor in the context of the contribution in kind of Regicom to the Company;
- the delivery of the report of the independent expert (the firm Ledouble was appointed by the Company's Board of Directors), pursuant to Article 261-3 of the AMF General Regulation, on the fairness of the financial terms of the restructuring for the existing shareholders;
- obtaining the AMF's approval for the prospectuses relating to the share capital increases and the issuance of warrants;
- the signature of a conciliation protocol no later than on 30 April 2024 (unless Ycor and the Company agree on a later date) and the acknowledgement or homologation of this conciliation protocol simultaneously with the approval of the accelerated financial safeguard plan (unless Ycor and the Company agree on a later date);
- the agreement of the BPI Atout loan creditors on the extension of this debt (unless otherwise agreed by Ycor).

In addition, the implementation of the financial restructuring of the Company remains subject to the fulfilment of the following conditions precedent:

- the finalisation of the implementation documents required to implement the accelerated financial safeguard plan.

In the event that the Company's shareholders reject it, the Company will implement the financial restructuring under a new collective proceeding that will follow the termination of the Company's restructuring plan adopted in 2020, subject to the legal conditions for such termination and the opening of such new collective proceeding being met.

(1) *It is also specified that Ycor has made it a condition precedent that all appeals against each of the Share Capital Increase Exemption and the AMF Contribution Exemption have been purged. However, this condition is considered met if all the Bondholders represented by White & Case and Lazard sign or adhere to the Agreement in Principle no later than on the date of the Bondholders' General Meeting, which is indeed the case. Therefore, this condition requiring all appeals to be purged will be deemed to have been met on the date on which each of the AMF Share Capital Increase Exemption and the AMF Contribution Exemption is obtained.*

Next steps and indicative timetable of operations

The financial restructuring is expected to be completed during the third quarter of 2024.

Approval of the financial statements

On this basis and taking into account its assessment of liquidity risk, on 23 April 2024 the Board of Directors approved the consolidated and annual financial statements for the year ended 31 December 2023 on a going concern basis, assuming the satisfactory completion of the financial restructuring described above including the lifting of the conditions precedent including obtaining the approval of the merger control authorities and a waiver from the AMF of the obligation to launch a public tender offer, the homologation of the amended Safeguard Plan by the Commercial Court and its approval by the shareholders.

Nevertheless, as mentioned in the notes to the financial statements, in the event that the conditions precedent cannot be fully lifted and the financial restructuring successfully completed, the Company may not be able to realise its assets and settle its liabilities in the normal course of business and the application of IFRS/French accounting policies in a normal context of continuing operations, especially with regard to the measurement of assets and liabilities, may be inappropriate. Therefore, this situation creates a material uncertainty regarding the going concern status.

Timeline of debt restructuring

On 7 June 2023, the Group announced its intention to enter into discussions with its financial creditors with a view to examining various options relating to the maturity of its debt and the risks associated its refinancing. Prior to this, the Group had undertaken a reflection process on both its financial structure and a new strategic plan.

To facilitate discussions with its creditors, on 14 June 2023 the President of the Nanterre Commercial Court opened mandat ad hoc proceedings at the request of and in favour of Solocal Group and appointed SELARL FHBX, acting through Maître Hélène Bourbouloux, as mandataire ad hoc, for an initial period of four months, which was then extended for a further four months. On 1 March 2024, the President of the Nanterre Commercial Court opened conciliation proceedings in favour of the Company and appointed SELARL FHBX, acting through Maître Hélène Bourbouloux as conciliator for the Company.

Throughout these exchanges, Socolal Group has on several occasions sought the agreement of the holders of Bonds and Mini Bonds to defer to 29 February 2024 the payment of coupons due on 15 June 2023, 15 September 2023 and 15 December 2023. Since then, the Company has not paid these coupons or the coupon due on 15 March 2024. These four coupons, as well as the one due on 15 June 2024, will be converted into capital as part of the financial restructuring.

On 20 December 2023, Solocal Group also announced that it had obtained a waiver of some of its financial covenants relating to the bond issue documentation. These financial covenants concern the level of the ratio of consolidated EBITDA to consolidated net interest expenses and the level of the consolidated net leverage ratio, both as assessed at 31 December 2023. The RCF creditors had also agreed not to exercise their rights in this respect.

On 26 February 2024, due to the ongoing discussions, the Company decided to postpone the publication date of its 2023 financial results, originally scheduled for 29 February 2024. A press release dated 13 March reported on the progress of discussions with its financial creditors and Ycor.

On 12 April 2024, Solocal Group announced that it had signed an Agreement in Principle with Ycor, most of its bondholders and RCF creditors and its main shareholders.

On 22 April 2024, the Bondholders' General Meeting of Solocal Group approved the proposed amendment of the accelerated financial safeguard plan by 99.8% of the votes cast.

5.1.6.2 Signing of an agreement on the Citylights lease

Concomitantly with the financial restructuring of the Group, Solocal carried out an in-depth analysis in order to streamline the use of its headquarter with the objective of reducing the rented surface area. The Company has entered into discussions with the owner of its head office located in Boulogne Billancourt. The Group was committed to a lease contract for a firm term of 10 years until May 2026.

Following discussions with the lessor, an agreement was reached on a lease with the following key terms and conditions:

- A reduction in leased space of around two-thirds from 1 January 2025
- Renewed commitment to lease these revised spaces for an irrevocable term of six years
- Compensation of the lessor for the rent-free period initially granted, on a pro rata basis

The condition precedent to this renegotiation is the successful completion of the Group's financial restructuring process referred to in the press release published on 12 April 2024.

5.1.6.3 Q1 2024 revenue and order backlog analysis

(in millions of euros)	Q1 2023	Q1 2024	Change
Revenue	93.3	83.3	-10.7%

In the first quarter of 2024, consolidated revenue amounted to €83.3 million, down €10 million (-10.7%) compared to first quarter revenue in 2023. Revenue from the renewal of existing contracts stood at €52.2 million, i.e. 62.6% of total revenue (versus 55.7% in the same period of 2023). Revenue from acquisitions (new customers, development of the customer base and migration of old contracts) amounted to €31.2 million and made up 37.4% of total revenue.

The order backlog amounted to €192.4 million as at 31 March 2024 and was flat compared to 31 December 2023.

Based on management's best estimates, approximately 34% of this order backlog will flow into revenue in the second quarter of 2024, around 45% in the second half of 2024 and around 21% in 2025.

Q1 2024 revenue is presented below:

(in millions of euros)	Q1 2023	Q1 2024	Change	Allocation
Connect	25.5	22.8	-11%	27%
Booster	53.4	46.6	-13%	56%
Websites	14.5	13.9	-4%	17%
TOTAL REVENUE	**93.3**	**83.3**	**-10.8%**	**100%**

The Connect activity represented 27% of Q1 2024 revenue. It was down 11% compared to the first quarter of 2023, mainly due to the impact of the Connect Premium offer.

The Booster activity accounted for 56% of Q1 2024 revenue. It fell by 13% compared to the first quarter of 2023, mostly as a result of persistently high churn on the Priority Ranking and Booster Contact offers.

The Websites activity represented 17% of Q1 2024 revenue. It was down 4% compared with the first quarter of 2023, largely due to high churn on the premium range.

(in thousands)	Q1 2023	Q1 2024	Change
Customer base – BoP(1)	**288**	**261**	**(27)**
+ Acquisitions	8	6	(2)
- Churn	(16)	(14)	1
Customer base – EoP(1)	**281**	**253**	**(28)**
Net change BoP - EoP	(7)	(8)	(1)
Churn(2) *(as %)*	-17.4%	-20.2%	2.8 pts

(1) BoP = beginning of period/EoP = end of period.
(2) Churn rate: Number of churned customers on a LTM basis divided by the number of customers BoP.

The customer base stood at 253K customers as at 31 March 2024, a slight decrease (-3.2%) compared to 31 December 2023, resulting from:

- a slight reduction in the level of new customer acquisition (+6k customers) compared to Q1 2023;
- a slight decrease in the number of customers lost (-14k customers) compared to Q1 2023.

The Group's **churn rate** stood at 20.2% as at 31 March 2024 and was flat compared to 31 December 2023 (20.1%).

Group ARPA was approximately €1,305 as at 31 March 2024, slightly down compared to 31 March 2023 (around €1,315) and flat compared to 31 December 2023 (approximately 1,305).

Definitions

Order backlog: The order backlog corresponds to the portion of revenue that remains to be recognised as at 31 December 2023 for the subsequent period on orders for sales that have been validated and committed to by customers. For subscription products, only the current commitment period is considered.

Secured revenue: Revenue to be recognised in 2024 from sales prior to 31 December 2023, without taking into account the possible renewal of these contracts.

EBITDA: EBITDA is an alternative performance indicator presented in the income statement in operating income before depreciation and amortisation.

Recurring EBITDA corresponds to EBITDA before taking account of items defined as non-recurring. Non-recurring items are income and expenses that are very limited in number, unusual, abnormal, infrequent or involve particularly significant amounts. They primarily consist of restructuring expenses, i.e. income or expenses for a program that is planned and controlled by management, which substantially changes either the company's scope of business, or the way its business is managed.

Sales: Taking of orders by the sales force, giving rise to a service performed by the Group for its customers.

Churn: Number of customers lost during a given period.

ARPA: Average Revenue per Advertiser.

5.1.7 ASSESSMENT OF THE FINANCIAL IMPACT OF ENVIRONMENTAL RISKS

As mentioned in the Statement on Non-Financial Performance, the risks related to environmental impacts were low for Solocal Group in 2023. The main key indicators of the 2023 commitments, as detailed in the Statement on Non-Financial Performance, are to optimise energy consumption and use of resources, while reducing the carbon impact of its operations.

The challenges of these commitments did not have a significant financial impact on the consolidated financial statements for the year ended 31 December 2023.

5.1.8 ADDITIONAL INFORMATION

5.1.8.1 Transactions with related parties

There were no new transactions with related parties during 2023. Officers considered to be related parties as at 31 December 2023 are the members of the Board of Directors including the Chief Executive Officer and the members of the Executive Committee. Solocal has no transactions with related parties other than those entered into with its senior managers and Directors.

5.1.8.2 Information on the main risk factors and uncertainties

The main risks and uncertainties are described in section 2 “Risk factors” of the 2023 Universal Registration Document.

The Company has carried out a review of its liquidity risk and does not believe that it will be able to meet its repayments over the next 12 months.

In the absence of the completion of the financial restructuring referred to in paragraph 5.1.6.1 “Agreement in Principle on Solocal Group’s financial restructuring”, the Company considers that it does not have sufficient liquidity to cover its cash needs over the next 12 months (i.e. until the end of April 2025). This shortfall is mainly the result of short-term financial debt of €257.6 million at 31 December 2023 (Note 9.5 to the 2023 consolidated financial statements).

The signing on 12 April 2024 of the Agreement in Principle between the Company, Ycor and its main creditors (RCF lenders and Bond and Mini Bond holders), under the aegis of the conciliator, provides for the following:

- **a contribution of €43 million** to the Company exclusively in equity, including a maximum of €38 million from Ycor of which (i) €25 million via subscription to a capital increase in cash reserved for Ycor, and (ii) (if this commitment is called) approximately €13 million via a backstop commitment to a capital increase with shareholders' preferential subscription rights for a total amount of around €18 million;
- **the contribution in kind** of all shares issued by Regicom Webformance SAS (“**Regicom**”) to the Company;
- at the date of the effective completion of the contemplated share capital increases and issuance of securities, **the partial repayment of existing RCF debt, in the amount of €20 million**, with part of the proceeds from the above-mentioned equity contributions;
- **a massive reduction in the nominal amount of the Company's existing gross bond debt** (Bonds and Mini Bonds including interest due) **by approximately 85%**, with different amortisation or conversion profiles depending on the nature of the reinstated debt.

On 22 April 2024, the Bondholders’ General Meeting of Solocal Group approved the proposed amendment of the accelerated financial safeguard plan by 99.8% of the votes cast.

With the available cash as at 31 December 2023 and the suspension of the payment of Bond and Mini Bond coupons, which will be capitalised as part of the above-mentioned financial restructuring, the Company will have sufficient cash to finance its activities during the interim period up to the effective completion of the financial restructuring, expected in the third quarter of 2024.

The effective completion of the financial restructuring scheduled for Q1 2024 will meet the Group’s estimated cash requirements until the end of April 2025. Under these circumstances, the Company would be able to meet its repayments over the next 12 months based on the revised payment schedule of the reinstated debt.

Based on the assumption of the satisfactory completion of the financial restructuring and the fullfilment of the main conditions precedent described in paragraph 5.1.6.1, the Board of Directors' meeting of 23 April 2024 approved the annual consolidated financial statements for the year ended 31 December 2023 on a going concern basis.

In the event of an adverse development in this financial restructuring, the Group may not be able to realise its assets and settle its liabilities in the normal course of business indicating, at the reporting date, the existence of a material uncertainty as to the Group's ability to continue as a going concern.

From an operational viewpoint, the Group is continuing to implement its strategy by fostering the conditions for customer acquisition and development and by introducing specific measures to reduce the level of churn. The Group is also continuing its efforts to manage its cost structure, which is mainly fixed.

5.2 Consolidated financial statements for the year ended 31 December 2023

5.2.1 CONSOLIDATED INCOME STATEMENT

(amounts in thousands of euros, except data relating to shares)	Notes	Year ended 31/12/2023	Year ended 31/12/2022
Revenue	5.1	359,658	399,970
Net external expenses	6	(119,872)	(113,108)
Personnel expenses	7	(176,319)	(171,865)
Restructuring costs and non-recurring items	2.1.2	(6,041)	(276)
EBITDA		**57,427**	**114,720**
Depreciation and amortisation	4	(54,293)	(56,184)
OPERATING INCOME		**3,134**	**58,536**
Financial income	9.4	168	528
Financial expenses	9.4	(36,724)	(28,985)
FINANCIAL INCOME		**(36,555)**	**(28,457)**
INCOME BEFORE TAX		**(33,421)**	**30,079**
Corporate income tax	8.1	(12,430)	(33,330)
NET INCOME FOR THE PERIOD		**(45,852)**	**(3,251)**
Income from continued activities for the period attributable to:			
– Shareholders of Solocal Group		(45,852)	(3,251)
– Non-controlling interests		-	-
Net earnings from continued activities for the period per share to Solocal Group shareholders *(in euros)*			
Net earnings per share of the consolidated Group based on a weighted average numbers of shares			
– basic	13	(0.35)	(0.02)
– diluted		(0.35)	(0.02)

5.2.2 STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	Notes	Year ended 31/12/2023	Year ended 31/12/2022
Net income for the period carried forward		(45,852)	(3,251)
Items not reclassified to profit or loss			
Gains (losses) on revaluation of retirement benefit plans	11	(2,113)	16,831
Deferred tax		527	(4,347)
Gains (losses) net of tax		(1,586)	12,484
Items reclassified to profit or loss			
Exchange differences on translation of foreign operations		(26)	62
OTHER COMPREHENSIVE INCOME, NET OF TAX		**(1,612)**	**12,547**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**(47,465)**	**9,295**
Total comprehensive income for the period attributable to:			
– Shareholders of Solocal Group		(47,465)	9,295
– Non-controlling interests		-	-

5.2.3 STATEMENT OF CONSOLIDATED FINANCIAL POSITION

(in thousands of euros)	Notes	As at 31/12/2023	As at 31/12/2022
Assets			
Net goodwill	4.1	86,489	86,489
Other net intangible fixed assets	4.2	46,434	61,480
Net tangible fixed assets	4.3	9,247	11,625
Right-of-use assets related to leases	4.3	36,026	41,642
Non-current financial assets	9.5	7,866	7,977
Deferred tax assets	8.2	-	11,336
TOTAL NON-CURRENT ASSETS		**186,061**	**220,549**
Net trade accounts receivable	5.2	44,241	55,388
Other current assets	5.3	20,871	20,673
Current tax receivables		3,788	3,118
Prepaid expenses		4,271	3,140
Current financial assets	9.5	-	185
Cash and cash equivalents	9.5	55,694	70,786
TOTAL CURRENT ASSETS		**128,865**	**153,291**
TOTAL ASSETS		**314,926**	**373,840**
Equity and liabilities			
Share capital	13.1	131,907	131,907
Issue premium		1,042,010	1,042,010
Retained earnings	13.2	(1,365,216)	(1,361,855)
Net income for the period attributable to shareholders		(45,852)	(3,251)
Other comprehensive income	11	(35,507)	(33,896)
Treasury shares	13.3	(5,384)	(5,474)
EQUITY ATTRIBUTABLE TO SOLOCAL GROUP SHAREHOLDERS	**13**	**(278,042)**	**(230,559)**
TOTAL EQUITY		**(278,042)**	**(230,559)**
Non-current financial liabilities	9.5	3,000	181,521
Long-term lease liabilities	9.5	34,556	43,499
Employee benefits - non-current	11	55,408	54,378
Provisions - non-current	11	190	189
TOTAL NON-CURRENT LIABILITIES		**93,154**	**279,588**
Current financial liabilities	9.5	242,243	47,311
Short-term leases liabilities	9.5	15,375	16,537
Provisions - current	11	27,495	26,277
Contract liabilities	5.4	74,662	88,893
Trade accounts payable	12	51,238	50,132
Employee benefits - current	11	33,109	36,499
Other current liabilities		55,663	59,009
Current tax liabilities		27	154
TOTAL CURRENT LIABILITIES		**499,813**	**324,812**
TOTAL EQUITY AND LIABILITIES		**314,926**	**373,840**

5.2.4 STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

Number of shares in circulation	*(in thousands of euros)*	Share capital	Issue premium	Income and reserves	Actuarial differences	Translation reserve	Treasury shares	Group equity	Non-controlling interests	Total equity
131,384,582	**BALANCE AS AT 1 JANUARY 2022**	**131,694**	**1,039,994**	**(1,359,734)**	**(45,768)**	**(673)**	**(5,496)**	**(239,983)**	**(0)**	**(239,983)**
	Net income for the period			**(3,251)**				**(3,251)**		**(3,251)**
	Other comprehensive income, net of tax				12,484	62		**12,547**		**12,547**
	Total comprehensive income for the period, net of tax	**-**	**-**	**(3,251)**	**12,484**	**62**	**-**	**9,295**		**9,295**
190,800	Share-based payments	192	-	(85)	-	-	-	**107**		**107**
-	Capital transactions	-	-	-	-	-	-	**-**		**-**
21,389	Mandatory convertible bonds (MCB)	20	2,016	(2,036)	-	-	-	**-**		**-**
(131,055)	Purchases/sales of treasury shares	-	-	-	-	-	22	**22**		**22**
	Other	-	-	-	-	-	-	**-**		**-**
131,465,716	**BALANCE AS AT 31 DECEMBER 2022**	**131,907**	**1,042,010**	**(1,365,106)**	**(33,284)**	**(611)**	**(5,474)**	**(230,559)**	**(0)**	**(230,559)**
131,465,716	**BALANCE AS AT 1 JANUARY 2023**	**131,907**	**1,042,010**	**(1,365,106)**	**(33,284)**	**(611)**	**(5,474)**	**(230,559)**	**(0)**	**(230,559)**
	Net income for the period			**(45,852)**				**(45,852)**		**(45,852)**
	Other comprehensive income, net of tax				(1,586)	(26)		(1,612)		(1,612)
	Total comprehensive income for the period, net of tax	-	-	(45,852)	(1,586)	(26)	-	(47,464)	(0)	(47,465)
-	Share-based payments	-	-	(101)	-	-	-	(101)	-	(101)
-	Capital transactions	-	-	-	-	-	-	-	-	-
-	Mandatory convertible bonds (MCB)	-	-	-	-	-	-	-	-	-
7,049	Purchases/sales of treasury shares	-	-	-	-	-	90	90	-	90
	Other	-	-	(9)	-	-	-	(9)	-	(9)
131,472,765	**BALANCE AS AT 31 DECEMBER 2023**	**131,907**	**1,042,010**	**(1,411,068)**	**(34,870)**	**(637)**	**(5,384)**	**(278,042)**	**(0)**	**(278,042)**

5.2.5 CONSOLIDATED CASH FLOW STATEMENT

(in thousands of euros)	Notes	Year ended 31/12/2023	Year ended 31/12/2022
NET INCOME		**(45,852)**	**(3,251)**
Depreciation, amortisation and impairment of fixed assets and goodwill		48,183	54,858
Change in provisions		7,934	(326)
Fair value items		4,286	3,553
Share-based payment		(101)	107
Capital gains or losses on asset disposals		268	254
Interest income and expenses		29,951	23,482
Tax charge for the period		12,432	33,355
Decrease (increase) in trade accounts receivable		3,552	(2,616)
Increase (decrease) in liabilities item on contracts		(14,231)	(11,515)
Decrease (increase) in other receivables		(3,145)	3,228
Increase (decrease) in trade accounts payable		1,298	(6,461)
Increase (decrease) in other payables		(6,393)	(17,066)
Net change in working capital	2.1.4	(18,918)	(34,430)
Interest paid		(8,894)	(19,525)
Corporate income tax paid		(1,374)	(4,465)
NET CASH FROM OPERATIONS		**27,913**	**53,612**
Acquisition of tangible and intangible fixed assets	2.1.5	(20,437)	(31,347)
Acquisitions/disposals of investment securities and subsidiaries, net of cash acquired/sold and other changes in assets		305	136
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		**(20,132)**	**(31,211)**
Increase (decrease) in borrowings	9.5	(4,000)	(14,000)
Movements in own shares		-	-
Other cash from financing activities o/w own shares		-	-
Cash outflows as part of the debt reduction on rental obligations	9.5	(18,830)	(17,914)
Other cash from financing activities		(30)	50
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		**(22,860)**	**(31,864)**
Impact of changes in exchange rates on cash		(14)	21
NET INCREASE (DECREASE) IN CASH POSITION		**(15,092)**	**(9,443)**
Net cash and cash equivalents at beginning of period		70,786	80,230
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD		**55,694**	**70,786**

5.2.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1. Basis for the preparation of the consolidated financial statements

Solocal Group is a public limited company with a Board of Directors subject to the provisions of Book II of the French Commercial Code, as well as to all of the other legal provisions that apply to French commercial companies.

The Company is domiciled at 204 rond-point du Pont de Sèvres, 92100 Boulogne-Billancourt (France). The Company is engaged in local digital marketing and communications. It was formed in 2000 and the securities of Solocal Group have been listed on the Paris Stock Exchange (Euronext) since 2004 (LOCAL).

The Group's consolidated financial statements for the year ended 31 December 2023 and the related notes were drawn up under the responsibility of Cédric Dugardin, CEO of Solocal Group, and approved by the Solocal Group Board of Directors on 23 April 2024.

The consolidated financial statements are presented in euros rounded to the nearest thousand.

1.1 Accounting methods and principles

In accordance with European Regulation EC No. 1606/2002 of 19 July 2002 on international accounting standards, the Group's consolidated financial statements were prepared in accordance with the principles established by the IASB (International Accounting Standards Board), as adopted by the European Union. The texts of these standards are available on the European Union's EUR-Lex online portal at the following address:

http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02008R1126-20160101

1.2 IFRS standards

The accounting policies applied in preparing the consolidated financial statements for the year ended 31 December 2023 are the same as those used in the consolidated financial statements for the year ended 31 December 2022, with the exception of IFRS standards, amendments and interpretations that are mandatory for accounting periods beginning on or after 1 January 2023 (and which have not been applied early by the Group).

As at 31 December 2023, the Group did not apply any new standards or interpretations early.

1.2.1 New standards, amendments or interpretations mandatory as at 1 January 2023

New standards, amendments or interpretations with no impact on the Group's financial statements

- Amendments to IAS 8: "Definition of Accounting Estimates".
- Amendment to IAS 1 and IFRS Practice Statement 2: "Disclosure of Accounting Policies".
- Amendments to IAS 12: "Deferred Tax related to Assets and Liabilities arising from a Single Transaction".
- Amendments to IAS 12: "International Tax Reform – Pillar Two Model Rules".

1.2.2 New standards, amendments or interpretations effective after the balance sheet date

Applicable in 2024

- Amendments to IFRS 16: "Lease Liability in a Sale and Leaseback".
- Amendments to IAS 1:
  - "Classification of Liabilities as Current or Non-Current"(1);
  - "Classification of Liabilities as Current or Non-Current – Deferral of Effective Date"(1);
  - "Non-Current Liabilities with Covenants"(1).
- Amendment to IAS 7 and IFRS 7: "Supplier Finance Arrangements"(1).
- Amendment to IAS 21 "Lack of Exchangeability"(1).

The provisions of these amendments are currently being analysed and no significant impact is identified at this stage.

(1) Text not yet adopted by the European Union.

1.3 Other information

Seasonal variations

The Group's activities are not subject to significant seasonal effects.

Estimates and judgements

In preparing the consolidated financial statements for the year ended 31 December 2023 in accordance with IFRS, the Group's management is required to make estimates and judgements that may affect the amounts recognised in assets and liabilities on the date the financial statements are prepared, and have a corresponding impact on the income statement.

ESTIMATES

Estimates are intended to provide a reasonable assessment of the latest reliable information available on an uncertain item. They are revised to reflect changes in circumstances, new information available and the effects of experience. Changes in estimates are booked prospectively. The significant estimates made by senior management concern the following:

- actuarial assumptions for defined benefit plans;
- depreciation and amortisation methods for tangible and intangible fixed assets;
- the assessment, for the purposes of recognising and estimating provisions, of the probability of settlement, the amount of the obligation and the expected timing of future payments;
- the determination, when testing non-financial assets for impairment, of the duration and amount of future cash flows as well as the discount and perpetual growth rates used to calculate the value in use of the tested assets;
- the determination of the amount of the forecast cash flows for the next 12 months, as part of the assessment of the going concern assumption;
- the determination of the amount of loss carryforwards that may be capitalised based estimated future taxable profits.

Management has based its estimates on past experience and on a set of other assumptions deemed reasonable in the circumstances to determine the values to be used for the Group's assets and liabilities. The use of different assumptions could have an significant impact on these valuations.

JUDGEMENTS

Judgements are the result of analytical processes aimed at characterising items, transactions or situations. The revision of a judgement constitutes a change of estimate recognised prospectively, unless the revision is a correction of an error. The significant judgements made by senior management relate to the following:

- existence of a material uncertainty regarding the ability to continue as a going concern owing to the conditions precedent related to the implementation of financial restructuring described in Note 1.4.2;
- assessment of the criteria provided for by IAS 38 and used for the recognition of intangible assets resulting from development;
- assessment of the uncertainties relating to current tax and the recovery horizon for deferred tax assets;
- classification of certain transactions by nature in the income statement.

1.4 Key events during the year

1.4.1 Appointment of the new Chief Executive Officer

On 17 November 2023, Solocal's Board of Directors appointed Cédric Dugardin as Chief Executive Officer. He succeeds Hervé Milcent, who stepped down from his post on 21 November 2023. Cédric Dugardin has served on the Group's Board of Directors since June 2023 and will continue to carry out his current duties as a Director.

1.4.2 Initiation of a financial debt restructuring process

On 7 June 2023, the Group announced its intention to enter into discussions with its financial creditors with a view to examining various options relating to the maturity of its debt and the risks associated its refinancing. Prior to this, the Group had undertaken a reflection process on both its financial structure and a new strategic plan.

To facilitate discussions with its creditors, on 14 June 2023 the President of the Nanterre Commercial Court opened mandat ad hoc proceedings at the request of and in favour of the Group and appointed SELARL FHBX, acting through Maître Hélène Bourbouloux, as mandataire ad hoc, for an initial period of four months, which was then extended for a further four months. On 1 March 2024, the President of the Nanterre Commercial Court opened conciliation proceedings in favour of the Company and appointed SELARL FHBX, acting through Maître Hélène Bourbouloux as conciliator for the Company.

Throughout these exchanges, Socolal Group has on several occasions sought the agreement of the holders of Bonds and Mini Bonds to defer to 29 February 2024 the payment of coupons due on 15 June 2023, 15 September 2023 and 15 December 2023. Since then, the Company has not paid these coupons or the coupon due on 15 March 2024. These four coupons, as well as the one due on 15 June 2024, will be converted into capital as part of the financial restructuring.

On 20 December 2023, the Group also announced that it had obtained a waiver of some of its financial covenants relating to the bond issue documentation. These financial covenants concern the level of the ratio of consolidated EBITDA to consolidated net interest expenses and the level of the consolidated net leverage ratio, both as assessed at 31 December 2023. The RCF creditors had also agreed not to exercise their rights in this respect.

On 26 February 2024, due to the ongoing discussions, the Group decided to postpone the publication date of its 2023 financial results, originally scheduled for 29 February 2024. A press release dated 13 March reported on the progress of discussions with its financial creditors and Ycor.

On 12 April 2024, Solocal Group announced that it had signed an Agreement in Principle with Ycor, most of its bondholders and RCF creditors and its main shareholders.

On 22 April 2024, the Bondholders' General Meeting of Solocal Group approved the proposed amendment of the accelerated financial safeguard plan by 99.8% of the votes cast.

1.4.3 The signing of an Agreement in Principle between Solocal, Ycor and its main creditors (RCF lenders and Bond and Mini Bond holders)

The signing on 12 April 2024 of the Agreement in Principle between the Company, Ycor and its main creditors (RCF lenders and Bond and Mini Bond holders), under the aegis of the conciliator, provides for the following:

- **a contribution of €43 million** to the Company exclusively in equity, including a maximum of €38 million from Ycor, of which (i) €25 million via subscription to a capital increase in cash reserved for Ycor, and (ii) (if this commitment is called) approximately €13 million via a backstop commitment to a capital increase with shareholders' preferential subscription rights for a total amount of around €18 million;
- **the contribution in kind** of all shares issued by Regicom Webformance SAS ("**Regicom**") to the Company;
- at the date of the effective completion of the contemplated share capital increases and issuance of securities, **the partial repayment of existing RCF debt, in the amount of €20 million**, with part of the proceeds from the above-mentioned equity contributions;
- **a massive reduction in the nominal amount of the Company's existing gross bond debt** (Bonds and Mini Bonds including interest due) **by approximately 85%**, with different amortisation or conversion profiles depending on the nature of the reinstated debt.

1.5 Going concern

With the available cash as at 31 December 2023 and the suspension of coupon payments on the Bonds and Mini Bonds, which will be capitalised as part of the financial restructuring referred to above, the Company will have sufficient cash to finance its activities during the interim period up to the effective completion of the financial restructuring, expected in the third quarter of 2024.

The effective completion of the financial restructuring scheduled for Q1 2024 will meet the Group's estimated cash requirements until the end of April 2025. Under these circumstances, the Group would be able to meet its repayments over the next 12 months based on the revised payment schedule of the reinstated debt.

Based on the assumption of the satisfactory completion of the financial restructuring and the lifting of the conditions precedent described in paragraph 17.1 "Agreement in Principal on Solocal Group's financial restructuring", the Board of Directors' meeting of 23 April 2024 approved the annual consolidated financial statements for the year ended 31 December 2023 on a going concern basis.

Nevertheless, in the event that the conditions precedent cannot be fully lifted and the financial restructuring successfully completed, the Group may not be able to realise its assets and settle its liabilities in the normal course of business and the application of IFRS accounting policies in a normal context of continuing operations, especially with regard to the measurement of assets and liabilities, may be inappropriate. Therefore, this situation creates a material uncertainty regarding the going concern status.

From an operational viewpoint, the Group is continuing to implement its strategy by fostering the conditions for customer acquisition and development and by introducing specific measures to reduce the level of churn. The Group is also continuing its efforts to manage its cost structure, which is mainly fixed.

1.6 Presentation of consolidated financial statements

As permitted under IAS 1 "Presentation of Financial Statements", the Group presents the income statement by nature.

EBITDA is an alternative performance indicator corresponding to operating income before depreciation and amortisation.

NOTE 2. Notes to the consolidated financial statements

2.1 Alternative performance indicators

In order to monitor and analyse the Group's financial performance and that of its various activities, the management of the Group uses alternative performance indicators, i.e. financial indicators not defined under IFRS. A reconciliation with the aggregates of the IFRS consolidated financial statements is presented in this note.

2.1.1 Order backlog and sales

The order backlog corresponds to the sales that have been validated and committed to by customers as of the closing date. For subscription products, only the current commitment period is taken into account.

Sales refer to orders taken by the sales force, including subscription renewals, and which are expected to result in the provision of a service by the Group to its customers. Sales are net of cancellations.

(in millions of euros)	Year ended 31/12/2023	Year ended 31/12/2022
TOTAL ORDER BACKLOG – BEGINNING OF PERIOD	**221.6**	**243.5**
Sales	339.1	380.4
Cancellations	(6.9)	(2.4)
Revenue	(359.7)	(400.0)
TOTAL ORDER BACKLOG – END OF PERIOD	**(194.1)**	**221.6**

The order backlog as at 31 December 2023 will be converted into revenue according to the following schedule:

(in millions of euros)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Total
Revenue conversion	**68.2**	**51.0**	**34.7**	**19.0**	**9.1**	**6.5**	**4.2**	**1.5**	**194.1**

2.1.2 EBITDA

Recurring EBITDA corresponds to EBITDA before taking account of items defined as non-recurring.

Non-recurring items are income and expenses that are very limited in number, unusual, abnormal, infrequent or involve particularly significant amounts. In 2023, they were mainly expenses incurred in connection with the Company's discussions with its creditors and in the context of the Group's transformation.

In 2023, the Group's recurring EBITDA amounted to €63.5 million and represented 17.5% of the Group's revenue. As at 31 December 2022, the Group's recurring EBITDA totalled €115 million (28.7% of revenue), down by 44.8% over the period.

2.1.3 Gross margin

(in millions of euros)	Year ended 31/12/2023	Year ended 31/12/2022	Change
Revenue	359.7	400.0	-10.1%
Payroll	(15.0)	(14.1)	6.4%
External expenses	(28.9)	(28.6)	1.0%
Total variable cost	(43.9)	(42.7)	2.8%
GROSS MARGIN	**315.8**	**357.3**	**-11.6%**
	87.8%	89.3%	

2.1.4 Working capital requirement

(in millions of euros)	Year ended 31/12/2023	Year ended 31/12/2022
+ Trade accounts receivable net of write-downs	44.2	55.4
+ Other current assets	20.9	20.7
+ Prepaid expenses	4.3	3.1
- Contract liabilities	(74.7)	(88.9)
- Trade accounts payable	(51.2)	(50.1)
- Other current liabilities	(87.6)	(93.5)
WORKING CAPITAL REQUIREMENT*	**(144.2)**	**(153.3)**

* *The change of €18.9 million shown in the cash flow statement excludes impairment of trade receivables.*

2.1.5 Investments recognised during the financial year

(in millions of euros)	As at 31/12/2023	As at 31/12/2022
Internally developed software	20.7	29.9
Acquisition of tangible and intangible fixed assets	1.0	1.9
Right-of-use assets related to leases*	2.2	4.2
INVESTMENTS	**23.9**	**36.0**

* *Increase in right-of-use assets related to new contracts signed during the year. The amount does not include the increase in right-of-use assets linked to rent indexation clauses.*

2.2 Information by segment

In application of IFRS 8 "Operating segments", segment information is presented in accordance with the Group's internal reporting used by senior management to measure the financial performance of the segments and allocate resources.

In application of IFRS 8 "Operating segments", segment information is presented in accordance with the Group's internal reporting used by senior management to measure the financial performance of the segments and allocate resources.

The Group has only one operating segment, the "Digital" segment, which generated revenue of €359.7 million from continued activities in 2023.

It can be broken down as follows:

- The Connect offer enables VSEs and SMEs to manage their digital presence on PagesJaunes and over the entire web (several dozen media in total including Google, Facebook, Bing, Tripadvisor, Instagram, etc.) in just a few clicks, in real time and with complete autonomy, via a single mobile app, or a web interface. This offer also has a number of relational features to facilitate interactions between businesses and their customers, including instant messaging, appointment booking and Click & Collect. Connect generated revenue of €98.6 million in 2023 and is sold on a subscription basis with auto-renewal;
- the Booster offer enables businesses to augment their digital visibility beyond their natural online presence with a view to expanding market share locally. This offer includes, among other things, the Ranking service and generated revenue of €204.3 million in 2023;
- Solocal's Website range takes care of the creation and ranking of customers' websites. It is adapted to various budgets and sold on a subscription basis with auto-renewal. The Website range generated revenue of €56.8 million in 2023.

The Connect and Booster ranges are designed for VSEs/SMEs and are also available for large network accounts.

2.2.1 By product line

The table below presents a breakdown of the main aggregates by product line:

Revenue by product line

(in millions of euros)	Year ended 31/12/2023	Year ended 31/12/2022	Change
Connect	98.6	96.9	1.8%
Booster	204.3	241.6	-15.4%
Websites	56.8	61.4	-7.5%
TOTAL REVENUE	**359.7**	**400.0**	**-10.1%**

Management has chosen to analyse sales by product line in its revenue reporting.

2.2.2 By geographical region

Revenue is presented based on the geographical location of the customers. Assets employed and gross investments in tangible and intangible fixed assets are presented by region:

(in millions of euros)	Year ended 31/12/2023	Year ended 31/12/2022
Revenue	**359.7**	**400.0**
– France	359.7	400.0
– Other (Morocco and Austria)	0.0	0.0
Assets	**314.9**	**373.8**
– France	311.2	369.7
– Other (Morocco and Austria)	3.7	4.1

NOTE 3. Consolidation principles

3.1 Control analysis

- Subsidiaries which are controlled by the Group, directly or indirectly, are fully consolidated.
- Companies not controlled by the Group but over which it exercises significant influence are consolidated using the equity method. In 2023, the Group did not hold any non-controlling interests in companies over which it exercised significant influence.
- Material inter-company transactions and balances are eliminated in consolidation.
- When assessing the level of control or significant influence exercised, account is taken of the existence and effect of any exercisable or convertible potential voting rights at the end of the period.
- In accordance with IFRS 5, the assets and liabilities of controlled entities that are considered as being held for sale are reported on separate lines in the balance sheet. Profits or losses from discontinued operations, if material, are reported on a separate line in the income statement. IFRS 5 defines a discontinued operation as a component of an entity comprising cash flows that can be clearly distinguished from the rest of the entity, that has either been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations.

3.2 Changes to the consolidation scope

- When de jure or de facto control is acquired over a company, the assets, liabilities and contingent liabilities of the acquired company are valued on a mark-to-market basis on the date control is acquired; the difference between the cost of taking control and the Group's share in the market value of these assets, liabilities and contingent liabilities is posted as goodwill. The cost of taking control is the price paid by the Group for an acquisition, excluding transaction costs, or an estimate of this price if the transaction is carried out on a non-cash basis.

- The difference between the book value of minority interests acquired after taking control and the price paid for their acquisition is recognised in equity.

2023

None.

2022

PageJaunes Finance & Co was in the process of being liquidated in 2022 (liquidation effective in 2023). This company was deconsolidated during the year. The impact was not significant as at 31 December 2022.

NOTE 4. Fixed assets

Under IAS 36 "Impairment of Assets", the value in use of tangible and intangible fixed assets is tested whenever there is an indication of impairment, and reviewed at the end of each reporting period.

Intangible and tangible fixed assets are written down when, because of events or circumstances which have occurred during the period (such as obsolescence, physical deterioration, significant changes to the manner in which the asset is used, lower-than-expected performance, a drop in revenue or other external indicators, etc.), their recoverable amount appears to be persistently lower than their net book value. The recoverable amount of an asset is the higher of its fair value less exit costs and its value in use.

Each asset or group of assets is tested for impairment by comparing its recoverable amount to its net book value. When an asset or group of assets is found to be impaired, the recognised impairment loss is equal to the difference between its net book value and the recoverable amount.

The recoverable amount of the assets is most often determined based on the value in use. The latter corresponds to the future economic benefits expected to be derived from the use of the asset and its subsequent disposal. It is assessed by the discounted cash flow method, based on economic assumptions adopted and operating conditions forecast by the Group's management.

No impairment of tangible or intangible assets was recognised during 2023.

4.1 Net goodwill

At 31 December 2023, all goodwill was allocated to the Digital segment, the Group's only operating segment, and the level at which goodwill is monitored by management.

Movements in the net value of goodwill can be analysed as follows:

(in thousands of euros)	Year ended 31/12/2023	Year ended 31/12/2022
Opening balance	**86,489**	**86,489**
Acquisitions/disposals	-	-
Impairments	-	-
Reclassifications and other	-	-
CLOSING BALANCE	**86,489**	**86,489**

The value of goodwill was reviewed as part of the preparation of the consolidated financial statements. This review was based on a business plan, the background to which is explained below. As mentioned in paragraph *5.1 Financial restructuring*, the Group has been in discussions with its creditors since summer 2023. At the same time, the Group prepared a business plan to serve as a basis for discussions. The aim of this business plan was to establish a turnaround plan for the Group based on the observation that without investment, the Group would not be able to reinvent itself and recover from the downward trend in sales and revenue, which are the only factors that can secure the Group's long-term future. The Group was assisted in its preparations by a number of external consulting firms. In 2024, this business plan was updated to reflect the most recent trends and a delay in implementing the plan due to the length of the Group's negotiations on its financial structure. It is important to note that this business plan was not funded.

The net book value of the group of assets tested takes account of the negative WCR inherent to the Group's activity (services are sold on a subscription basis and payment is received in advance of the performance of the service). As stated in paragraph 2.1.4, WCR is -€144.2 million.

Against this background, the following assumptions were included in this "turnaround" business plan:

- an after-tax discount rate of 18.2% (including a 5% risk premium), which is considerably higher than in the previous year reflecting the level of risk associated with this business plan;
- a time horizon extending to 2029 owing to the need for significant investments during the coming years and the Group's business model inertia. A five-year horizon would not have been long enough to consider the effects of the investments in the business plan;
- a perpetual growth rate of 1.6% reflecting both the growth in the Group's underlying market (10% over the last five years and estimated at between 3% and 5% over the next few years) and the fact that the Group has not managed to follow market trends in recent years but that the planned investments should allow it to move closer to the market growth rate.

In more detail, the assumptions used to determine recoverable amounts relate to:

- revenue, which reflects the number of customers, ARPA, the penetration rate of offers, and the ability to curb the non-renewal rate for subscription products;
- costs, including the level of sales and marketing costs needed to maintain customer acquisition and retention levels as well as the positioning of the competition;
- the level of capital expenditure, which may be affected by constantly evolving new technologies and competition.

The values assigned to each of these parameters reflect past experience. These parameters are the main sensitivity factors.

The recoverable amount is the higher of the fair value less exit costs and value in use:

- fair value less exit costs is determined as the best estimate of the sale value net of exit costs in an arm's length transaction between knowledgeable and willing parties. This estimate is based on the available market information, taking into account particular situations;
- the value in use applied by the Group is the present value of future cash flows, including goodwill. Cash flow projections are based on assumptions regarding the economic and regulatory outlook and future operating conditions adopted by Group Management for the period up to 2029. In particular:
  - cash flows based on the most recent business plan, updated to reflect current trends and any delays or changes in the implementation of the plan,
  - the terminal cash flow is determined by applying a perpetual growth rate,
  - cash flows are discounted at a rate appropriate to the nature of the Group's activities and its particular financial situation.

In terms of sensitivity, an increase of 100 basis points in the discount rate, a decrease of 100 basis points in the perpetual growth rate or a decrease of 1% in the final year margin of the business plans would not lead to the recognition of an impairment loss.

4.2 Intangible fixed assets

Intangible fixed assets mainly comprise licences and patents, developments and software. They are stated at acquisition or production cost.

When intangible assets are acquired in a business combination, their cost is generally determined when the purchase price of the company acquired is allocated based on their respective market values. When such market values are not readily determinable, cost is determined using generally accepted valuation methods based on revenues, costs or other appropriate criteria.

Internally developed trademarks are not recognised in the balance sheet.

Licences and patents

Licences and patents are amortised on a straight-line basis over periods which correspond to the expected usage period, not exceeding five years.

Intangible assets for developments

Under IAS 38 "Intangible Assets", development costs must be capitalised when the following can be demonstrated:

- the technical feasibility necessary to complete the intangible asset with a view to it being put into service or sold;
- the intention to complete the development project in due time;
- the capacity to put to use or sell the intangible asset;
- how the intangible asset will deliver expected future economic benefits;
- the availability of technical, financial and other resources needed to complete the development and put into use or sell the intangible asset;
- the ability to reliably measure the expenditure to be recorded for the intangible asset during development.

It must be noted that determining the costs that meet these criteria requires judgements and estimates. Development costs not fulfilling the above criteria are expensed in the year in which they are incurred. Capitalised development costs are amortised on a straight-line basis over their useful life, which does not exceed three years.

At 31 December 2023, the net book value of capitalised development costs was €45.2 million.

Software

Software is amortised on a straight-line basis over its useful life, not exceeding five years.

(in thousands of euros)	As at 31/12/2023			As at 31/12/2022		
	Gross value	Total amortisation and impairment	Net value	Gross value	Total amortisation and impairment	Net value
Software and internally generated intangible assets	521,711	(476,531)	45,180	505,600	(445,415)	60,185
Other intangible fixed assets	6,853	(5,599)	1,253	6,894	(5,599)	1,295
TOTAL	**528,564**	**(482,130)**	**46,434**	**512,494**	**(451,014)**	**61,480**

Movements in the net value of other intangible fixed assets can be analysed as follows:

(in thousands of euros)	As at 31/12/2023	As at 31/12/2022
Opening balance	**61,480**	**69,252**
Acquisitions	-	245
Internally generated assets*	20,746	29,851
Effect of changes in the scope of consolidation	-	-
Reclassifications	(25)	(1)
Disposals and accelerated amortisation	(38)	-
Net depreciation and amortisation	(35,729)	(37,867)
CLOSING BALANCE	**46,434**	**61,480**

* *Related to all capitalised development expenses.*

4.3 Tangible fixed assets

The gross value of tangible fixed assets corresponds to their purchase or production cost in accordance with IAS 16 “Property, plant and equipment”. This value is not revised.

Leases

Leases are recorded in accordance with IFRS 16. This standard requires a liability to be recorded on the balance sheet corresponding to future discounted rental payments, offset by a right-of-use asset depreciated over the duration of the lease.

The scope of contracts is systematically reviewed, reassessing the existence of leases in each contract according to the criteria of the standard and excluding leases with a term of 12 months or less that do not include a purchase option and leases of low-value assets (below €5 thousand) in line with the exemptions set out in the standard. Fees for such leases are recognised in expenses.

The amount of the liability is thus substantially dependent on the assumptions used in terms of duration of commitments and discount rate. The contract term used to calculate the liability is that of the initially negotiated contract, without taking account of early termination or extension options for certain types of contracts, except in specific cases where the Group is reasonably certain that the extension or termination options will be exercised.

The discount rate is determined as the sum of the risk-free rate, based on the duration of the contract, and the entity’s credit risk, which is the same as the credit risk of the Group for the same duration. The calculation of discount rates was based on the residual duration of each contract.

Depreciation

The depreciation of fixed assets is calculated based on the expected pattern of consumption of the economic benefits of each asset item, using acquisition cost, less any residual value. The straight-line basis is usually applied over the following estimated useful lives: 5 to 10 years for rights of use (lease term), 3 years for computer equipment and 1 to 5 years for other fixed assets.

These depreciation periods are reviewed annually and are adjusted if current estimated useful lives differ from previous estimates. These changes in accounting estimates are recognised prospectively.

(in thousands of euros)	As at 31/12/2023 Gross value	As at 31/12/2023 Total depreciation and impairment	As at 31/12/2023 Net value	As at 31/12/2022 Gross value	As at 31/12/2022 Total depreciation and impairment	As at 31/12/2022 Net value
Right-of-use assets related to leases	101,324	(65,298)	36,026	90,587	(48,945)	41,642
IT equipment	39,573	(37,952)	1,620	39,448	(37,426)	2,021
Other	58,598	(50,972)	7,626	62,314	(52,711)	9,603
TOTAL	**199,495**	**(154,222)**	**45,273**	**192,349**	**(139,082)**	**53,266**

The rights of use relating to rental contracts mainly cover the Citylights (Group headquarters) lease. Other rights of use are composed of leases for other Solocal sites and the car fleet.

The net value of other fixed assets mainly consisted of fixtures and fittings (€6.2 million) and office furniture and equipment (€1.4 million).

No impairment was recognised for the periods ended 31 December 2023 and 31 December 2022.

Movements in the net value of tangible fixed assets can be analysed as follows:

(in thousands of euros)	As at 31/12/2023	As at 31/12/2022
Opening balance	**53,266**	**65,530**
Acquisitions*	10,622	5,668
Effect of changes in the scope of consolidation	-	-
Exchange differences	(7)	17
Reclassifications	27	
Disposals and accelerated amortisation	(298)	(3,489)
Depreciation and amortisation	(18,337)	(14,459)
CLOSING BALANCE	**45,273**	**53,266**

* *Includes right-of-use assets related to leases.*

NOTE 5. Sales

5.1 Revenue

The Solocal Group markets products and local communication services in digital form. The Digital activity includes different types of offers grouped into three product activities: Connect, Booster and websites.

Revenue from the Group's operations is recognised differently according to the nature of the service and therefore the type of product. Total revenue for 2023 amounted to €359.7 million, versus €400 million in 2022.

Revenue is recognised as the services are provided, in accordance with IFRS 15. With the exception of websites, for which we identify two performance obligations, all other activities are subject to only one obligation.

The Solocal Group's offers are grouped into two broad service categories:

- products related to digital services:
  - the Connect offering and the priority ranking product (included in the Booster offering) available for a renewable period of 12 to 24 months,
  - the residual Booster offering available for a renewable period of 3 to 12 months or as part of a specific campaign;
- websites which are developed to be made available to customers for an initial period of 12 or 24 months.

Revenue recognition by service category

"Digital services" category

Under IFRS 15, all of these offers are recognised on a straight-line basis over the term of the contracts, in line with the transfer of control of the services, which occurs on an ongoing basis.

"Websites" category

Two separate service obligations are included in the websites offer:

1. technical costs: Designing the intellectual content over the design period (between 30 days and 120 days depending on the activity). Revenue from this obligation is recognised over the design period from the date of sale, i.e. from the beginning of the creation of the website (percentage of completion recognition);
2. hosting & maintenance (called space fees): The website is made available and updated during the contractual hosting period (actual duration of between 12 and 24 months). Revenue from this obligation is recognised over the contractual hosting period starting from the date of delivery of the website to the customer.

5.2 Trade accounts receivable

The breakdown of the gross value and impairment of trade accounts receivable is as follows:

(in thousands of euros)	As at 31/12/2023	As at 31/12/2022
Gross trade accounts receivable	73,562	77,120
Provisions for impairment	(29,321)	(21,732)
NET TRADE ACCOUNTS RECEIVABLE	**44,241**	**55,388**

Trade accounts receivable were due as follows:

			Overdue					
(in thousands of euros)	Total	Not due	<30 days	between 31 and 60 days	between 61 and 90 days	between 91 and 180 days	between 181 and 360 days	>360 days
Gross trade accounts receivable	73,562	24,619	5,055	2,348	1,578	2,820	4,825	32,317
Provisions for impairment	(29,321)	(411)	(89)	(44)	(33)	(1,140)	(3,177)	(24,427)
NET TRADE ACCOUNTS RECEIVABLE AT 31 DECEMBER 2023	**44,241**	**24,208**	**4,966**	**2,304**	**1,545**	**1,680**	**1,648**	**7,890**

			Overdue					
(in thousands of euros)	Total	Not due	<30 days	between 31 and 60 days	between 61 and 90 days	between 91 and 180 days	between 181 and 360 days	>360 days
Gross trade accounts receivable	77,120	32,025	5,387	3,023	2,495	3,458	6,536	24,196
Provisions for impairment	(21,732)	(357)	(60)	(34)	(28)	(1,153)	(4,357)	(15,743)
NET TRADE ACCOUNTS RECEIVABLE AT 31 DECEMBER 2022	**55,388**	**31,668**	**5,327**	**2,989**	**2,467**	**2,305**	**2,179**	**8,453**

The Group's trade receivables portfolio does not present a significant concentration risk.

In accordance with the Group's accounting rules and methods, a trade receivables review was carried out to identify those that show a risk of non-recovery. Trade receivables were written down on a case-by-case basis according to the age of the receivables, historical statistics, or information provided by the credit agencies.

Bad debt losses remained low, with a net impairment rate to revenue of 3% in 2023, slightly up versus 2022.

5.3 Other current assets

Other current assets mainly include VAT receivable at 31 December 2023.

(in thousands of euros)	As at 31/12/2023	As at 31/12/2022
VAT receivable	13,281	15,569
Other – State & social security receivables	1,606	2,330
Advances, instalments and credit notes from suppliers	3,982	1,146
Other current assets	2,002	1,628
TOTAL	**20,871**	**20,673**

5.4 Contract liabilities

Liabilities on the balance sheet mainly consist of net advances received from the customer in cases where the related service has not yet been rendered but has already been billed. These are sales of products that are subsequently recognised as revenue based on the length of time they have been online.

Contract liabilities amounted to €74.7 million as at 31 December 2023 compared to €88.9 million as at 31 December 2022.

NOTE 6. External expenses

Recurring external expenses amounted to €119.9 million in 2023, up 6.0% or €6.8 million compared to 2022, due to (i) the launch of a TV advertising campaign, (ii) an increase in customer risk due to adverse trends in the French economy, (iii) an adverse product mix leading to a higher media spend despite the decline in business. These negative effects were partly offset by strict cost control (including direct marketing expenditure) and a reduction in the number of external service providers.

Variable external expenses, a component of net external expenses, mainly included costs related to data and keyword purchases (media spend) and totalled €28.9 million in 2023 compared to €28.6 million in 2022.

NOTE 7. Personnel expenses

7.1 Personnel expenses

Personnel expenses amounted to €176.3 million in 2023 and can be broken down as follows:

(in thousands of euros, except staff count)	Year ended 31/12/2023	Year ended 31/12/2022
Average staff count (full-time equivalent)(1)	2,237	2,313
Salaries and charges, of which:	**174,336**	**169,629**
– Wages and salaries	118,465	114,395
– Social charges	49,534	49,515
– Taxes on salaries and other items	6,337	5,719
Share-based payments	**(101)**	**114**
Employee profit-sharing(2)	**2,083**	**2,122**
TOTAL STAFF EXPENSES	**176,319**	**171,865**

(1) *Including the average staff count of our offshore subsidiaries (277 average FTE in 2022 and 273 average FTE in 2023).*
(2) *Including corporate contribution.*

7.2 Executive compensation

The table below shows the compensation paid to persons who were members of Solocal Group's Board of Directors or Solocal Group's Executive Committee during or at the end of each financial year. It also includes the Directors representing employees and sitting on the Solocal Group Board of Directors.

(in thousands of euros)	Year ended 31/12/2023	Year ended 31/12/2022
Short-term benefits(1)	2,992	3,613
of which employer charges	932	1,229
Post-employment benefits(2)	302	114
Other long-term benefits(3)	10	7
End-of-contract benefits(4)	13	642
Equity benefits(5)	31	147
TOTAL	**3,348**	**4,523**

(1) *Salaries, compensation, profit-sharing, bonuses paid and provisioned and social security contributions, paid holidays, Directors' fees and non-monetary benefits recorded in the accounts.*
(2) *Pensions, retirement benefits, other benefits.*
(3) *Seniority leave, sabbatical leave, long-term benefits, deferred compensation, profit-sharing and bonuses (if payable 12 months or more after the end of the reporting period).*
(4) *Severance payments and non-compete clause, including social security contributions.*
(5) *"Share-based payments" including social security charges related to free share allotments.*

7.3 Transactions with related parties

There were no new related party transactions during the year. Officers considered to be related parties as at 31 December 2023 are the members of the Board of Directors including the Chief Executive Officer and the members of the Executive Committee. Solocal Group has no related party transactions other than those with its officers and Directors.

NOTE 8. Corporate income tax

8.1 Group tax proof

The corporate income tax for the year results from the application of the effective tax rate at the end of the financial year to the pre-tax income.

The reconciliation of the theoretical tax, calculated on the basis of the statutory tax rate in France, and the effective tax is as follows:

	Year ended 31/12/2023	Year ended 31/12/2022
Pre-tax net income from business	(33,421)	30,080
Statutory tax rate in France	25.83%	25.83%
THEORETICAL TAX	**8,633**	**(7,768)**
Earnings from companies not consolidated for tax purposes & foreign subsidiaries		(410)
Foreign subsidiaries – differences in tax rates	9	6
Share-based payments	26	114
Corporate value added contribution (after tax)	(730)	(2,218)
Non-recognition of deferred tax during the period	(7,397)	-
Depreciation of deferred taxes	(13,214)	(26,100)
Other non-taxable/non-deductible items[(1)]	242	3,031
EFFECTIVE TAX	**(12,430)**	**(33,330)**
of which current tax (CVAE excluded)	*417*	*(3,413)*
of which CVAE	*(984)*	*(2,218)*
of which deferred tax	*(11,863)*	*(27,700)*
Effective tax rate (deferred tax excluded)	-1.7%	18.7%
EFFECTIVE TAX RATE	**-37.2%**	**110.8%**

(1) Includes CIR (research tax credit) and rate differences on deferred tax items.

The net deferred tax asset was fully written down during the 2023 financial year.

8.2 Deferred taxes in the balance sheet

(in thousands of euros)	As at 31/12/2023	As at 31/12/2022
Retirement benefits	12,775	13,182
Employee profit-sharing	173	663
Non-deductible provisions	0	0
Tax loss carryforward	27,872	28,126
Financial expenses	11,655	11,655
Other differences	1,810	1,412
Depreciation of deferred taxes	(39,314)	(26,100)
SUBTOTAL DEFERRED TAX ASSETS	**14,971**	**28,938**
Other differences	(1,884)	(2,692)
Depreciation recognised for tax purposes	(13,087)	(14,910)
SUBTOTAL DEFERRED TAX LIABILITIES	**(14,971)**	**(17,602)**
TOTAL NET DEFERRED TAX ASSETS/(LIABILITIES)	**0**	**11,336**

Deferred taxes are reviewed at each balance sheet date to take into account the impact of changes in tax legislation and the outlook for recovery. Deferred tax assets on deductible temporary differences and tax loss carryforwards are recognised insofar as it is probable that they will be offset against future taxable profits.

Tax paid during the 2023 financial year amounted to €0.2 million (excluding CVAE) versus €2.4 million in 2022.

NOTE 9. Cash, debt and financial instruments

9.1 Financial assets and liabilities

Financial assets include held-to-maturity assets, loans, receivables and cash and cash equivalents.

Financial liabilities include borrowings, other financing, bank overdrafts and payables.

Financial assets and liabilities are measured and recognised in accordance with IAS 9 "Financial Instruments: Recognition and Measurement".

9.2 Measurement and recognition of financial assets

In accordance with IFRS 9, the classification of financial assets is based on two measurements:

- the characteristics of contractual cash flows in financial assets;
- the business model applied by the entity when managing financial assets.

Measured at amortised cost

The holding of the financial asset is part of a business model the purpose of which is to hold financial assets in order to receive contractual cash flows (the "business model criterion"). This category comprises:

- trade receivables from invoiced revenue. Their amortised cost is their nominal value unless the application of an implicit interest rate has a material effect;
- cash and cash equivalents: i.e. cash and demand deposits, and cash equivalents. The latter are highly liquid investments indexed to a money market rate, the amount of which is known or subject to negligible uncertainty.

Financial assets and short-term investments with a maturity generally of three months or less at the date of acquisition are measured at amortised cost and are monitored for objective evidence of impairment. A financial asset or a short-term investment is written down if its book value exceeds the recoverable amount estimated at the time of the impairment tests.

Measurement at fair value through profit or loss

The holding of the financial asset is part of a business model whose objective is achieved through the sale of financial assets (the "business model criterion").

These are financial assets held for investment purposes, recognised as assets between the dates of purchase and sale, with movements in fair value recognised in financial income or expenses based on market prices published at the balance sheet date. The "fair value through profit or loss" category also includes investments in unlisted entities over which the Group has neither control, joint control, significant influence nor the intention to dispose of the investment in the near term.

9.3 Measurement and recognition of financial liabilities

Borrowings and other financial liabilities are initially measured at fair value less transaction costs and subsequently at amortised cost using the effective interest rate method.

Transaction costs that are directly attributable to the acquisition or issue of a financial liability are deducted from the liability's carrying value. This is because financial liabilities are initially recognised at cost, corresponding to the fair value of the sums paid or received in exchange for the liability. The costs are subsequently actuarially amortised over the life of the liability, using the effective interest rate method.

The effective interest rate is the rate used to discount estimated future cash payments through to maturity or to the nearest date of price adjustment to the market rate, to the present net book value of the financial liability.

9.4 Financial income

Financial income breaks down as follows:

(in thousands of euros)	Year ended 31/12/2023	Year ended 31/12/2022
Interest and similar items on financial assets	168	528
FINANCIAL INCOME	**168**	**528**
Interest on financial liabilities	(31,288)	(26,127)
Other financial expenses & fees(1)	(3,369)	(2,154)
Accretion cost(2)	(2,066)	(704)
FINANCIAL EXPENSES	**(36,724)**	**(28,985)**
Financial income	**(36,555)**	**(28,457)**

(1) *Mainly current expenses related to debt management.*
(2) *Accretion cost corresponds to the increase, during the financial year, of the current value of pension commitments.*

9.5 Cash and cash equivalents and net debt

Net financial debt corresponds to total recorded gross financial debt less cash and cash equivalents.

(in thousands of euros)	As at 31/12/2023	As at 31/12/2022
Cash equivalents	0	20,023
Cash	55,693	50,763
Gross cash	**55,693**	**70,786**
Bank overdrafts	-	-
Net cash	**55,693**	**70,786**
Nominal value of bond issues	195,432	195,432
Fair value of financing	(16,937)	(16,937)
Nominal value of revolving credit facilities drawn	34,000	34,000
Loan issue expenses included in the effective interest rate on debt	(4,074)	(4,074)
Amortisation of fair value adjustments and expenses at the effective interest rate	13,148	8,474
Other loans	7,000	11,000
Accrued interest not yet due on loans	16,624	858
Price supplements on acquisition of securities	0	0
Other	50	80
Current and non-current financial liabilities	**245,243**	**228,833**
Long-term and short-term lease liabilities	49,931	60,036
GROSS FINANCIAL DEBT	**295,174**	**288,869**
of which current	257,617	63,848
of which non-current	37,556	225,020
Net debt	**239,511**	**218,083**
NET DEBT OF CONSOLIDATED GROUP	**239,511**	**218,083**

Cash and cash equivalents

At 31 December 2023, the gross cash position stood at €55.7 million versus €70.8 million at 31 December 2022.

Change in liabilities from financing activities

		Cash flows		Non cash variations						
(in thousands of euros)	Year ended 31/12/2022	In	Out	Capital increase by offsetting receivables	Other	Interest	Fair value	IFRS 16	Debt issue expenses	Year ended 31/12/2023
Bond issues	184,430	-	(4,420)	-	-	25,043	-	-	-	205,053
Revolving credit	33,374	-	(4,031)	-	-	3,798	-	-	-	33,141
Other bank borrowing	11,000	-	(4,443)	-	-	471	-	-	-	7,028
Lease liabilities	60,036	-	(18,830)	-	-	-	-	8,800	-	49,931
Bank overdrafts	-	-		-	-	-	-	-	-	-
Other	30	-	-	-	20	-	-	-	-	50
TOTAL LIABILITIES FROM FINANCING ACTIVITIES	**288,870**	**-**	**(31,754)**	**-**	**20**	**29,283**	**-**	**8,800**	**-**	**295,175**

		Cash flows		Non cash variations						
(in thousands of euros)	Year ended 31/12/2021	In	Out	Capital increase by offsetting receivables	Other	Interest	Fair value	IFRS 16	Debt issue expenses	Year ended 31/12/2022
Bond issues	179,889	-	(15,469)	-	-	20,010	-	-	-	184,430
Revolving credit	43,804	-	(13,404)	-	-	2,974	-	-	-	33,374
Other bank borrowing	15,056	-	(4,652)	-	-	596	-	-	-	11,000
Lease liabilities	74,307	-	(17,914)	-	(93)	3,736	-	-	-	60,036
Bank overdrafts	-	-		-	-	-	-	-	-	-
Other	30	-	-	-		-	-	-	-	30
TOTAL LIABILITIES FROM FINANCING ACTIVITIES	**313,086**	**-**	**(51,439)**	**-**	**(93)**	**27,316**	**-**	**-**	**-**	**288,870**

Bonds

Following the completion of the financial restructuring in 2020, the nominal value of the Group's residual gross debt was reduced to €168.4 million, having been restructured in the form of a bond issue of 334,125,321 bonds, each with a face value of €0.5041647472146, reserved for creditors under the Credit Agreement and settled on 5 October 2020. The main terms of the bond issue are as follows (as of 1 October 2020).

At the end of 2023, the nominal value was €176.7 million following the capitalisation of interest.

Interest:

- 3-month Euribor with a floor of 1% plus a 7% spread payable quarterly in arrears on 15 March, 15 June, 15 September and 15 December, all in cash;
- late payment interest: 1% increase in the applicable interest rate.

Financial commitments:

- the consolidated net leverage ratio (consolidated net debt/consolidated EBITDA) must be less than 3.5:1;
- the interest coverage ratio (consolidated EBITDA/ consolidated net interest expense) must be greater than 3.0:1;
- and if the consolidated net leverage ratio exceeds 1.5:1 on 31 December of the preceding year, capital expenditure (excluding growth operations) for Solocal and its subsidiaries may not exceed 10% of the consolidated revenue of Solocal and its subsidiaries.

Solocal obtained a waiver of its financial covenants contained in the bond issue documentation.

Maturity date: 15 March 2025.

Listing: official list of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market.

Early repayment or redemption:

Solocal Group can at any time, and in several instalments, redeem all or a portion of the Bonds at a redemption price equal to 100% of the principal amount plus, during a period of 2.5 years, a "non-call" early redemption penalty equivalent to the interest due from 6 August 2020 to 6 February 2023.

Moreover, the Bonds shall be subject to mandatory early redemption (subject to certain exceptions) in whole or in part, upon the occurrence of certain events, such as a change of control, an asset sale or the receipt of net debt proceeds or net receivables proceeds. There are also arrangements in place for mandatory early redemptions funded by a percentage of excess cash flows, depending on the Company's consolidated net leverage ratio.

The terms and conditions of the Bonds also contain certain negative covenants prohibiting Solocal and its subsidiaries, subject to certain exceptions, from:

- taking on additional financial debt;
- granting security interests;
- making dividend payments or distributions to shareholders; by derogation, dividend payments or distributions to shareholders are permitted if the consolidated net leverage ratio does not exceed 1.0:1.

The bond issue is indirectly guaranteed by a pledge of Solocal SA securities held by Solocal Group.

Under the Agreement in Principle, almost the entire amount of the bond issue will be converted into capital. A principal amount of €5 million due in respect of the bond issue will be converted into deeply subordinated perpetual notes (*titres de dette super-subordonnés à durée indéterminée* - TSSDI) governed by French law (Article L. 228-97 of the French Commercial Code) (the "**TSSDIs**").

The TSSDIs will not bear interest. No payment may be made in respect of the TSSDIs before full payment of all amounts due in respect of the RCF, as amended under the 2024 Conciliation Protocol.

No dividends may be paid until the TSSDIs have been fully redeemed.

Mini Bonds

On 14 August 2020, following the adoption of the Amended Safeguard Plan and the approval of a conciliation protocol by the Nanterre Commercial Court, Solocal Group completed a bond issue for a total principal amount of €17,777,777, with a discount of around 10% for a subscription amount of around €16 million.

At the end of 2023, the nominal value was €18.7 million following the capitalisation of interest.

The bonds, with a par value of one (1) euro, have essentially the same characteristics as the Bond. The main terms include in particular:

Interest:

- 3-month Euribor with a floor of 1% plus a 7% spread payable quarterly in arrears on 15 March, 15 June, 15 September and 15 December, entirely in cash.

Maturity: 15 March 2025.

Listing: Euronext.

The amounts owed under these bonds are guaranteed by a fifth-ranking pledge of the securities account relating to the securities issued by Solocal SA and held by Solocal Group.

Solocal obtained a waiver of its financial covenants under the Mini Bond documentation.

Under the Agreement in Principle, the amount due under the Mini Bonds is €18,743,702.88 in principal, payable at maturity, plus interest payable quarterly in arrears on 15 March, 15 June, 15 September and 15 December, and maturing on 15 March 2025. This estimated amount of approximately €21 million will be reinstated at maturity on 15 March 2025 with PIK interest (Euribor + 5%) if the Group's EBITDA exceeds €120 million in 2027. Otherwise, the maturity date will be extended to 15 March 2031, with repayment of one-third on 15 March 2029, one-third on 15 March 2030 and one-third on 15 March 2031.

Revolving credit facility (RCF)

A revolving credit facility of €15 million was signed in February 2020 with two banking partners. The Company worked on increasing this credit facility, which increased by €25 million on 12 July 2020, then €10 million on 6 December 2020 reaching €50 million. This revolving credit facility was fully drawn down and repaid in the amount of €16 million.

The outstanding amount due is €34 million.

- **Interest:** Euribor with a 0% floor plus a margin of 5%.
- **Facility fee:** 3.5% annual payable on 15 September 2021, 30 September 2022, 30 September 2023.
- **Margin:** 5%.
- **Maturity:** 29 September 2024.
- **Amortisation:** September 2024: repayment of the residual debt in cash.
- The RCF creditors also agreed not to exercise their rights in respect of some of the financial commitments until 20 January 2024 and have not exercised them thereafter. Under the Agreement in Principle, €20 million of the RCF would be repaid on completion of the proposed capital increases and issuances of securities. The remaining amount (€14 million) will be reinstated with amended terms: four equal instalments of €3.5 million to be paid in March 2025, September 2025, March 2026 and September 2026. Interest calculated on the basis of Euribor +8.5% will be paid in cash.

Financial instruments in the balance sheet

As at 31/12/2023 *(in thousands of euros)*	Carrying amount	Breakdown by instrument category under IFRS 9: Fair value recognised in profit or loss	Breakdown by instrument category under IFRS 9: Amortised cost	Breakdown by level under IFRS 13: Level 1 and cash	Breakdown by level under IFRS 13: Level 2	Breakdown by level under IFRS 13: Level 3
Other non-current financial assets	7,866	293	7,573	-	7,866	-
Net trade accounts receivable	44,241	-	44,241	-	44,241	-
Other current financial assets	-	-	-	-	-	-
Cash equivalents	0	-	0	0	-	-
Cash	55,693	-	55,693	55,693	-	-
FINANCIAL ASSETS	**107,800**	**293**	**107,692**	**55,693**	**52,107**	**-**
Non-current financial liabilities	3,000	-	3,000		3,000	-
Current financial liabilities	242,243	-	242,243	205,024	37,219	-
Trade accounts payable	51,238	-	51,238	-	51,238	-
FINANCIAL LIABILITIES	**296,481**	**-**	**296,481**	**205,024**	**37,219**	**-**

As at 31/12/2022 *(in thousands of euros)*	Carrying amount	Breakdown by instrument category under IFRS 9: Fair value recognised in profit or loss	Breakdown by instrument category under IFRS 9: Amortised cost	Breakdown by level under IFRS 13: Level 1 and cash	Breakdown by level under IFRS 13: Level 2	Breakdown by level under IFRS 13: Level 3
Other non-current financial assets	7,977	746	7,231	-	7,977	-
Net trade accounts receivable	55,388	-	55,388	-	55,388	-
Other current financial assets	185	-	185	-	185	-
Cash equivalents	20,023	-	20,023	20,023	-	-
Cash	50,763	-	50,763	50,763	-	-
FINANCIAL ASSETS	**134,336**	**746**	**133,590**	**70,786**	**63,550**	**-**
Non-current financial liabilities	181,521	-	181,521	181,521	-	-
Current financial liabilities	47,311	-	47,311	-	47,311	-
Trade accounts payable	50,132	-	50,132	-	50,132	-
FINANCIAL LIABILITIES	**278,965**	**-**	**278,965**	**181,521**	**97,444**	**-**

(in thousands of euros)	Par value	Quotes as at 31/12/2023	Market value	Current	Non-current						Total
				-1 year	1-2 years	2-3 years	3-4 years	4-5 years	+5 years	Total Non-current	
Bond issue	176,690	20.00%	35,338	176,690	-	0	-	-	-	0	176,690
Mini Bond	18,742	-	-	18,742	-	-	-	-	-	0	18,742
Atout bank loan	7,000	-	-	4,000	3,000			-	-	3,000	7,000
Revolving credit facility (RCF)	34,000	-	-	34,000		-	-	-	-	0	34,000
LOANS	**236,432**		**35,338**	**233,432**	**3,000**	**-**	**-**	**-**	**-**	**3,000**	**236,432**
Accrued interest not yet due on loans	16,624	N/A	-	16,624	-	-	-	-	-	0	16,624
Other	80	N/A	-		-	-	-	-	50	50	50
Lease liabilities	49,931	N/A	-	15,404	18,337	7,945	1,613	895	5,737	34,527	49,931
CURRENT FINANCIAL LIABILITIES AND DERIVATIVES	**303,067**	**-**	**35,338**	**265,460**	**21,337**	**7,945**	**1,613**	**895**	**5,817**	**37,577**	**303,037**

(in thousands of euros)	Par value	Quotes as at 31/12/2022	Market value	Current	Non-current						Total
				-1 year	1-2 years	2-3 years	3-4 years	4-5 years	+5 years	Total Non-current	
Bond issue	176,690	72.00%	127,217	-	-	176,690	-	-	-	176,690	176,690
Mini Bond	18,742	-	-	-	-	18,742	-	-	-	18,742	18,742
Atout bank loan	11,000	-	-	4,000	4,000	3,000		-	-	7,000	11,000
Revolving credit facility (RCF)	34,000	-	-	34,000		-	-	-	-	0	34,000
LOANS	**240,432**		**127,217**	**38,000**	**4,000**	**198,432**	**-**	**-**	**-**	**202,432**	**240,432**
Accrued interest not yet due on loans	858	N/A	-	858	(0)	-	-	-	-	0	858
Other	80	N/A	-		-	-	-	-	80	80	80
Lease liabilities	60,036	N/A	-	16,537	16,013	16,706	7,102	1,166	2,512	43,499	60,036
CURRENT FINANCIAL LIABILITIES AND DERIVATIVES	**301,406**	**-**	**127,217**	**55,395**	**20,013**	**215,138**	**7,102**	**1,166**	**2,592**	**246,011**	**301,406**

The Group has classified the fair value measurements according to a fair value hierarchy that reflects the significance of the inputs used in the measurements. The fair value hierarchy has the following levels:

- level 1: prices (non-adjusted) quoted on active markets for identical assets or liabilities;
- level 2: inputs other than the quoted prices included in Level 1, which are observable for the asset or liability concerned, either directly (i.e. prices) or indirectly (i.e. derivative price data);
- level 3: inputs relating to assets or liabilities not based on observable market data (non-observable inputs)

NOTE 10. Financial risk objectives, policy and management, capital management

The Group's objective is to optimise its financial structure, the principal assessment criterion being financial leverage (ratio of net debt to EBITDA), in order to reduce the cost of its capital while maintaining the financial flexibility needed to fulfil its development plan.

The Group also ensures that the commitments made in its bond documentation are respected, including certain default and prepayment clauses. These clauses are linked, in particular, to compliance with operational and financial covenants such as the minimum level of coverage of net consolidated interest expense by consolidated EBITDA and maximum leverage, measured as the ratio of consolidated net debt to consolidated EBITDA. Note that the EBITDA used in calculating these bank covenants differs from that used in these financial statements.

Net leverage as defined in the Solocal 2025 bond documentation was 4.2x at 31 December 2023 (to which IFRS 16 does not apply). The ratio of EBITDA to interest expenses, i.e. the Interest Service Coverage Ratio (ISCR) was 1.9x. These ratios are higher than permitted in the bond documentation. However, Solocal has obtained a waiver of these financial covenants. In addition, as stipulated in the documentation, capital expenditure for Solocal Group and its subsidiaries was less than 10% of the consolidated revenue of Solocal Group and its subsidiaries in 2023.

The RCF creditors have also agreed not to exercise their rights in this respect until 20 January 2024.

In view of its financial structure, the Group is exposed to interest rate risk, liquidity risk and credit risk. The information provided below is based on certain assumptions and expectations which, by their very nature, may not turn out to be exact, in particular as regards interest rate trends, as well as Solocal Group's exposure to the corresponding risks.

Exchange rate risk

Solocal Group considers that the exchange rate risk is not significant as far as its activity is concerned, insofar as it is exercised mainly in the eurozone.

Interest rate risk

Solocal Group is exposed to the risk of interest rate fluctuations insofar as all of the bank and bond debts are at a variable rate. A 1% increase in the 3-month Euribor would have an impact of around €2 million on the annual interest expense on the financial debt prior to restructuring, as the interest rate on the RCF and the bond debt is variable and indexed to the 3-month Euribor.

The main features of the Group's bank and bond debt are outlined in Note 9.5.

Liquidity risk

Solocal Group has implemented centralised cash management, with a cash pooling system that includes all its French subsidiaries, except for the subsidiary Solocal SA, and is organised around a Solocal Group pivot. This method of managing liquidity, combined with an internal reporting system, enables the Group to anticipate and estimate future cash flows from the operating activities of its various subsidiaries and therefore to optimise investments in the event of cash surpluses.

Credit risk

Solocal Group has relationships with a large number of counterparties, the biggest number of whom are its customers. As at 31 December 2023, the total amount of trade receivables, net of write-downs, amounted to €44.2 million. These receivables are detailed by maturity (see Note 5.2). The Group's exposure to credit risk is related to the individual characteristics of its customers. The default of one customer is likely to cause a limited financial loss due to the low average exposure per customer.

Counterparty risks

Solocal Group is not exposed to financing risk since it did not have short term investments or interest rate hedging instruments in 2023.

Furthermore, the management procedure for Solocal Group's financial operations involves the drawing up of a limited list of authorised signatures, outside of which the Chief Executive Officer's authorisation is compulsory. The banking documentation also limits the list of counterparties for interest rate hedging operations.

Equity risk

Solocal Group considers that equity risk is not significant insofar as the amount invested in treasury shares, particularly under the liquidity contract, remains limited and the investment of its cash surpluses is not exposed to equity market risk.

NOTE 11. Provisions and other liabilities

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognised when, at the end of the period, the Group has an obligation towards a third party resulting from a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

This obligation may be legal, regulatory or contractual. It may also derive from the Group's practices or public commitments, which have created a legitimate expectation among third parties concerned that the Group will meet certain responsibilities.

The amount recognised as a provision corresponds to the best estimate of the expenditure required of the Group to settle the present obligation. If a reliable estimate cannot be made of the amount of the obligation, no provision is recorded, but details of the obligation are disclosed in the Notes to the financial statements.

Contingent liabilities – corresponding to potential obligations resulting from past events, the existence of which will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Company's control, and to probable obligations that are not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. They are disclosed in a note in the appendix.

Provisions for restructuring costs are recognised only when the restructuring has been announced and a detailed plan has been drawn up or implemented before the period end-date.

Provisions are discounted when the discounting adjustment is material.

On 13 September 2023, the French Court of Cassation ruled that employees are entitled to accrue paid leave for periods in which their employment contracts are suspended due to sickness. This has introduced new obligations for companies that are likely to increase their paid leave liabilities. This obligation was recognised in the 2023 financial statements in "other provisions for risks and contingencies" in the amount of €2.2 million.

Changes in provisions for employee benefits and provisions for risks and litigation were as follows:

(in thousands of euros)	Year ended 31/12/2022	Charge for the year	Reversal for the year (unused)	Reversal for the year (used)	Changes in the scope of consolidation, reclassifications and other	Year ended 31/12/2023
Restructuring provisions (2018)	1,545	-				1,545
Restructuring provisions (2014)	191	-		(91)		100
Provisions for social and tax disputes*	21,410	7,248	(3,609)	(1,589)		23,460
Other provisions for risks	3,383	251	(184)	(809)		2,641
TOTAL PROVISIONS	**26,529**	**7,499**	**(3,793)**	**(2,489)**	**-**	**27,746**
of which non-current	*190*		*-*	*(91)*		*99*
of which current	*26,338*	*7,499*	*(3,793)*	*(2,398)*	*-*	*27,646*

* *The allocation for the year covers various social and tax disputes that have been individually analysed by the Company and its advisors and covered in accordance with the estimated level of risk.*

Retirement benefits and similar commitments

In France, legislation provides for benefits to be paid to employees at retirement on the basis of their length of service and salary at retirement age.

In accordance with IAS 19, defined benefit plans are actuarially valued using the projected unit credit method. According to this method, each period of service gives rise to an additional unit of benefit entitlement, and each of these units is measured separately to value the final obligation, using demographic assumptions (staff turnover, mortality, retirement age, etc.) and financial assumptions (future increase in salary by category).

In order to keep the data up to date, the turnover tables are recalculated every three years. The turnover rate only includes turnover due to resignations. This rate was updated in 2021.

Other long-term benefits which may be granted by the Group consist mainly of long-service awards that are also measured on an actuarial basis.

Impact on the financial statements for the year ended 31 December 2023

Actuarial differences relating to post-employment benefits are recognised for the full amount in other comprehensive income, i.e. a net negative deferred tax impact of €1.6 million at 31 December 2023.

The discount rate used to measure the commitments as at 31 December 2023 was 3.15% in accordance with actual market conditions (iBoxx AA10+ rate).

The IAS 19 standard sets the discount rate at the rate on bonds issued by first-class companies (having a rating of at least AA or Aa) with a maturity date equal to that of the commitment. If the market for these bonds is not liquid, the rate is equal to the rate of the corresponding government bonds (OATs).

Pension reforms raising the legal retirement age from 62 to 64 have implications for the measurement of retirement benefits. This change in the legal retirement age is considered to be a plan amendment under IAS 19 and therefore a past service cost to be recognised in net income. The impact of this plan amendment is +1.6 million for the Group.

The total amount of the provision in the balance sheet stood at €56.6 million at 31 December 2023 compared to €56.1 million at 31 December 2022.

Pension commitments and other personnel benefits

(in thousands of euros)	Post-employment benefits	Other long-term benefits	Total 31/12/2023	Post-employment benefits	Other long-term benefits	Total 31/12/2022
Change in value of commitments						
Total value of commitments at start of period	**51,367**	**4,739**	**56,106**	**71,486**	**6,436**	**77,922**
Previous year adjustment of turnover tables						
Total value of commitments at start of period (adjusted)	**51,367**	**4,739**	**56,106**	**71,486**	**6,436**	**77,922**
Cost of services rendered	3,202	330	3,532	4,707	452	5,159
Discounting cost (interest expense)	1,896	170	2,066	704	62	766
Reductions/liquidations	(5,556)	(358)	(5,915)	(7,644)	(671)	(8,315)
Actuarial (gains) or losses	2,009	105	2,114	(16,832)	(1,255)	(18,087)
Benefits paid	(1,061)	(284)	(1,345)	(1,054)	(285)	(1,338)
Change of scope	-	-	-	-	-	-
Restructuring plan	-	-	-	-	-	-
Total value of commitments at end of period	**51,857**	**4,702**	**56,559**	**51,367**	**4,739**	**56,106**
Commitments at end of period relating to unfunded plans	*51,857*	*4,702*	*56,559*	*51,367*	*4,739*	*56,106*
of which short term	*675*	*449*	*1,124*	*1,297*	*420*	*1,717*
of which long term	*51,162*	*4,240*	*55,402*	*50,070*	*4,308*	*54,377*
Pension charge						
Cost of services rendered	3,202	330	3,532	4,707	452	5,159
Discounting costs	1,896	170	2,066	704	62	766
Effect of reductions/liquidations	(5,556)	(358)	(5,915)	(7,644)	(671)	(8,315)
TOTAL PENSION CHARGE	**(458)**	**142**	**(316)**	**(2,233)**	**(157)**	**(2,390)**

(in thousands of euros)	Post-employment benefits	Other long-term benefits	Total 31/12/2023	Post-employment benefits	Other long-term benefits	Total 31/12/2022
Movements in the provision/(asset)						
Provision/(assets) at start of period	51,367	4,739	56,106	71,486	6,436	77,922
Pension charge	(458)	142	(316)	(2,233)	(157)	(2,390)
Benefits paid directly by the employer	(1,061)	(284)	(1,345)	(1,054)	(285)	(1,338)
Change of scope			-			-
Actuarial gains/(losses)	2,009	105	2,114	(16,832)	(1,255)	(18,087)
Restructuring plan	-	-	-	-	-	-
Provision/(assets) at end of period	**51,857**	**4,702**	**56,559**	**51,367**	**4,739**	**56,106**
Assumptions						
Discount rate *(in %)*	3.15%	3.15%	3.15%	3.75%	3.75%	3.75%
Expected long-term inflation rate *(in %)*	2.10%		2.10%	2.20%		2.20%
Expected long-term salary growth *(in %)*	Dependent on employee category and age			Dependent on employee category and age		
AMOUNT EXPENSED FOR THE PERIOD	**1,519**	**142**	**1,661**	**3,287**	**442**	**3,729**

Sensitivity of the discount rate on post-employment benefits (IFC)

A 0.25% increase in the discount rate leads to a decrease in the commitment of around 3.1%, or approximately €1.6 million, while a decrease of 0.25% in the discount rate leads to an increase in the commitment of about 2.96%, or around €1.5 million.

Sensitivity of the discount rate on other long-term benefits (long-service awards)

A 0.25% increase in the discount rate leads to a decrease in the commitment of about 1.88%, or approximately €0.1 million, while a decrease of 0.25% in the discount rate leads to an increase in the commitment of roughly 1.95%, or approximately €0.1 million.

NOTE 12. Trade accounts payable

At 31 December 2023, the trade accounts payable were due in less than one year. Trade accounts payable bear no interest and in principle are payable between 30 and 60 days.

NOTE 13. Equity and earnings per share

13.1 Share capital

The share capital of Solocal Group comprises 131,906,654 shares, each with a par value of €1, i.e. a total amount of €131,906,654 (before deduction of treasury shares).

13.2 Other reserves and other comprehensive income

The difference between the individual equity of Solocal Group and the consolidated equity of Solocal Group is that different accounting methods are applied.

This impact mainly concerns the other consolidated reserves item and other comprehensive income, which were negative to the tune of €1,458 million as at 31 December 2023, compared to a negative amount of €1,456 million as at 31 December 2022, and mainly consisted of:

- the portion of distributions in excess of the income for the year, mainly relating to the exceptional distribution of €2,519.7 million in November 2006 by Solocal Group (formerly PagesJaunes Group);
- actuarial differences relating to retirement benefits (IAS 19) in a negative amount of €35.4 million;
- the matching entry for the share-based payment expense corresponding to the portion settled in equity instruments in a negative amount of €66.1 million;
- the matching entry of the gain representing the difference between the net book value in the balance sheet of the derecognised original bond debt and the fair value of shares issued on the day of the debt restructuring amounting to €48 million.

13.3 Treasury shares

Under IAS 32, purchases of treasury shares are recorded as a decrease in equity for the amount of their acquisition cost. Gains and losses on disposals of treasury shares are recorded net of tax in consolidated reserves.

Through the liquidity contract, the Company held 433,899 treasury shares at 31 December 2023 with a value of €0.1 million, versus 440,940 treasury shares at 31 December 2022, recorded as a deduction from shareholders' equity at their acquisition cost.

13.4 Dividends

Solocal Group did not distribute any dividends in 2023 or 2022.

13.5 Earnings per share

The Group discloses both basic earnings per share and diluted earnings per share. The number of shares used to calculate diluted earnings takes into account the conversion into ordinary shares of dilutive instruments outstanding at the end of the period (options not yet exercised, free shares). If the basic earnings per share are negative, diluted loss per share represents the same amount as the basic loss. Treasury stock deducted from consolidated equity is not taken into account in the calculation of earnings per share.

	As at 31/12/2023	As at 31/12/2022
Weighted average		
Share capital	131,906,654	131,735,688
Treasury shares from liquidity contract	(447,104)	(290,989)
Number of basic shares	**131,459,550**	**131,444,700**
Dilutive effect December 2020		
Free share plans	1,152,500	1,441,072
Mandatory convertible bonds	0	4,206
Number of diluted shares	**132,612,050**	**132,889,978**
Additional information (simple average)		
Number of existing basic shares as at 31 December	131,469,240	131,425,150
Number of existing diluted shares as at 31 December	132,475,140	132,749,245

Net earnings per share from continued activities for the period attributable to Solocal Group shareholders (in euros)

Net earnings per share of the consolidated group based on a weighted average number of shares	Year ended 31/12/2023	Year ended 31/12/2022
– basic	(0.35)	(0.02)
– diluted	(0.35)	(0.02)

NOTE 14. Stock options and free shares

14.1 Share-based payments

In accordance with IFRS 2 "Share-Based Payment", stock options, employee share issues and free shares granted to employees of the Group are valued on the date they are granted.

The value of stock options is determined in particular by reference to the exercise price, the life of the options, the current price of the underlying shares, the expected share price volatility, expected dividends and the risk-free interest rate over the life of the options. The amount so determined is recognised in staff expenses (under the share-based payment heading) on a straight-line basis over the period between the grant date and the exercise date – corresponding to the vesting period – with a corresponding entry in equity for equity-settled plans or in liabilities to employees for cash-settled plans. The Group has opted for retrospective application of IFRS 2 to equity- and cash-settled plans. The new plans are valued in accordance with IFRS 2 using a binomial model.

The fair value of a free share is the market price of the share on the grant date after adjustment to take account of the loss of dividends expected during the vesting period. This expense is recorded on a straight-line basis over the vesting period and, if necessary, is adjusted to take account of the likelihood that the performance conditions will be fulfilled.

14.2 Description of the plans

Free shares

As a reminder, a share consolidation by exchanging one hundred old shares for one new share was carried out on 24 November 2020. In addition, the number of new shares to be issued for each free share allotment right was adjusted to 2.109 new shares.

2021 plan

In 2021, the shareholders of Solocal Group, meeting at the Combined General Shareholders' Meeting of 27 November 2020, authorised the Board of Directors to set up, in favour of certain senior executives and employees of the Company and affiliated companies, a performance share plan as defined in Articles L. 225-197-1 et seq. of the French Commercial Code.

Under this authorisation, the maximum number of performance shares that can be granted free of charge is 1,295,087 Company shares, including a maximum of 431,695 shares for the Company's corporate officers.

In 2021, under this plan, 1,066,000 performance shares were granted to 64 beneficiaries, including 275,000 performance shares to the Chief Executive Officer. Under this plan, the allotment of performance shares will only become permanent at the end of a so-called vesting period of three years for the CEO and in tranches of one, two and three years for the other beneficiaries. These shares will have to be held for a minimum of four years (including the vesting period) except for the CEO, who will have to keep part of these shares as long as he/she is employed by the company.

The final allotment of shares will be subject to a condition of presence in the company and a performance condition, which will be based on the level of achievement of a target relating to the free cash flow aggregate and on the movement in the Company's share price.

2022 plan

The shareholders of Solocal Group, meeting at the Combined General Shareholders' Meeting of 3 June 2021, authorised the Board of Directors to set up, in favour of certain senior executives and employees of the Company and affiliated companies, a performance share plan as defined in Articles L. 225-197-1 et seq. of the French Commercial Code.

Under this authorisation, the maximum number of performance shares that may be granted free of charge is 987,708 Company shares.

On 26 April 2022, 797,500 performance shares were granted to 30 beneficiaries under this plan, including 370,000 under the "non-CEO" LTI plan, 230,000 under the "Executive Committee" LTI plan and 197,500 under the "CEO" LTI plan.

On 25 October 2022, the Board of Directors approved an allotment of 90,000 shares to two beneficiaries.

For all of these plans, the performance condition is assessed over a reference period of three years and based on two criteria:

- an off-market criterion: the level of achievement of the free cash flow target during the Reference Period; and
- a market criterion: the change in Solocal's share price during the Reference Period.

The two criteria are applied as follows:

(i) first criterion: 60% of the final award determined at the end of the plan period will depend on the achievement of the free cash flow target for the plan reference period:
  - no shares will vest if the Company generates less than €160 million in cumulative free cash flow over the three financial years,
  - 75% of this 60% sub-envelope will vest if the Company generates €180 million in cumulative free cash flow over the three financial years,
  - 100% of this 60% sub-envelope will vest if the Company generates €240 million in cumulative free cash flow over the three financial years;

(ii) second criterion: 40% of the final award will depend on the change in the Solocal Group share price ("Solocal Index") compared with the change in the benchmark index at the end of the plan period. The Solocal Index Vesting Rate is calculated as follows:
  - 0% if the Solocal Index is strictly less than the Benchmark Index,
  - 75% if the Solocal Index is equal to the Benchmark Index,
  - 100% if the Solocal Index exceeds 105% of the Benchmark Index,
  - linear vesting will be agreed if the share price is between the index and 105% of the index.

The vesting period is three years and the holding period is one year.

14.3 Changes to stock option and free share allotment plans

	Total 31/12/2022	Granted	Cancelled/ lapsed	Total 31/12/2023	Strike price
Free share plans	**1,335,000**	**-**	**(618,200)**	**716,800**	**Final vesting date**
– April 2022	797,500		(347,500)	450,000	21 February 2025
– June 2021	537,500		(270,700)	266,800	31 March 2024

14.4 Expenses relating to stock option and free share allotment plans

As the granting of stock options and free shares is linked to a probability of achieving certain performance targets, particularly free cash flow targets, the updating of these probability rates resulted in the recognition of income of €0.1 million in 2023 versus an expense of €0.1 million in 2022.

NOTE 15. Information on related parties

There were no new transactions with related parties during 2023. Cédric Dugardin is bound by a non-competition obligation in the event of termination of his appointment as Chief Executive Officer for any reason and in any form whatsoever under the following conditions: the prohibition of competition will be limited to a period of 12 months starting on the day of effective termination of his duties; the corresponding non-competition compensation will be equal, on the basis of a 12-month non-competition period, to six months' total compensation calculated on the basis of the monthly average of the total gross compensation paid during the last 12 months of activity prior to the date of termination of his duties.

Upon the termination of his duties, the Company may (i) waive the non-competition agreement (in which case it will not have to pay the corresponding compensation) or (ii) reduce the duration, the scope of activities and/or the geographical scope of said commitment (in which case the amount of the non-competition compensation will be reduced accordingly).

The severance payment and non-competition compensation combined may not exceed two years' fixed and variable compensation. Moreover, the payment of non-competition compensation is excluded if the beneficiary has the possibility to exercise their retirement rights. In any case, no indemnity can be paid after the age of 65 years. These arrangements were approved by the Shareholders' Meeting of 3 June 2021.

Officers considered to be related parties as at 31 December 2023 are the members of the Board of Directors including the Chief Executive Officer and the members of the Executive Committee.

Solocal does not have any related parties other than its key management and Directors.

NOTE 16. Disputes, contingent assets and liabilities

16.1 Disputes: significant changes for the period

In the ordinary course of business, Group entities may be involved in a number of legal, arbitration and administrative proceedings. Provisions for the potential costs of such proceedings are only made where it is probable that the expense will be incurred and the amount can be either quantified or estimated within a reasonable range. The amount of the provisions is based on an assessment of the risk on a case-by-case basis and largely depends on factors other than the particular stage of proceedings, although events occurring during the proceedings may call for a reassessment of this risk.

The Group does not consider itself party to any legal or arbitration proceedings whose likely outcome could have a materially negative impact on its results, activities or consolidated financial position.

16.2 Contractual commitments not recognised/contractual commitments and off-balance-sheet commitments

There were no new significant commitments during the 2023 financial year.

Significant off-balance-sheet commitments are as follows:

	As at 31/12/2023				
		Payments due per period			
Contractual obligations *(in thousands of euros)*	Total	Less than 1 year	In 1 to 5 years	In more than 5 years	As at 31/12/2022 Total
Operating leases	**589**	**589**		**0**	**585**
Other services	10,668	10,114	654	0	8,221
Commitments for purchases of goods and services	**10,668**	**10,014**	**654**	**0**	**8,221**
TOTAL	**11,257**	**10,603**	**654**	**0**	**8,806**

The "Other services" item includes all firm orders placed as at 31 December 2023 for goods and services deliverable from 1 January 2024.

Leases

Leases with a term of more than one year are recognised in the balance sheet in accordance with IFRS 16.

Other commitments given

The bond issue is indirectly guaranteed by a pledge of Solocal SA securities held by Solocal Group.

Other commitments received

The other significant off-balance-sheet commitments received are as follows:

	As at 31/12/2023				
		Payments due per period			
Contractual obligations *(in thousands of euros)*	Total	Less than 1 year	In 1 to 5 years	In more than 5 years	As at 31/12/2022 Total
Operating leases – lessor	0	0	0	0	0
Other services	119,459	65,403	54,056	0	132,017
TOTAL	**119,459**	**65,403**	**54,056**	**0**	**132,017**

Other services cover the portion of the order book still to be recognised as revenue and not yet invoiced.

NOTE 17. Events after the 31 December 2023 year-end

17.1 Agreement in Principle on Solocal Group's financial restructuring

On 12 April 2024, Solocal Group announced that it had signed an Agreement in Principle between the Company, Ycor, bondholders representing 84% of the Bonds and 100% of the Mini Bonds respectively, and creditors representing 78.6% of the RCF (pending internal validation of the last RCF creditor). The terms of the Agreement in Principle, which are binding on the parties, include the following:

- **a contribution of €43 million** to the Company exclusively in equity, including a maximum of €38 million from Ycor, of which (i) €25 million via subscription to a capital increase in cash reserved for Ycor, and (ii) (if this commitment is called) approximately €13 million via a backstop commitment to a capital increase with shareholders' preferential subscription rights for a total amount of around €18 million;
- **the contribution in kind** of all shares issued by Regicom Webformance SAS ("**Regicom**") to the Company;
- at the date of the effective completion of the contemplated share capital increases and issuance of securities, **the partial repayment of existing RCF debt, in the amount of €20 million**, with part of the proceeds from the above-mentioned equity contributions;
- **a massive reduction in the nominal amount of the Company's existing gross bond debt** (including interest due) **by approximately 85%**, with different amortisation or conversion profiles depending on the nature of the reinstated debt.

This agreement will allow Solocal Group to continue its operations (and, in particular, to cover its liquidity needs over a horizon of more than 12 months) and provides a viable framework for the long-term development of the Group's business.

On 22 April 2024, the Bondholders' General Meeting of Solocal Group approved the proposed amendment of the accelerated financial safeguard plan by 99.8% of the votes cast.

Conditions precedent

The approval of the amendment to the accelerated financial safeguard plan remains subject to the fulfilment of the following main conditions precedent:

- the approval by the Company's General Shareholders' Meeting of the resolutions necessary to implement the plan no later than 28 June 2024 (unless Ycor agrees to a later date);
- the adoption of all decisions of the Company's Board of Directors necessary to implement the contemplated governance arrangements no later than on the date of completion of the contemplated issuances of securities and of all resolutions submitted to the Company's General Shareholders' Meeting necessary to implement the financial safeguard plan, and the rejection of any resolution that would be contrary to the implementation of the financial safeguard plan;
- obtaining, if necessary, an unconditional decision by any competition authority authorising or not opposing (where such non-objection is, under applicable law, construed as an authorisation to carry out the proposed restructuring) the restructuring as contemplated under the accelerated financial safeguard plan;
- obtaining a waiver from the AMF of the obligation for Ycor to make a public tender offer for the Company's shares (the "**AMF Share Capital Increase Exemption**") on the basis of Article 234-9, 2° of the AMF General Regulation valid and in force; as the case may be, obtaining a waiver from the AMF of the obligation for Ycor to make a public tender offer for the Company's shares (the "**AMF Contribution Exemption**") in relation to the contribution of Regicom on the basis of Article 234-9, 3 of the AMF General Regulation valid and in force[1];
- the delivery of the report of the Contribution Auditor to be appointed for the purposes of implementing the share capital increase to be subscribed by Ycor in the context of the contribution in kind of Regicom to the Company;
- the delivery of the report of the independent expert (the firm Ledouble was appointed by the Board of Directors), pursuant to Article 261-3 of the AMF General Regulation, on the fairness of the financial terms of the restructuring for the existing shareholders;
- obtaining the approval from the Autorité des Marchés Financiers for the prospectuses relating to the share capital increases and the issuance of Warrants;
- the agreement of the creditors under the BPI Atout Loan on the extension of this debt (unless otherwise agreed by Ycor);
- the signature of a conciliation protocol no later than on 30 April 2024 (unless Ycor and the Company agree on a later date) and the acknowledgement or homologation of this conciliation protocol simultaneously with the approval of the accelerated financial safeguard plan (unless Ycor and the Company agree on a later date);
- the agreement of the BPI Atout loan creditors on the extension of this debt (unless otherwise agreed by Ycor).

In addition, the implementation of the financial restructuring of the Company remains subject to the fulfilment of the following conditions precedent:

- the finalisation of the implementation documents required to implement the accelerated financial safeguard plan.

In the event that the Company's shareholders reject it, the Company will implement the financial restructuring under a new collective proceeding that will follow the termination of the Company's restructuring plan adopted in 2020, subject to the legal conditions for such termination and the opening of such new collective proceeding being met.

(1) *It is also specified that Ycor has made it a condition precedent that all appeals against each of the Share Capital Increase Exemption and the AMF Contribution Exemption have been purged. However, this condition is considered met if all the Bondholders represented by White & Case and Lazard sign or adhere to the Agreement in Principle no later than on the date of the Bondholders' General Meeting, which is indeed the case. Therefore, this condition requiring all appeals to be purged will be deemed to have been met on the date on which each of the AMF Share Capital Increase Exemption and the AMF Contribution Exemption is obtained.*

The transactions included in the financial restructuring will strengthen the Group's financial structure. Net financial debt adjusted for the expected impact of the financial restructuring would be reduced by €234 million (before advisory fees related to the transactions)

	Solocal net financial debt	
(in millions of euros)	December 2023	December 2023 adjusted
Bonds (nominal amount)	176.6	0(1)
Mini Bonds (nominal amount)	18.7	21(2)
Revolving credit facility (RCF)	34	14(3)
Prêt'Atout	7	7
Accrued interest due	16.6	0
TOTAL GROSS DEBT	**253**	**42**
Available cash	55.7	78.7(4)
NET FINANCIAL DEBT	**197.3**	**(36.7)**

(1) *€5 million reinstated with amended terms (deeply subordinated and perpetual term).*

(2) *The 2024 Conciliation Protocol stipulates that no payment of any kind (including interest) may be made until the closing date of the restructuring and that all amounts due under the Mini Bonds (principal, accrued interest and, if applicable, other interest, fees or commission of any kind), whose estimated amount is around €21 million, will be reinstated.*

(3) *After the repayment of €20 million in cash on the closing date of the restructuring, the remaining €14 million will be amortised in four equal instalments in March 2025, September 2025, March 2026 and September 2026.*

(4) *In addition to the available cash as at 31 December 2023, the cash position will be increased by cash capital increases of €43 million less €20 million for the partial repayment of the RCF.*

Next steps and indicative timetable of operations

The financial restructuring is expected to be completed during the third quarter of 2024.

Approval of the financial statements

On this basis and taking into account its assessment of liquidity risk, on 23 April 2024 the Board of Directors approved the consolidated financial statements for the year ended 31 December 2023 on a going concern basis, assuming the satisfactory completion of the financial restructuring described above including the lifting of the conditions precedent including obtaining the approval of the merger control authorities and a waiver from the AMF of the obligation to launch a public tender offer, the homologation of the amended Safeguard Plan by the Commercial Court and its approval by the shareholders.

Nevertheless, as mentioned in paragraph 1.5 Going concern, in the event that the conditions precedent cannot be fully lifted and the financial restructuring successfully completed, the Group may not be able to realise its assets and settle its liabilities in the normal course of business and the application of IFRS accounting policies in a normal context of continuing operations, especially with regard to the measurement of assets and liabilities, may be inappropriate. Therefore, this situation creates a material uncertainty regarding the going concern status.

17.2 Signing of an agreement on the Citylights lease

Concomitantly with the financial restructuring of the Group, Solocal carried out an in-depth analysis in order to streamline the use of its headquarter with the objective of reducing the rented surface area. The Company has entered into discussions with the owner of its head office located in Boulogne Billancourt. The Group was committed to a lease contract for a firm term of 10 years until May 2026.

Following discussions with the lessor, an agreement was reached on the lease based on the following key terms and conditions:

- A reduction in leased space of around two-thirds from 1 January 2025;
- Recommitment to lease these revised surface areas for an irrevocable term of six years;
- Compensation of the lessor for the rent-free period initially granted, on a pro rata basis.

The condition precedent to this renegotiation is the successful completion of the Group's financial restructuring process referred to in the press release published on 12 April 2024.

NOTE 18. Scope of consolidation

		As at 31/12/2023		As at 31/12/2022	
Entity	Country	Interest	Voting rights	Interest	Voting rights
Solocal Group (consolidating entity)	France	100%	100%	100%	100%
Solocal SA	France	100%	100%	100%	100%
SOMS	France	100%	100%	100%	100%
Leadformance	France	100%	100%	100%	100%
Effilab	France	100%	100%	100%	100%
PagesJaunes Outremer	France	100%	100%	100%	100%
GIE	France	100%	100%	100%	100%
Yelster Digital	Austria	100%	100%	100%	100%
Orbit Interactive	Morocco	100%	100%	100%	100%
Solocal Interactive	Rodrigues	100%	100%	100%	100%

NOTE 19. Auditors' fees

	Deloitte et Associés				Auditex/EY			
	Amount		%		Amount		%	
(in thousands of euros)	2023	2022	2023	2022	2023	2022	2023	2022
Certification of individual and consolidated accounts and limited review	511	440	99%	99%	520	410	100%	99%
– Of which Solocal Group	206	156	40%	35%	229	156	44%	38%
– Of which fully consolidated subsidiaries	305	284	59%	64%	291	254	56%	62%
Services other than the certification of accounts	4	4	1%	1%	–	3	0%	1%
– Of which Solocal Group	4	4	1%	1%	–	3		1%
– Of which fully consolidated subsidiaries	–	–		0%	–	–		0 %
TOTAL	**515**	**444**	**42%**	**100%**	**520**	**413**	**100%**	**100%**

Services other than the certification of accounts represent, for Deloitte as well as Auditex/Ernst & Young, an attestation and a report provided for in the legislative and regulatory instruments.

5.2.7 STATEMENT BY THE PERSON RESPONSIBLE FOR THE REPORT

"I certify that, to the best of my knowledge, the condensed consolidated financial statements for the half year ended have been prepared in accordance with the applicable accounting standards and present a true picture of the assets, financial situation and results of the Company and all of the companies included within the consolidation, and that the management report included in Part 1 of the report is a true reflection of the major events that have occurred during the period, of their impact on the accounts and of the main transactions between related parties, as well as a description of the main risks and main uncertainties for the remaining six months in the financial period."

Boulogne-Billancourt, 23 April 2024

Cédric Dugardin
Chief Executive Officer

5.2.8 STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

To the General Shareholders' Meeting of Solocal Group,

Opinion

In compliance with the engagement entrusted to us by your General Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Solocal Group for the year ended 31 December 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of 31 December 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The opinion expressed above is consistent with our report to the Audit Committee..

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the section of our report headed "Responsibilities of the Statutory Auditors for the audit of the consolidated financial statements".

Independence

We conducted our audit in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors for the period from 1 January 2023 to the issue date of our report, and, in particular, we did not provide any services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Material uncertainty related to going concern

Without qualifying the audit opinion expressed above, we draw your attention to the material uncertainty related to events or conditions that may call into question the Company's ability to continue as a going concern described in Note 1.5 to the consolidated financial statements.

Justification of assessments – Key audit matters

In accordance with Articles L. 821-53 and R. 821-180 of the French Commercial Code relating to the justification of our assessments, in addition to the matter described in the section headed "Material uncertainty related to going concern", we bring to your attention the key audit matters relating to the risks of material misstatement which, in our professional judgement, were of most significance for the audit of the consolidated financial statements for the period, together with our responses to those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific elements of the consolidated financial statements.

Revenue recognition

Identified risk	The Group's activities are characterised by numerous, regularly changing commercial offers and a significant amount of data processing. These offers are grouped into two broad service categories: • products related to digital services, such as the Connect offer and the priority ranking product (included in the Booster offer), offered for renewable periods of 12 to 24 months, and the residual Booster offer, offered for renewable periods of 3 to 12 months or on a campaign basis; • websites that are developed and made available to customers for contractual periods of 12 or 24 months. The revenue recognition principles for these products, as set out in Note 5.1 "Revenue" to the consolidated financial statements, vary according to the nature of the products or services sold. Depending on the category, one or two performance obligations are identified: • for all offers in the "Digital services" category, the application of IFRS 15 – "Revenue from Contracts with Customers" leads to revenue recognition on a straight-line basis over the lifetime of the contracts as the transfer of control of the services is continuous; • two separate performance obligations are observed for the "Websites" category: – design of the intellectual content: revenue from this obligation is recognised over the duration of the design period (between 30 and 120 days depending on the product) starting from the date of sale, i.e. from the start of the creation of the website (recognition on a percentage of completion basis), – provision and updating of the website during the contractual hosting period (between 12 and 24 months): revenue from this obligation is recognised over the duration of the contractual hosting period starting from the date of delivery of the website to the customer. In view of the volume of transactions processed and the significance of automated processing in revenue recognition, we considered revenue recognition to be a key audit matter.
Treatment of the key audit matter during the audit	We reviewed the revenue recognition process, from order entry to invoicing, receipt of payments and the posting of adjusting entries at the end of the period. The members of our team included specialists with specific data analysis expertise. Our work included the following: • analysing the consistency between the contractual duration of the main offers and the timing of revenue recognition, and the revenue recognition rules under IFRS 15; • reconciling data from the order entry modules with supporting documents for a sample of transactions; • reconciling data from the order entry modules with data from the invoicing modules in order to assess the completeness of the revenue recorded; • recalculating the revenue for the period from the invoicing module according to the recognition rules set up in the systems.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Directors' management report.

We have no matters to report as to the fair presentation of this information or its consistency with the consolidated financial statements.

We attest that the consolidated statement on non-financial performance provided for in Article L. 225-102-1 of the French Commercial Code is included in the information relating to the Group provided in the management report, it being specified that, in accordance with Article L. 823-10 of said Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained in that statement. This information should be reported on by an independent third party.

Other verifications or information required by laws and regulations

Format for the presentation of consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standards applicable in France relating to the procedures performed by the statutory auditor regarding the annual and consolidated financial statements prepared in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report referred to in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chairman of the Board of Directors and the Chief Executive Officer, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018. As these are consolidated financial statements, our work includes verifying that the mark-up of these financial statements complies with the format defined by the above-mentioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

Due to the technical limitations inherent in the block-tagging of consolidated financial statements in accordance with the European single electronic format, the content of certain tags in the notes to the financial statements may not be rendered identically to the accompanying consolidated financial statements.

In addition, it is not our responsibility to verify that the consolidated financial statements actually included by your Company in the annual financial report filed with the AMF correspond to those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Solocal Group by the General Shareholders' Meeting of 19 October 2016 in the case of Auditex, a member of the Ernst & Young Global Limited network, and by the General Shareholders' Meeting of 2 June 2022 in the case of Deloitte & Associés.

Following a partial contribution of assets by B.E.A.S, a Deloitte network entity, the Solocal Group mandate continued within Deloitte & Associés until its expiry at the General Shareholders' Meeting of 2 June 2022.

As of 31 December 2023, Auditex was in the eighth consecutive year of its engagement and Deloitte & Associés was in its third year.

Deloitte & Associés, B.E.A.S and Ernst & Young Audit previously served as Statutory Auditors for Solocal Group from 2003 to 2015, 2016 to 2020 and 2004 to 2015 respectively, including twelve years, five years and twelve years respectively since the Company's shares were admitted to trading on a regulated market.

Responsibilities of Management and those charged with Governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of consolidated financial statements that comply with International Financial Reporting Standards as adopted in the European Union and for such internal control as it determines is necessary for the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern and for using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, internal audit, with respect to the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors for the audit of the consolidated financial statements

Audit objective and approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement. 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 taken by users on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of your Company or the quality of the management of your Company's affairs.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit, and furthermore:

- identifies and assesses the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures in response to those risks, and obtains audit evidence that the auditor considers to be sufficient and appropriate to provide a basis for his/her opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, falsification, intentional omissions, misrepresentation or the overriding of internal control;
- obtains an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Management and the related disclosures in the consolidated financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may call into question the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may call into question the Company's ability to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, attention must be drawn in the audit report to the relevant disclosures in the consolidated financial statements, or, if such disclosures are not provided or are inadequate, a qualified opinion or adverse opinion must be issued;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the management, supervision and execution of the audit of the consolidated financial statements as well as the opinion expressed on these statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control that we have identified with respect to the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the consolidated financial statements for the period and which are therefore the key audit matters we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code and in the French Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Paris-La Défense, 30 April 2024

The Statutory Auditors

AUDITEX

Member of the Ernst & Young Global Limited network
Mohamed Mabrouk

DELOITTE & ASSOCIÉS

Stéphane Rimbeuf

5.3 Annual financial statements for the year ended 31 December 2023

5.3.1 BALANCE SHEET

		Balance sheet at 31 December				
(in thousands of euros)	Notes	Gross	Depreciation, amortisation and provisions	2023 Net	2022 Net	Change
Assets						
Intangible fixed assets	5.1	424	(424)	0	-	-
Tangible fixed assets	5.1	17,369	(13,076)	4,294	6,036	(1,743)
Participating interests and other investments	5.2	3,005,592	(2,993,574)	12,018	114,419	(102,401)
Receivables from participating interests	5.2	-	-	0	-	-
Other financial fixed assets		5,713	-	5,713	5,609	104
TOTAL FIXED ASSETS		**3,029,099**	**(3,007,074)**	**22,025**	**126,065**	**(104,940)**
Advances and payments on account		275		275	718	(443)
Trade accounts receivable	5.3	180		180	336	(156)
Tax and social security receivables	5.3	6,778		6,778	5,950	828
Amounts owed by subsidiaries (tax consolidation)	5.10	-		0	401	(401)
Subsidiaries' current accounts	5.4	206,202	(192,073)	14,129	185,942	(171,813)
Sundry receivables		-		0	19	(19)
Short-term investments and treasury shares	5.4	112	(74)	37	283	(246)
Cash and cash equivalents	5.4	29,770		29,770	30,153	(383)
Prepaid expenses	5.3	5,400		5,400	4,409	991
TOTAL CURRENT ASSETS		**248,717**	**(192,147)**	**56,570**	**228,211**	**171,642**
Bond redemption premium		472		472	860	(388)
TOTAL ASSETS		**3,278,288**	**(3,199,221)**	**79,067**	**355,137**	**(276,070)**

(in thousands of euros)	Notes	Balance sheet at 31 December Gross	Depreciation, amortisation and provisions	2023 Net	2022 Net	Change
Equity and liabilities						
Capital				131,907	131,907	-
Issue premium				1,026,285	1,026,285	-
Statutory reserve				5,824	5,824	-
Other reserves				37,852	37,852	-
Retained earnings				(1,171,743)	(613,655)	(558,089)
Net income for the period				(292,524)	(558,089)	265,565
Tax-related provisions				1,215	1,215	-
EQUITY	**5.5**			**(261,183)**	**31,341**	**(292,524)**
Provisions for risks and contingencies				103	105	(2)
PROVISIONS FOR RISKS AND CONTINGENCIES	**5.7**			**103**	**105**	**(2)**
Financial liabilities	**5.8**			**313,082**	**296,218**	**16,864**
Bank loans				34,000	34,000	-
Borrowings and other financial liabilities				212,044	196,274	15,770
Subsidiaries' current accounts				67,038	65,944	1,094
Operating liabilities				**21,411**	**26,048**	**(4,636)**
Trade accounts payable and related accounts				20,386	24,481	(4,094)
Tax and social security payables	5.9			1,025	1,567	(542)
Other debts				**5,654**	**1,425**	**4,228**
Amounts owed to subsidiaries (tax consolidation)	5.10			5,575	1,316	4,259
Sundry payables				78	109	(31)
Deferred income				0	0	-
TOTAL DEBT				**340,147**	**323,691**	**16,456**
TOTAL EQUITY AND LIABILITIES				**79,067**	**355,137**	**(276,070)**

5.3.2 INCOME STATEMENT

(in thousands of euros)	Notes	Income statement 2023	2022	Change
Revenue	5.11	15,224	16,383	(1,159)
Reversals of provisions and transfers of expenses		50	-	50
Other income		11	0	11
Operating income		**15,285**	**16,383**	**(1,098)**
Purchases and provision of services		(168)	(190)	(22)
Non-inventory materials and supplies		(48)	(56)	(8)
External services		(16,431)	(16,414)	17
Other external services		(7,579)	(4,950)	2,629
Taxes, duties and similar payments		(1,414)	(1,541)	(127)
Salaries		(425)	(774)	(349)
Social charges		(295)	(352)	(58)
Other expenses		(540)	(565)	(25)
Depreciation and amortisation and transfers to provisions for current assets		(1,713)	(1,711)	2
Transfers to provisions for risks and contingencies		(48)	(70)	(22)
Operating expenses	**5.12**	**(28,661)**	**(26,624)**	**2,037**
OPERATING INCOME		**(13,376)**	**(10,241)**	**(3,135)**
Income from participating interests – dividends		19,314	21,714	(2,401)
Financial income from short-term investments and loans		8,710	2,400	6,311
Other financial income		-	-	-
Reversals of provisions		-	-	-
Realised exchange gains		-	-	-
Financial income		**28,024**	**24,114**	**3,910**
Interest and similar expenses		(25,743)	(18,430)	7,313
Other financial expenses		(275)	(170)	105
Transfers to provisions		(283,507)	(561,395)	(277,888)
Realised exchange losses		-	(90)	90
Financial expenses		**309,526**	**579,906**	**(270,380)**
FINANCIAL INCOME	**5.13**	**(281,502)**	**(555,792)**	**274,290**
INCOME BEFORE EXCEPTIONAL ITEMS AND TAXES		**(294,877)**	**(566,032)**	**271,155**
Exceptional income from operations		868	-	868
Exceptional income from capital transactions		-	-	-
Reversal of provisions and transfers of expenses		0	842	(842)
Exceptional income		**868**	**842**	**25**
Exceptional expenses from operations		(4,199)	(189)	(4,010)
Exceptional expenses from capital transactions		-	-	-
Depreciation and amortisation and transfers to provisions		-	-	-
Exceptional expenses		**(4,199)**	**(189)**	**4,010**
EXCEPTIONAL ITEMS	**5.14**	**(3,332)**	**653**	**(3,985)**
Employee profit-sharing		-	-	-
Income tax (+ income/- expense)	5.10	5,685	7,290	(1,605)
NET INCOME		**(292,524)**	**(558,089)**	**265,565**

5.3.3 APPENDIX

NOTE 1. Description of the business

Solocal Group is a holding company. As such, it owns subsidiaries that specialise in offering digital services and solutions to its customers in order to raise their visibility by creating and updating the best professional and personalised local content for users.

The financial statements detailed below cover a period of 12 months from 1 January 2023 to 31 December 2023.

NOTE 2. Highlights

The key highlights of 2023 were as follows:

Appointment of a new Chief Executive Officer

On 17 November 2023, Solocal's Board of Directors appointed Cédric Dugardin as Chief Executive Officer. He succeeds Hervé Milcent, who stepped down from his post on 21 November 2023. Cédric Dugardin has served on the Group's Board of Directors since June 2023 and will continue to carry out his current duties as a Director.

Initiation of a financial debt restructuring process

On 7 June 2023, the Company announced its intention to enter into discussions with its financial creditors with a view to examining various options relating to the maturity of its debt and the risks associated its refinancing. Prior to this, the Company had undertaken a reflection process on both its financial structure and a new strategic plan.

To facilitate discussions with its creditors, on 14 June 2023 the President of the Nanterre Commercial Court opened mandat ad hoc proceedings at the request of and in favour of the Group and appointed SELARL FHBX, acting through Maître Hélène Bourbouloux, as mandataire ad hoc, for an initial period of four months, which was then extended for a further four months. On 1 March 2024, the President of the Nanterre Commercial Court opened conciliation proceedings in favour of the Company and appointed SELARL FHBX, acting through Maître Hélène Bourbouloux as conciliator for the Company.

Throughout these exchanges, Socolal Group has on several occasions sought the agreement of the holders of Bonds and Mini Bonds to defer to 29 February 2024 the payment of coupons due on 15 June 2023, 15 September 2023 and 15 December 2023. Since then, the Company has not paid these coupons or the coupon due on 15 March 2024. These four coupons, as well as the one due on 15 June 2024, will be converted into capital as part of the financial restructuring.

On 20 December 2023, the Company also announced that it had obtained a waiver of some of its financial covenants relating to the bond issue documentation. These financial covenants concern the consolidated EBITDA ratio level to consolidated net interest expenses and the consolidated net leverage ratio level, both as assessed at 31 December 2023. The RCF creditors had also agreed not to exercise their rights in this respect.

On 26 February 2024, due to the ongoing discussions, the Company decided to postpone the publication date of its 2023 financial results, originally scheduled for 29 February 2024. A press release dated 13 March reported on the progress of discussions with its financial creditors and Ycor.

On 12 April 2024, Solocal Group announced that it had signed an Agreement in Principle with Ycor, most of its bondholders and RCF creditors and its main shareholders.

On 22 April 2024, the Bondholders' General Meeting of Solocal Group approved the proposed amendment of the accelerated financial safeguard plan by 99.8% of the votes cast.

The signing of an Agreement in Principle between Solocal, Ycor and its main creditors (RCF lenders and Bond and Mini Bond holders)

The signing of the Agreement in Principle between the Company, Ycor and its main creditors (RCF lenders and Bond and Mini Bond holders), under the aegis of the conciliator, provides for the following:

- **a contribution of €43 million** to the Company exclusively in equity, including a maximum of €38 million from Ycor, of which (i) €25 million via subscription to a capital increase in cash reserved for Ycor, and (ii) (if this commitment is called) approximately €13 million via a backstop commitment to a capital increase with shareholders' preferential subscription rights for a total amount of around €18 million;
- **the contribution in kind** of all shares issued by Regicom Webformance SAS (“**Regicom**”) to the Company;

- at the date of the effective completion of the contemplated share capital increases and issuance of securities, **the partial repayment of existing RCF debt, in the amount of €20 million**, with part of the proceeds from the above-mentioned equity contributions;
- **a massive reduction in the nominal amount of the Company's existing gross bond debt** (including interest due) **by approximately 85%**, with different amortisation or conversion profiles depending on the nature of the reinstated debt.

NOTE 3. Going concern

With the available cash as at 31 December 2023 and the suspension of the payment of Bond and Mini Bond coupons, which will be capitalised as part of the above-mentioned financial restructuring, the Company will have sufficient cash to finance its activities during the interim period up to the effective completion of the financial restructuring, expected in the third quarter of 2024.

The effective completion of the financial restructuring scheduled for Q1 2024 will meet the Company's estimated cash requirements until the end of April 2025. Under these circumstances, the Company would be able to meet its repayments over the next 12 months based on the revised payment schedule of the reinstated debt.

Based on the assumption of the satisfactory completion of the financial restructuring and the lifting of the conditions precedent described in paragraph 6.1. 4 "Agreement in Principal on Solocal Group's financial restructuring", the Board of Directors' meeting of 23 April 2024 approved the annual financial statements for the year ended 31 December 2023 on a going concern basis.

Nevertheless, in the event that the conditions precedent cannot be fully lifted and the financial restructuring successfully completed, the Company may not be able to realise its assets and settle its liabilities in the normal course of business and the application of IFRS accounting policies in a normal context of continuing operations, especially with regard to the measurement of assets and liabilities, may be inappropriate. Therefore, this situation creates a material uncertainty regarding the going concern status.

From an operational viewpoint, the Company and its subsidiaries are continuing to implement its strategy by fostering the conditions for customer acquisition and development and by introducing specific measures to reduce the level of churn. The Company and its subsidiaries are also continuing their efforts to manage their mainly fixed cost structure.

NOTE 4. Accounting methods and principles

Solocal Group's annual financial statements were prepared under Chaiman and CEO authorities, and approved by the Board of Directors on 23 April 2024.

Solocal Group's annual financial statements were prepared pursuant to the legal and regulatory provisions applicable in France, and in compliance with ANC Regulation 2014-03, which has been updated by all regulations that subsequently amended it, on the understanding that the presentation of the balance sheet and income statement has been tailored to reflect the Company's holding activities.

The accounting conventions have been applied in compliance with the principle of prudence in accordance with the basic assumptions of going, continuity of accounting methods from one year to the next and independence of financial years, in accordance with the general rules for the preparation and presentation of financial statements.

The primarily method used for valuing items recorded in the accounts is the historical cost method.

NOTE 5. Additional information relating to the balance sheet and income statement

5.1 Tangible and intangible fixed assets

Intangible fixed assets include software, which is amortised on a pro rata basis over three years.

Tangible fixed assets include:
- office equipment and furniture depreciated over 10 years;
- IT equipment depreciated over 3 years;
- assets under construction.

The change in intangible and tangible assets is analysed as follows:

Gross *(in €K)*	31 December 2022	Acquisition	Decrease	31 December 2023
Software	424	-	-	424
Fixtures	13,097	27	-	13,124
IT equipment	158	-	-	158
Furniture	4,087	-	-	4,087
Assets under construction	57	-	57	-
GROSS TOTAL	**17,824**	**27**	**57**	**17,793**

Depreciation and amortisation *(in €K)*	31 December 2022	Allowances	Reversals	31 December 2023
Software	424	-	-	424
Fixtures	8,513	1,304	-	9,818
Computer equipment	152	2	-	154
Furniture	2,697	407	-	3,104
TOTAL DEPRECIATION AND AMORTISATION	**11,787**	**1,713**	**-**	**13,500**

Net	31 December 2022	31 December 2023
Software	-	-
Fixtures	4,584	3,306
Computer equipment	6	4
Furniture	1,390	983
Assets under construction	57	-
TOTAL NET	**6,036**	**4,294**

5.2 Investments in and loans to participating interests

Equity interests are stated at the historical cost of acquisition by Solocal Group, which includes any expenses directly attributable to the transaction.

A provision for impairment is recognised if this value exceeds the value in use as assessed on the basis of various criteria such as the market value, the prospects for development and profitability and shareholders' equity, taking into account the specific nature of each participating interest.

Note that if the value in use is negative:
- the equity interests are fully written down; and
- a provision is recognised for the remaining amount on the overdrawn current account between Solocal Group and the participating interest.

The value in use applied by the Group is the present value of future cash flows in the Group's business plan. Cash flow projections are based on assumptions regarding the economic and regulatory outlook and future operating conditions adopted by Management, in particular:
- cash flows based on the most recent business plan to 2029, updated to reflect current trends and any delays or changes in the implementation of the plan;
- the terminal cash flow is determined by applying a perpetual growth rate;
- cash flows are discounted at a rate appropriate to the nature of the Group's activities, its particular financial situation and the challenges it faces in reversing the downward trend.

It is important to explain the background to this business plan. As mentioned in Note 2 – HIghlights, the Group has been in discussions with its creditors since summer 2023. At the same time, the Group prepared a business plan to serve as a basis for those discussions. The aim of this business plan was to establish a turnaround plan for the Group based on the observation that without investment, the Group would not be able to reinvent itself and recover from the downward trend in sales and revenue, which are the only factors that can secure the Group's long-term future. The Group was assisted in its preparations by a number of external consulting firms. In 2024, this business plan was updated to reflect the most recent trends and a delay in implementing the plan due to the length of the Group's negotiations on its financial structure. It is important to note that this business plan was not funded.

The change in investments in and loans to participating interests is analysed as follows:

	Year ended 31 December				
	2023				2022
(in thousands of euros)	% interest	Gross value	Provision	Net book value	Net book value
Participating interests					
Solocal SA	100%	2,937,063	(2,937,063)	0	97,726
Solocal Marketing Services	100%	7,275	-	7,275	7,275
Yelster Digital	100%	14,997	(14,100)	897	897
Solocal Outre-mer	100%	76	-	76	76
Cristallerie 5	100%	20	-	20	20
Effilab	100%	20,532	(17,034)	3,498	8,099
Leadformance	100%	25,301	(25,301)	(0)	(0)
Orbit Interactive	100%	76	(76)	-	76
GIE Solocal	15.75%	2	-	2	2
Alliance Gravity	11%	250	-	250	250
Solocal Interactive	100%	-	-	-	-
Total		**3,005,592**	**(2,993,574)**	**12,018**	**114,419**
Other non-current securities					
TOTAL		**-**	**-**	**-**	**-**
TOTAL PARTICIPATING INTERESTS AND OTHER INVESTMENTS		**3,005,592**	**(2,993,574)**	**12,018**	**114,419**

In 2023, the following investments were written down on the basis of values in use derived from the business plan drawn up by Group Management and broken down by legal entity:

- Solocal SA by €97.7 million, reducing the net book value to zero. The current account with Solocal SA (gross value of €190 million) was also written down by €179.1 million.
- Effilab by €4.6 million, reducing the net book value to €3.5 million.
- Orbit Interactive by €76 thousand, reducing the net book value to zero.

5.3 Trade receivables, impairment of receivables and sundry receivables

	Year ended 31 December	
(in thousands of euros)	2023	2022
Gross trade accounts receivable	180	336
Impairment	-	-
NET TRADE ACCOUNTS RECEIVABLE	**180**	**336**

These receivables include those associated with services invoiced by Solocal Group to its subsidiaries, as well as re-invoicing of premises.

All trade accounts receivable and sundry receivables are due within less than one year.

Tax and social security receivables amounted to €6.8 million in 2023, compared to €5.9 million in 2022. These receivables include deductible VAT (€3.1 million) and income tax (€3.7 million).

In 2023, prepaid expenses amounted to €5.4 million. They mainly consisted of rents for the first quarter of 2024 (with a corresponding entry in trade accounts payable).

5.4 Cash and cash equivalents, short-term investments, current accounts and financial liabilities

Cash and cash equivalents as at 31 December 2023 consisted of immediately available cash and short-term investments maturing within three months of their acquisition date.

A provision is recognised in respect of treasury shares on the basis of the average price over the final month of the financial year.

	Year ended 31 December	
(in thousands of euros)	2023	2022
Net current account assets	**14,129**	**185,942**
Treasury shares	112	380
Treasury shares – impairment	(74)	(97)
Other short-term investments	-	-
Cash and cash equivalents	29,770	30,153
Bond redemption premium	472	860
Cash and cash equivalents, short-term investments and current accounts	**44,409**	**217,239**
Revolving credit line drawn (RCF)	34,000	34,000
Accrued interest not yet due	25	-
SUB-TOTAL OF BORROWINGS AND FINANCIAL LIABILITIES WITH CREDIT INSTITUTIONS	**34,025**	**34,000**
Borrowings and financial debts from Group companies	48	48
Non-convertible bonds	195,433	195,433
Accrued interest not yet due on non-convertible bonds	16,537	792
SUB-TOTAL OF BORROWINGS AND FINANCIAL LIABILITIES	**212,018**	**196,274**
Current account liabilities	**67,038**	**65,944**
GROSS FINANCIAL DEBT	**313,082**	**296,218**
Due in less than one year	*313,082*	*100,784*
Due in more than one year		*195,433*
NET CASH (DEBT)	**(268,673)**	**(78,979)**

Bonds

Following the completion of the financial restructuring in 2020, the nominal value of the Company's residual gross debt was reduced to €168.4 million, having been restructured in the form of a bond issue of 334,125,321 bonds, each with a face value of €0.5041647472146, reserved for creditors under the Credit Agreement and settled on 5 October 2020. The main terms of the bond issue are as follows (as of 1 October 2020).

At the end of 2023, the nominal value was €176.7 million after capitalisation of 50% of the first year's interest.

Interest:

- 3-month Euribor with a floor of 1% plus a 7% spread payable quarterly in arrears on 15 March, 15 June, 15 September and 15 December, all in cash.
- Late payment interest: 1% increase in the applicable interest rate.

Financial commitments:

- the consolidated net leverage ratio (consolidated net debt/consolidated EBITDA) must be less than 3.5:1;
- the interest cover ratio (consolidated EBITDA/consolidated net interest expense) must be greater than 3.0:1;
- and if the consolidated net leverage ratio exceeds 1.5:1 on 31 December of the preceding year, capital expenditure (excluding growth operations) for Solocal and its subsidiaries may not exceed 10% of the consolidated revenue of Solocal and its subsidiaries.

Solocal obtained a waiver of its financial covenants contained in the bond issue documentation.

Maturity date : 15 March 2025.

Listing: official list of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market.

Early repayment or redemption:

Solocal Group can at any time, and in several instalments, redeem all or a portion of the Bonds at a redemption price equal to 100% of the principal amount plus, during a period of 2.5 years, a "non-call" early redemption penalty equivalent to the interest due from 6 August 2020 to 6 February 2023.

Moreover, the Bonds shall be subject to mandatory early redemption (subject to certain exceptions) in whole or in part, upon the occurrence of certain events, such as a change of control, an asset sale or the receipt of net debt proceeds or net receivables proceeds. There are also arrangements in place for mandatory early redemptions funded by a percentage of excess cash flows, depending on the Company's consolidated net leverage ratio.

The terms and conditions of the Bonds also contain certain negative covenants prohibiting Solocal and its subsidiaries, subject to certain exceptions, from:

- taking on additional financial debt;
- granting security interests;
- making dividend payments or distributions to shareholders; by derogation, dividend payments or distributions to shareholders are permitted if the consolidated net leverage ratio does not exceed 1.0:1.

The bond issue is indirectly guaranteed by a pledge of Solocal SA securities held by Solocal Group.

Under the Agreement in Principle, almost the entire amount of the bond issue will be converted into capital. A principal amount of €5 million due in respect of the bond issue will be converted into deeply subordinated perpetual notes (titres de dette super-subordonnés à durée indéterminée - TSSDI) governed by French law (Article L. 228-97 of the French Commercial Code) (the "**TSSDIs**").

The TSSDIs will not bear interest. No payment may be made in respect of the TSSDIs before full payment of all amounts due in respect of the RCF, as amended under the 2024 Conciliation Protocol.

No dividends may be paid until the TSSDIs have been fully redeemed.

Mini Bond:

On 14 August 2020, following the adoption of the Amended Safeguard Plan and the approval of a conciliation protocol by the Nanterre Commercial Court, Solocal Group completed a bond issue for a total principal amount of €17,777,777, with a discount of approximately 10% for a subscription amount of around €16 million.

At the end of 2023, the nominal value was €18.7 million following the capitalisation of 50% of the first year's interest.

The bonds, with a par value of one (1) euro, have essentially the same characteristics as the Bond. The main terms include in particular:

Solocal obtained a waiver of its financial covenants contained in the Mini Bond documentation.

Interest:

- 3-month Euribor with a floor of 1% plus a 7% spread payable entirely in cash since 15 December 2021, quarterly in arrears on 15 March, 15 June, 15 September and 15 December.
- **Maturity:** 15 March 2025.
- **Listing:** Euronext.

The amounts owed under these bonds are guaranteed by a fifth-ranking pledge of the securities account relating to the securities issued by Solocal SA and held by Solocal Group.

Under the Agreement in Principle, the amount due under the Mini Bonds is €18,743,702.88 in principal, payable at maturity, plus interest payable quarterly in arrears on 15 March, 15 June, 15 September and 15 December, and maturing on 15 March 2025. This estimated amount of approximately €21 million will be reinstated at maturity on 15 March 2025 with PIK interest (Euribor + 5%) if the Group's EBITDA exceeds €120 million in 2027. Otherwise, the maturity date will be extended to 15 March 2031, with repayment of one-third on 15 March 2029, one-third on 15 March 2030 and one-third on 15 March 2031.

Revolving credit facility:

A revolving credit facility of €15 million was signed in February 2020 with two banking partners. The Company worked on increasing this credit facility, which increased by €25 million on 12 July 2020, then €10 million on 6 December 2020 reaching €50 million. This revolving credit facility was fully drawn down and repaid in the amount of €16 million.

The outstanding amount due is €34 million.

The initial maturity date of the RCF was September 2023 As a reminder, Solocal Group notified the RCF lenders, in accordance with the contractual documentation, of its proposal to repay them in shares in September 2023. The RCF lenders did not consider this to be an acceptable option, particularly given the stock price of the Solocal Group shares. Under the terms of the contractual documentation, Solocal Group considers that, in these circumstances, the maturity of the RCF debt has been extended to 30 September 2024.

The amount of the RCF is the same as before, but its terms have changed:

- **Interest:** Euribor with a 0% floor + margin.
- **Facility fee:** 3.5% annual payable on 15 September 2021, 30 September 2022, 30 September 2023.
- **Margin:** 5%.
- **Maturity**: 29 September 2024.
- **Repayment:** September 2024: repayment of the residual debt in cash.

The RCF creditors also agreed not to exercise their rights in respect of some of the financial commitments until 20 January 2024 and have not exercised them thereafter. Under the Agreement in Principle, €20 million of the RCF would be repaid on completion of the proposed capital increases and issuances of securities. The remaining amount (€14 million) is being reinstated with amended terms: four equal instalments of €3.5 million to be paid in March 2025, September 2025, March 2026 and September 2026. Interest calculated on the basis of Euribor +8.5% will be paid in cash.

Receivables maturity schedule

	As at 31/12/2023		
(in thousands of euros)	Gross amount	Up to 1 year	More than 1 year
Bond redemption premium	472	472	-
SUBTOTAL FINANCIAL RECEIVABLES	**472**	**472**	**-**
Current accounts	206,202	206,202	
Trade accounts receivable	180	180	
Tax and social security receivables	6,778	6,778	-
Receivables from subsidiaries	-	-	-
Sundry receivables	-	-	-
TOTAL	**213,632**	**213,632**	

5.5 Share capital and shareholders' equity

Share capital

Solocal's share capital is comprised of 131,906,654 shares each with a par value of €1, i.e. a total amount of €131,906,654. It did not change in 2023.

Date	Description	Number of shares	Unit value	Capital in euros
31 DECEMBER 2023	**SHARE CAPITAL AT THE END OF THE PERIOD**	**131,906,654**	**1.00**	**131,906,654**
31 December 2022	Share capital at the end of the period	131,906,654	1.00	131,906,654
31 December 2021	Share capital at the end of the period	131,694,468	1.00	131,694,468

Changes in equity

Changes in Solocal's equity in 2023 can be analysed as follows:

(in thousands of euros)	Number of shares	Share capital	Issue premium	Statutory reserve	Other reserves	Retained earnings	Net income	Regulated provisions	Equity
At 31/12/2022	131,906,654	131,907	1,026,285	5,824	37,852	(613,655)	(558,089)	1,215	31,341
Capital increase	-	-	-	-	-	-	-	-	-
MCB conversion	-	-	-	-	-	-	-	-	-
Offer reserved for employees	-	-	-	-	-	-	-	-	-
Free shares	-	-	-	-		-	-	-	-
Appropriation of income	-	-	-	-	-	(558,089)	558,089	-	-
2023 net income	-	-	-	-	-	-	(292,524)	-	(292,524)
Allowance for tax-related provisions	-	-	-	-	-	-	-	-	-
At 31/12/2023	**131,906,654**	**131,907**	**1,026,285**	**5,824**	**37,852**	**(1,171,743)**	**(292,524)**	**1,215**	**(261,183)**

Equity position

As in the year ended 31 December 2022, the losses recorded in the company financial statements for the year ended 31 December 2023 resulted in the situation where the Company's equity was less than half of its share capital. However, the provisions of Article L. 225-248 of the French Commercial Code which require the Board of Directors, within four months of approving the financial statements, to convene an Extraordinary General Meeting to decide whether there are grounds for the early dissolution of the Company, do not apply to the Company, which benefits from an accelerated safeguard plan as approved by the Nanterre Commercial Court on 9 May 2014, and subsequently amended on two occasions by the same court (on 22 December 2016 and 6 August 2020 respectively), and therefore falls within the scope of the exception provided for in the final subparagraph of the aforementioned article of the French Commercial Code.

5.6 Stock options and free shares

Stock options

No stock option plans have been granted by Solocal Group or by any of its subsidiaries over the last two years.

Free shares

2021 plan

In 2021, the shareholders of Solocal Group, meeting at the Combined General Shareholders' Meeting of 27 November 2020, authorised the Board of Directors to set up, in favour of certain senior executives and employees of the Company and affiliated companies, a performance share plan as defined in Articles L. 225-197-1 et seq. of the French Commercial Code.

The maximum number of performance shares that can be awarded free of charge is 1,295,087 Company shares, including a maximum of 431,695 shares for the Company's corporate officers.

The final allotment of shares will be subject to a condition of presence in the company and a performance condition, which will be based on the level of achievement of a target relating to the free cash flow aggregate and on the movement in the Company's share price.

2022 plan

The shareholders of Solocal Group, meeting at the Combined General Shareholders' Meeting of 03 June 2021, authorised the Board of Directors to set up, in favour of certain senior executives and employees of the Company and affiliated companies, a performance share plan as defined in Articles L. 225-197-1 et seq. of the French Commercial Code.

The number of performance shares that may be granted free of charge is capped at 987,708 Company shares.

On 26 April 2022, 797,500 performance shares were granted to 30 beneficiaries, including 370,000 under the "non-CEO" LTI plan, 230,000 under the "Executive Committee" LTI plan and 197,500 under the "CEO" LTI plan.

On 25 October 2022, the Board of Directors approved an allotment of 90,000 shares to two beneficiaries.

For all of these plans, the performance condition is assessed over a reference period of three years and based on two criteria:

- an off-market criterion: the level of achievement of the free cash flow target during the Reference Period; and
- a market criterion: the change in Solocal's share price during the Reference Period.

5.7 Provisions for risks and contingencies

In 2023, no provisions for retirement benefits and long-service awards were recognised in the financial statements since the Company's workforce consists of only one corporate officer.

The other provisions for risks are based on the best possible estimate of the risk incurred by Solocal Group.

At 31 December 2023, these provisions amounted to €0.1 million.

5.8 Debt maturity schedule

	As at 31/12/2023		
(in thousands of euros)	Gross amount	Up to 1 year	More than 1 year
Bank loans	34,000	34,000	
Accrued interest not yet due	16,562	16,562	-
Borrowings and financial debts from Group companies	48	48	-
Non-convertible bonds	195,433	195,433	-
SUB-TOTAL OF BORROWINGS AND FINANCIAL LIABILITIES	**246,044**	**246,044**	**-**
Current accounts	**67,038**	**67,038**	**-**
Trade accounts payable and related accounts	20,386	16,278	4,108
Tax and social security payables	1,025	1,025	-
Amounts owed to subsidiaries (tax consolidation)	5,575	5,575	-
Sundry payables	78	78	-
TOTAL	**340,147**	**336,039**	**4,108**

Trade payables due in more than one year mainly comprise the impact of smoothing of rent-free periods obtained for the Citylights premises at Boulogne-Billancourt, as well as the settlement fees paid in respect of City3.

5.9 Accrued income and expenses

Income receivable *(in thousands of euros)*	Year ended 31 December 2023	2022
Trade receivables – Invoices to be issued	-	336
Tax and social security receivables – Corporate income tax	3,676	1,573
Tax and social security receivables – VAT	1,913	3,453
Sundry receivables – Financial income receivable	-	-
TOTAL	**5,589**	**5,362**

Charges payable *(in thousands of euros)*	Year ended 31 December 2023	2022
Financial liabilities – Accrued interest not yet due	16,562	2,570
Trade accounts payable and related accounts	13,592	19,106
Tax and social security payables – VAT, tax, salaries and social charges	1,025	1,567
Sundry payables	-	-
TOTAL	**31,179**	**23,243**

5.10 Corporate income tax

Tax consolidation

On 3 December 2004, Solocal Group opted for the tax regime for groups of companies provided for in Articles 223A et seq. of the French Tax Code for a tacitly renewable five-year period effective from 1 January 2005. Solocal is solely liable for the corporate income tax on all of the earnings of the tax consolidation group formed by itself and the companies in which it directly or indirectly holds at least 95% of the share capital and which are signatories to the tax consolidation agreement.

For accounting purposes, Solocal Group recognises:

- under "Tax consolidation current accounts – assets", with a matching entry in the income tax account, the tax amount payable by the beneficiary companies that belong to the tax consolidation group;
- under "Tax consolidation current accounts – liabilities", with a matching entry in the income tax account, the tax amount payable by the tax consolidation group.

In addition to Solocal Group, which is the parent company, the tax group comprised six companies as at 31 December 2023: Solocal SA, Solocal Marketing Services, Solocal Outre-mer, Leadformance, Cristallerie 5 and Effilab.

Under this tax consolidation agreement, tax savings are recognised by Solocal as income for the year.

Balance sheet positions

(in thousands of euros)	Year ended 31 December 2023	2022
Tax consolidation current accounts – assets	-	401
State – Corporate income tax receivable	3,676	1,573
Tax consolidation current accounts – liabilities	(5,575)	(1,316)
NET BALANCE SHEET POSITION – ASSET (LIABILITY)	**(1,899)**	**658**

5.11 Breakdown of revenues

Revenues amounted to €15.2 million in 2023, compared to €16.4 million in 2022. They were made up of the following:

	Year ended 31 December	
(in thousands of euros)	2023	2022
Fees France	625	1,202
Provision of real estate services	14,599	15,181
REVENUE	**15,224**	**16,383**

5.12 Operating expenses

Staff expenses stood at €0.7 million in 2023 compared to €1.1 million in 2022, for an average staff count of one person in 2023, stable versus 2022.

Other operating expenses rose from €25.5 million in 2022 to €27.9 million in 2023.

Solocal Group posted an operating loss of €13.4 million in 2023, having also posted a loss of €10.2 million in 2022.

5.13 Financial income

(in thousands of euros)	2023	2022
Dividends	19,314	21,714
Other financial income	8,710	2,400
Reversals of provisions	-	-
FINANCIAL INCOME	**28,024**	**24,114**
Interest on borrowings and sundry financial liabilities	(25,743)	(18,430)
Other financial expenses	(275)	(170)
Transfers to financial provisions	(283,507)	(561,395)
Gross value of assigned claims	-	-
Foreign exchange losses	-	90
FINANCIAL EXPENSES	**(309,526)**	**(579,906)**
FINANCIAL INCOME	**(281,502)**	**(555,792)**

Financial income totalled €28 million in 2023, compared to €24.1 million in 2022. It mainly comprised dividends received from Solocal Marketing Services SA in the amount of €19.3 million.

Financial expenses mainly consisted of:

- interest on financial debt (Bonds, Mini Bonds and RCF);
- provisions for impairment of equity interests and current accounts in the amount of €283.1 million (see table below).

(in millions of euros)	2023 financial year Prov. for equity interests	C/A prov.	Total	2022 financial year Prov. for equity interests	C/A prov.	Total
Solocal SA	(97.7)	(179.1)	(276.8)	(552.9)		(552.9)
Effilab	(4.6)		(4.6)	(4.6)		(4.6)
Leadformance		(1.5)	(1.5)		(3.4)	(3.4)
Orbit	(0.1)	(0.1)	(0.2)			0.0
TOTAL	**(102.4)**	**(180.8)**	**(283.1)**	**(557.5)**	**(3.4)**	**(560.9)**

5.14 Exceptional items

(in thousands of euros)	Year ended 31 December 2023	2022
Income from disposal	-	-
Reversal of provisions and impairments	-	245
Other income	868	597
EXCEPTIONAL INCOME	**868**	**842**
Net book value of assigned assets	-	-
Depreciation/amortisation for tax purposes	-	-
Allowances for exceptional provisions	-	-
Other expenses	(4,199)	(189)
EXCEPTIONAL EXPENSES	**(4,199)**	**(189)**
EXCEPTIONAL ITEMS	**(3,332)**	**653**

Exceptional items amounted to -€3.3 million in 2023 compared to €0.6 million in 2022.

Exceptional income stood at €0.9 million and was related to the subletting of offices.

Exceptional expenses stood at €4.2 million in 2023. They mainly consisted of strategic plan expenditures.

NOTE 6. Other

6.1 Off-balance-sheet commitments

Current accounts with subsidiaries

Solocal Group has undertaken not to request any repayment of current accounts from its subsidiaries in order to allow them to meet their commitments and continue operating normally, until the date of the General Shareholders' Meeting to be held to approve the financial statements for the year ending 31 December 2024.

Pledge of securities

Bond issues are directly guaranteed by a pledge of Solocal SA securities held by Solocal Group.

The Company has also undertaken to pledge to the lending banks a financial instrument account relating to the securities of any subsidiary which becomes a material subsidiary according to the criteria laid down in the bond indenture, as collateral in respect of all sums owed by the Company (including principal, interest, commission, charges and ancillary costs).

Solocal Group undertakes not to request reimbursement of the current account of its subsidiaries in the next 12 months.

Leases

Solocal has entered into commercial lease agreements with two separate investors. The premises are located in Boulogne-Billancourt, in the towers of a building complex known as Citylights.

The lease contracts were irrevocably signed for a firm period of 10 years, as Solocal Group has waived its 3-year termination right until the end of the firm period of the lease contracts. The leases came into force on 9 May 2016 and shall expire on 8 May 2026.

On 31 December 2019, Solocal Group signed an agreement with the lessor of Citylights to terminate the lease for the unoccupied premises. As a result, the premises leased by Solocal Group on behalf of its entities have a surface area of 30,489 m^2, for a total commitment for these two contracts amounting to €31.9 million (excluding expenses and rent indexing) as at 31 December 2023. Almost all of this space is re-invoiced to the Group's subsidiaries as real estate services.

Security deposits for an amount of €4 million were paid subsequent to moving into the premises at Boulogne-Billancourt.

Since 2021, the Company has sublet part of the premises to OPCO.

6.2 Directors' fees and compensation of corporate officers

Directors' fees amounted to €0.5 million for 2023 and €0.5 million for 2022.

The gross compensation paid to the corporate officer amounted to €0.75 million in 2023 and €1 million in 2022.

6.3 Staff count

Average full-time equivalent	2023	2022
Managerial staff	1.0	1.0
Employees	-	-
TOTAL	**1.0**	**1.0**

6.4 Subsequent events

Agreement in Principle on Solocal's financial restructuring

On 12 April 2024, Solocal Group announced that it had signed an Agreement in Principle between the Company, Ycor, bondholders representing 84% of the Bonds and 100% of the Mini Bonds respectively, and creditors representing 78.6% of the RCF (pending internal validation of the last RCF creditor). The terms of the Agreement in Principle, which are binding on the parties, include the following:

- **a contribution of €43 million** to the Company exclusively in equity, including a maximum of €38 million from Ycor, of which (i) €25 million via subscription to a capital increase in cash reserved for Ycor, and (ii) (if this commitment is called) approximately €13 million via a backstop commitment to a capital increase with shareholders' preferential subscription rights for a total amount of around €18 million;
- **the contribution in kind** of all shares issued by Regicom Webformance SAS ("**Regicom**") to the Company;
- at the date of the effective completion of the contemplated share capital increases and issuance of securities, **the partial repayment of existing RCF debt, in the amount of €20 million**, with part of the proceeds from the above-mentioned equity contributions;
- **a massive reduction in the nominal amount of the Company's existing gross bond debt** (including interest due) **by approximately 85%**, with different amortisation or conversion profiles depending on the nature of the reinstated debt.

This agreement will allow Solocal Group to continue its operations (and, in particular, to cover the Company's liquidity needs over a horizon of more than 12 months) and provides a viable framework for the long-term development of the activities of the Company and its subsidiaries.

Conditions precedent

The approval of the amendment to the accelerated financial safeguard plan remains subject to the fulfilment of the following main conditions precedent:

- the approval by the Company's General Shareholders' Meeting of the resolutions necessary to implement the plan no later than 28 June 2024 (unless Ycor agrees to a later date);
- the adoption of all decisions of the Company's Board of Directors necessary to implement the contemplated governance arrangements no later than on the date of completion of the contemplated issuances of securities and of all resolutions submitted to the Company's General Shareholders' Meeting necessary to implement the financial safeguard plan, and the rejection of any resolution that would be contrary to the implementation of the financial safeguard plan;
- obtaining, if necessary, an unconditional decision by any competition authority authorising or not opposing (where such non-objection is, under applicable law, construed as an authorisation to carry out the proposed restructuring) the restructuring as contemplated under the accelerated financial safeguard plan;
- obtaining a waiver from the Autorité des Marchés Financiers (AMF) from the obligation for Ycor to make a public tender offer for the Company's shares (the "**AMF Share Capital Increase Exemption**") on the basis of Article 234-9, 2° of the AMF General Regulation valid and in force; as the case may be, obtaining a waiver from the AMF of the obligation for Ycor to make a public tender offer for the Company's shares (the "**AMF Contribution Exemption**") in relation to the contribution of Regicom on the basis of Article 234-9, 3 of the AMF General Regulation valid and in force;
- the delivery of the report of the contribution auditor to be appointed for the purposes of implementing the share capital increase to be subscribed by Ycor in the context of the contribution in kind of Regicom to the Company;
- the delivery of the report of the independent expert to be appointed by the Company's Board of Directors, pursuant to Article 261-3 of the AMF General Regulation, on the fairness of the financial terms of the restructuring for the existing shareholders;
- obtaining the approval from the Autorité des Marchés Financiers for the prospectuses relating to the share capital increases and the issuance of Warrants;
- the agreement of the creditors under the BPI Atout Loan on the extension of this debt (unless otherwise agreed by Ycor);
- the signature of a conciliation protocol no later than on 30 April 2024 (unless Ycor and the Company agree on a later date) and the acknowledgement or homologation of this conciliation protocol simultaneously with the approval of the accelerated financial safeguard plan (unless Ycor and the Company agree on a later date).

In addition, the implementation of the financial restructuring of the Company remains subject to the fulfilment of the following conditions precedent:

- the finalisation of the implementation documents required to implement the accelerated financial safeguard plan.

In the event that the Company's shareholders reject it, the Company will implement the financial restructuring under a new collective proceeding that will follow the termination of the Company's restructuring plan adopted in 2020, subject to the legal conditions for such termination and the opening of such new collective proceeding being met.

Next steps and indicative timetable of operations

The financial restructuring is expected to be completed during the third quarter of 2024.

Approval of the financial statements

On this basis and taking into account its assessment of liquidity risk, on 23 April 2024 the Board of Directors approved the annual consolidated financial statements for the year ended 31 December 2023 on a going concern basis, assuming the satisfactory completion of the financial restructuring described above including the lifting of the conditions precedent including obtaining the approval of the merger control authorities and a waiver from the AMF of the obligation to launch a public tender offer, the homologation of the amended Safeguard Plan by the Commercial Court and its approval by the shareholders.

Nevertheless, as mentioned in paragraph 3 Going concern, in the event that the conditions precedent cannot be fully lifted and the financial restructuring successfully completed, the Company may not be able to realise its assets and settle its liabilities in the normal course of business and the application of IFRS/French accounting policies in a normal context of continuing operations, especially with regard to the measurement of assets and liabilities, may be inappropriate. Therefore, this situation creates a material uncertainty regarding the going concern status.

Signing of an agreement on the Citylights lease

Concomitantly with the financial restructuring of the Group, Solocal carried out an in-depth analysis in order to streamline the use of its headquarter with the objective of reducing the rented surface area. The Company has entered into discussions with the owner of its head office located in Boulogne-Billancourt. The Group was committed to a lease contract for a firm term of 10 years until May 2026.

Following discussions with the lessor, an agreement was reached on a lease with the following key terms and conditions:

- A reduction in leased space of around two-thirds from 1 January 2025
- Renewed commitment to lease these revised spaces for an irrevocable term of six years
- Compensation of the lessor for the rent-free period initially granted, on a pro rata basis

The condition precedent to this renegotiation is the successful completion of the Group's financial restructuring process referred to in the press release published on 12 April 2024.

6.5 Table of subsidiaries and participating interests

Subsidiaries and participating interests *(in thousands of euros)*	Capital	Shareholders' equity excl. capital & before appropriation of income	Share of capital held *(in %)*	Book value of securities held		Loans & advances granted by the Company, not yet reimbursed (excl. current accounts)	Amount of guarantees or sureties given by the Company	Revenues of last financial year ended	Net income of last financial year ended	Dividends collected by the Company during the financial year	Observations
				Gross	Net						
Detailed information on subsidiaries and participating interests											
1/SUBSIDIARY: >50% HELD BY THE COMPANY											
Solocal SA 204 RPT du Pont de Sèvres 92100 Boulogne-Billancourt SIREN: 444 212 955	881,108	(899,694)	100%	2,937,063	0	-	-	300,504	386	-	
SoMS SA 204 RPT du Pont de Sèvres 92100 Boulogne-Billancourt SIREN: 422 041 426	7,275	1,037	100%	7,275	7,275	-	-	76,329	16,359	19,314	
Solocal Outre-mer SA 204 RPT du Pont de Sèvres 92100 Boulogne-Billancourt SIREN: 420 423 477	75	90	100%	76	76	-	-	1,419	(25)	-	
Yelster Digital GmbH Linke Wienzeile 8, Top 9 1060 Vienna – Austria RCS Vienna: FN 298562 m	44	11,044	100%	14,997	897			3,373	469	-	
Orbit Interactive Nearchore Park – 1100 boulevard El Qods 11000 Casablanca Sidi Maarouf RC Casablanca: 268969	76	(600)	100%	76	0	-	-	0	62	-	
Leadformance SAS 100 Allée Saint Exupéry – Bat A - 38330 Montbonnont Saint Martin SIREN: 440 743 763	8,250	(17,791)	100%	25,301	0		-	1,072	(2,606)	-	
Effilab 204 RPT du Pont de Sèvres 92100 Boulogne-Billancourt SIREN: 531,205,565	2	1,009	100%	20,532	3,498			7,819	(120)	-	
Cristallerie 5 204 RPT du Pont de Sèvres 92100 Boulogne Billancourt SIREN: 809,343,734	20	(15)	100%	20	20			0	0		
Solocal Interactive Ltd 62, ICT Avenue 1st Floor The Core Cybercity Ebene – Mauritius Business Registration Number C20170476	1	215	100%	0	0			3,529	446		
2/PARTICIPATING INTERESTS (BETWEEN 10 AND 50%)											
GIE Solocal 204 RPT du Pont de Sèvres 92100 Boulogne-Billancourt SIREN: 809,343,734	10	0	16%	2	2			0	(12)		
Alliance Gravity Data Media SAS 10 boulevard de Grenelle 75015 PARIS SIREN: 830 408 803	0	0	11%	250	250			0	0		

5.3.4 SUPPLIER PAYMENT TIMES

	Article D. 441 I. 1°: Overdue invoices received but not paid at the end of the period						Article D. 441 I. 2°: Overdue invoices issued but not paid at the end of the period					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) NUMBER OF DAYS OVERDUE												
Number of invoices concerned						49						0
Total value of invoices concerned *(including VAT)*	6,794,358	0	120	0	0	120	0	0	0	0	0	0
Percentage of the total amount of purchases for the year *(including VAT)*	17.63%	0%	0%	0%	0%	0%						
Percentage of revenue for the year *(including VAT)*							0%	0%	0%	0%	0%	0%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNRECOGNISED PAYABLES AND RECEIVABLES												
Number of invoices excluded												
Total value of invoices excluded												
(C) REFERENCE PAYMENT PERIODS USED												
	Statutory periods						Statutory periods					

This table only includes invoices that had been received but not paid at the end of the period. It does not take account of sundry accounting entries such as accruals for invoices not received.

5.3.5 FINANCIAL PERFORMANCE OVER THE PAST FIVE YEARS (PURSUANT TO ARTICLES R. 225-81, 3° AND R. 225-83, 6° OF THE FRENCH COMMERCIAL CODE)

Nature of the information *(excluding capital, amounts in thousands of euros)*	2019 financial year	2020 financial year	2021 financial year	2022 financial year	2023 financial year
1 – Financial position at year-end					
a) Share capital	61,954,147	129,505,837	131,694,468	131,906,654	131,906,654
b) Number of existing ordinary shares	619,541,466	129,505,837	131,694,468	131,906,654	131,906,654
2 – Total income from operations					
a) Revenues excl. tax[(1)]	18,419	19,027	15,910	16,383	15,224
b) Earnings before tax, profit-sharing, depreciation, amortisation and provisions	(47,565)	(191,661)	(12,325)	(2,448)	(12,991)
c) Corporate income tax	(11,547)	(11,659)	(12,724)	7,290	5,685
d) Employee profit-sharing due for the financial year	-	-	-	-	-
e) Earnings after tax, depreciation, amortisation and provisions	(52,353)	(566,473)	(9,885)	(558,089)	(292,524)
f) Profits distributed in n+1[(2)]	-	-	-	-	-
3 – Earnings per share *(in euros)*					
a) Earnings after tax & profit-sharing but before depreciation, amortisation and provisions	0.05	0	0	0	0
b) Earnings after tax, profit-sharing, depreciation, amortisation and provisions	0	0	0	0	0
c) Dividend paid per share in n+1[(2)]	0	0	0	0	0
4 – Personnel					
a) Average number of salaried employees during the financial year	1	1	1	1	1
b) Total payroll	936	715	748	771	425

(1) The amounts entered under Revenues excl. tax include all operating income.

(2) Or submitted to the General Shareholders' Meeting for the last financial year (before deduction of treasury shares).

5.3.6 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

Year ended 31 December 2023

To the General Shareholders' Meeting of Solocal Group,

Opinion

In compliance with the engagement entrusted to us by your General Shareholders' Meeting, we have audited the accompanying financial statements of Solocal Group for the year ended 31 December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of 31 December 2023 and of the results of its operations for the year then ended.

The opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the section of our report headed "Responsibilities of the Statutory Auditors for the audit of the financial statements".

Independence

We conducted our audit in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors for the period from 1 January 2023 to the issue date of our report, and, in particular, we did not provide any services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Material uncertainty related to going concern

Without qualifying the audit opinion expressed above, we draw your attention to the material uncertainty related to events or conditions that may call into question the Company's ability to continue as a going concern described in Note 3 "Going concern" to the financial statements.

Justification of assessments – Key audit matters

In accordance with Articles L. 821-53 and R. 821-180 of the French Commercial Code relating to the justification of our assessments, in addition to the matter described in the section headed "Material uncertainty related to going concern", we bring to your attention the key audit matters relating to the risks of material misstatement which, in our professional judgement, were of most significance for the audit of the financial statements for the period, together with our responses to those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific elements of the financial statements.

Measurement of the value in use of equity interests

Identified risk

As of 31 December 2023, equity interests with a net book value of €12 million were recorded in the balance sheet, representing 15% of total assets.

As stated in Note 5.2 to the financial statements, a provision for impairment is recognised if the historical cost of the equity interests as recorded in the balance sheet exceeds their value in use, as assessed by the Management of your Company on the basis of various criteria, such as market value, the prospects for growth and profitability, and shareholder's equity, taking into account the specific nature of each participating interest. Where the value in use is determined based on the discounted cash flow method, cash flow projections are based on assumptions regarding the economic and regulatory outlook and future operating conditions adopted by the Group's management for the period up to 2029. In particular:

- the cash flows are based on the most recent business plan, updated to reflect current trends and any delays or changes in the implementation of the plan;
- the terminal cash flow is determined by applying a perpetual growth rate;
- the cash flow is discounted at a rate appropriate to the nature of the Group's activities and its particular financial situation.

A €97.7 million provision for impairment of the securities of its subsidiary Solocal SA was recognised on 31 December 2023, reducing the net book value of these securities to zero.

Given the gross value of the equity interests in the balance sheet and the impairment provisions recognised, the complexity of the models used and their sensitivity to variations in the data and assumptions on which the estimates are based, notably the discounted cash flows, we considered the correct measurement of the value in use of the equity interests to be a key audit matter.

Treatment of the key audit matter during the audit

We reviewed the process used by the Company to measure the value in use of the equity interests and the controls in place.

Where the measurements were based on historical information, our work consisted in comparing the equity figures used with the financial statements of the most significant entities.

Where measurements were based on forecast information, our work mainly consisted of:

- obtaining the report of one of the external consulting firms appointed by the Company to review its estimates, and gaining an understanding of the methods used to determine the values applied, carrying out a critical analysis of the methods used and the results obtained;
- examining, in conjunction with our valuation specialists, the consistency with the economic environment of the assumptions used by Management, particularly as regards the discount rate;
- assessing the consistency of the cash flow and operating forecasts with those of the business plan determined and updated by the Group's management;
- verifying the mathematical accuracy of the calculations of value in use used by the Company.

Specific verifications

In accordance with the professional standards applicable in France, we have also performed the specific verifications required by laws and regulations.

Information given in the management report and other documents on the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report, and in the other documents about the financial position and the financial statements provided to the shareholders.

We attest that the information on payment terms referred to in Article D. 441-6 of the French Commercial Code is fairly presented and consistent with the financial statements.

Corporate governance report

We attest that the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code is set out in the Board of Directors' corporate governance report.

We have verified that the information provided pursuant to Article L. 22-10-9 of the French Commercial Code on the remuneration and benefits paid or awarded to the corporate officers and any other commitments made in their favour is consistent with the financial statements, or with the underlying information used to prepare those financial statements and, where appropriate, with the information obtained by your Company from the entities it controls that are included in the scope of consolidation. Based on these procedures, we attest that this information is accurate and fairly presented.

We have verified that the information provided pursuant to Article L. 22-10-11 of the French Commercial Code on matters that your Company considered liable to have an impact on a public tender or exchange offer conforms to the documents disclosed to us from which it is derived. Based on these procedures, we have no matters to report on this information.

Other information

In accordance with French law, we have verified that the various items of information on the identity of shareholders or holders of voting rights have been disclosed to you in the management report.

Other verifications or information required by laws and regulations

Format for the presentation of financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standards applicable in France relating to the procedures performed by the statutory auditor regarding the annual and consolidated financial statements prepared in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report referred to in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chairman of the Board of Directors and the Chief Executive Officer, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018.

Based on our work, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the financial statements actually included by your Company in the annual financial report filed with the AMF correspond to those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Solocal Group by the General Shareholders' Meeting of 19 October 2016 in the case of Auditex, a member of the Ernst & Young Global Limited network, and by the General Shareholders' Meeting of 2 June 2022 in the case of Deloitte & Associés.

Following a partial contribution of assets by B.E.A.S, a Deloitte network entity, the Solocal Group mandate continued within Deloitte & Associés until its expiry at the General Shareholders' Meeting of 2 June 2022.

As of 31 December 2023, Auditex was in the eighth consecutive year of its engagement and Deloitte & Associés was in its third year.

Deloitte & Associés, B.E.A.S and Ernst & Young Audit previously served as Statutory Auditors for Solocal Group from 2003 to 2015, 2016 to 2020 and 2004 to 2015 respectively, including twelve years, five years and twelve years respectively since the Company's shares were admitted to trading on a regulated market.

Responsibilities of Management and those charged with Governance for the financial statements

Management is responsible for the preparation and fair presentation of financial statements that comply with French accounting principles and for such internal control as it determines is necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern and for using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, internal audit, with respect to the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors for the audit of the financial statements

Audit objective and approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement. 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 taken by users on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of your Company or the quality of the management of your Company's affairs.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit, and furthermore:

- identifies and assesses the risks of material misstatement in the financial statements, whether due to fraud or error, designs and performs audit procedures in response to those risks, and obtains audit evidence that the auditor considers to be sufficient and appropriate to provide a basis for his/her opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, falsification, intentional omissions, misrepresentation or the overriding of internal control;
- obtains an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Management and the related disclosures in the financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may call into question the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, attention must be drawn in the audit report to the relevant disclosures in the financial statements, or, if such disclosures are not provided or are inadequate, a qualified opinion or adverse opinion must be issued;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control that we have identified with respect to the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the financial statements for the period and which are therefore the key audit matters we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code and in the French Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Paris-La Défense, 30 April 2024

The Statutory Auditors

DELOITTE & ASSOCIÉS	**AUDITEX**
	Member of the Ernst & Young Global Limited network
Stéphane RIMBEUF	Mohamed MABROUK

6

CHAPTER

Information on the Company and its capital

6.1 General information on the Company

6.1.1 CORPORATE NAME AND TRADING NAME

The name of the Company is "Solocal Group".

The Group has undergone a profound transformation in order to adapt to technological and societal changes. The name "Solocal Group" expresses our current strength: local and digital services.

6.1.2 REGISTRATION LOCATION AND NUMBER

Trade and Companies Register number: RCS Nanterre 552 028 425

LEI number: 9695005U38X1SF184325

APE code: 7010 Z.

6.1.3 DATE OF INCORPORATION AND TERM (ARTICLE 5 OF THE ARTICLES OF ASSOCIATION)

The Company was incorporated on 12 January 1897 and registered on 21 February 1955. Based on Article 5 of its Articles of Association, the Company is incorporated for a term of 99 years, which began on 31 December 1954 and will run until 31 December 2053, unless it is dissolved earlier or extended as provided for in the Articles of Association.

6.1.4 REGISTERED OFFICE, LEGAL FORM AND LEGISLATION

Head Office of the Company and a large part of the subsidiaries of the Group: 204, Rond-Point du Pont-de-Sèvres, 92100 Boulogne-Billancourt.

Telephone: +33 (0)1 46 23 30 00.

Company's country of origin: France.

Solocal Group is a public limited company with a Board of Directors subject to the provisions of Articles L. 210-1 et seq. of the French Commercial Code.

6.2 Memorandum and Articles of Association

6.2.1 CORPORATE PURPOSE

In accordance with Article 3 of the Articles of Association, the Company's corporate purpose, in France and abroad, is to:

- acquire and hold shares, interests or other securities in French or foreign legal entities, to define the policies to be implemented by subsidiary companies and to provide any and all services to companies in which it holds shares;
- acquire by any means, without exception or reservation, to hold by any means and in any capacity, to manage and, if appropriate, to transfer by any means, without exception or reservation, all or part of any majority or minority interests that may be directly or indirectly related to the Company's corporate purpose and to any similar or ancillary purpose.

In addition, the Company's purpose, in France and abroad, directly or indirectly, is to:

- publish, on its own behalf or on behalf of third parties, all directories using any current or future publication processes and means, to provide information services by any current or future processes and means and to carry on the business of advertising in all its forms, by any method and for any purpose;
- advise, research, design, produce, update and maintain all services related to any type of information distribution system on an open or closed network, whether connected via computer or telephone, wire-based, satellite, cable or other methods, as well as any other activity related to such services, and especially to internet or intranet sites;

- collect, acquire, enhance, manage, process, market, or host data and files of any kind;
- perform all activities related, directly or indirectly, to such services or which represent a prerequisite or accessory, the condition or extension of such services or which are likely to encourage or develop them; and
- in general, to undertake any industrial, commercial, financial, civil, movable property or real estate transactions that may be directly or indirectly related to any of the aforementioned purposes or to any similar or related corporate purposes.

Provisions in the Articles of Incorporation, Articles of Association and the Internal Regulations concerning the administrative and management bodies

The Company is administered by a Board of Directors composed of 3 to 18 members (subject to legal exceptions in the event of a merger). There are currently eight Directors on the Board.

Directors are elected by the shareholders at Ordinary General Shareholders' Meetings. Each Director must hold at least one Company share. Pursuant to the Company's Articles of Association, each Director is elected for a four-year term. There is no limit to the number of times a Director may be re-elected.

The Board of Directors includes a Director who represents the Company's employees as well as the employees of its direct or indirect subsidiaries (within the meaning of Article L. 225-27 of the French Commercial Code) whose registered office is located on French territory.

This Director is elected in two rounds by majority vote. All staff members who meet the conditions set by law are eligible to vote and stand for election. Each candidacy must include, in addition to the candidate's name, the name of a substitute who may replace him or her in the event of absence for any reason.

The Director representing employees is elected for a four-year term. The first Director representing employees shall assume his or her position on the Board at the first meeting of the Board of Directors, held after publication of the complete results of the first elections. The next Director representing employees shall assume his or her position on expiry of the term of the outgoing Director representing employees.

If a Director representing employees ceases to be a member of staff, his or her responsibilities as a Director are terminated.

The Board of Directors elects a Chairman from among its members. The Chairman is elected for his or her entire term as a Director, and may be re-elected.

Board of Directors' meetings are convened by the Chairman. Meetings may be convened by any means, including verbally in an emergency, and as often as the Chairman deems necessary.

They may be held at the registered office or any other location indicated in the Notice of Meeting. When the Board of Directors has not met for more than two months, at least one-third of the Board members may ask the Chairman at any time to call a Board meeting based on a specific agenda. The Chief Executive Officer may also ask the Chairman at any time to call a meeting of the Board of Directors based on a given agenda.

The Board of Directors' deliberations are valid only if at least half of its members are present.

Subject to legal and regulatory provisions, meetings of the Board of Directors may be held by means of videoconference or any other means of telecommunication. Any Director participating in a Board meeting by means of videoconference or other means of telecommunication is deemed to be in attendance for the purposes of quorum and majority. The Board of Directors sets out the overall strategic direction for the Company's business activities and ensures it is implemented. Subject to any powers expressly granted to Shareholders' Meetings and within the limits of the corporate purpose, the Board deals with all matters relating to the proper functioning of the Company and governs the Company's business through its deliberations.

The Board of Directors may carry out any controls and checks it deems appropriate.

The Chairman or the Company's Chief Executive Officer is required to provide each Director with all documents and information they need to fulfil their duties.

Decisions of the Board of Directors are taken by a majority vote of the members who are present or represented. In the event of a tied vote, the Chairman of the meeting shall cast the deciding vote. Notwithstanding the foregoing, the General Shareholders' Meeting of 3 June 2021 amended Article 16 of the Company's Articles of Association by adding a list of decisions requiring the Board of Directors' prior approval, with at least three quarters (3/4) of the members present or represented voting in favour, at least one third (1/3) of whom must be independent members other than the Chairman of the Board of Directors. The amended Articles of Association are available on the Company's website at www.solocal.com under Investor Relations. This enhanced decision-making process within the Board of Directors is justified by the special circumstances associated with the turnaround of the Group that began on 2 July 2020 under the restructuring agreement of the same date requiring an enhanced majority for certain significant decisions within the remit of the Board of Directors and by the corresponding modification of the governance of the Company.

Internal regulations

Internal regulations based on those recommended in the AFEP-MEDEF Corporate Governance Code were adopted by the Board of Directors at its meeting of 23 September 2004 and amended on 2 October 2020. These internal regulations set out the guiding principles governing the operation of the Board and the rights and duties of the Directors.

The main provisions of the Board of Directors' internal regulations are summarised in this section.

Preparation and organisation of the work of the Board of Directors

Strategic direction

Pursuant to Article 17 of the Articles of Association, the Board of Directors determines the overall strategic orientation of the Company's activities and ensures it is implemented.

This means that the Board makes all decisions related to the Company's major strategic, economic, social, financial and technological objectives and ensures that these decisions are implemented.

The medium-term objectives for the Group's activities are defined, each year, in a strategic plan, which is prepared and presented by the Chief Executive Officer to the Board of Directors for approval. This draft includes projected trends for the Group's key operational and financial indicators in particular. The Chief Executive Officer presents a draft annual budget based on these objectives.

The Chief Executive Officer is responsible for implementing the objectives set out in the strategic plan.

The Chief Executive Officer informs the Board of Directors of any problems or, more generally, any matter which may affect the achievement of any of the objectives of the strategic plan.

Committees of the Board of Directors

In order to prepare its work, the Board of Directors has set up three Committees within the Company, namely an Audit Committee, a Governance Committee and a Strategy & Innovation Committee (since June 2022). The operating conditions and remits of each Committee are stipulated in the Charters of these Committees, which are approved by the Board of Directors.

Duties and responsibilities of the Directors

Directors' duty of confidentiality

Directors are bound by an absolute obligation of confidentiality with regard to the content of discussions and deliberations by the Board and its Committees and any information presented to them.

Directors' duty of independence

In carrying out the mandate entrusted to them, Directors must make all decisions independently of any interest other than that of the Company.

All Directors are required to inform the Chairman of any situation affecting them that could create a conflict of interest with the Company or any Group company. Where appropriate, the Chairman may seek the opinion of the Governance Committee.

At the end of this process, it is the responsibility of the Director in question to act accordingly, under the terms of the applicable legislation.

Duties of Directors with regard to securities of the Company

Each Director must hold at least one Company share.

Any Company shares held by Directors at the time they join the Board must be registered in their own names, as must any shares they acquire during their term of office.

Directors are prohibited from:

- executing any transaction on the securities of the listed companies of the Group as long as they hold privileged information;
- making short sales on these securities directly or indirectly.

The first prohibition applies in particular during the period of preparing and presenting the Group's annual and semi-annual results and quarterly information.

It also applies during special periods when projects or transactions that warrant such a prohibition are being prepared.

The Ethics Charter, which specifies the rules relating to inside information, applies to the Directors.

Directors' duty of care

In accepting the office entrusted to them, Directors agree to fully assume all their responsibilities and, in particular, to:

- devote whatever time is required to study matters dealt with by the Board and, if applicable, any Committees of which they are members;
- request all additional information they consider necessary;
- ensure that these regulations are applied;
- freely form their opinion before any decision, considering only the Company's interest;
- actively participate in all Board meetings, unless they are unable to do so;
- make all proposals to improve the working conditions of the Board and its Committees.

The Board constantly seeks to improve the information communicated to shareholders. Each Director must play a part in achieving this goal, particularly through his or her contribution to the work of the Board's Committees.

Directors agree to tender their resignation to the Board when they believe, in good faith, that they are no longer able to fully assume their responsibilities.

Ethics Charter

At its meeting of 23 September 2004, the Board of Directors adopted a Professional Ethics Charter.

This Charter sets out the Group's values and presents its principles for dealing with customers, shareholders, employees, suppliers, and competitors, and with respect to the environment and the countries in which it operates.

In addition, it stipulates a number of principles of personal conduct that each Group employee, Director and executive must respect, and which encourage honest and ethical conduct on their part, as well as accurate, complete and timely communication of published information.

The Professional Ethics Charter refers to the principles and rules applicable to stock market ethics and the requirement to comply with them scrupulously. It imposes certain preventive measures including closed periods when "permanent insiders", such as members of the Board of Directors and other executives, are not permitted to trade in the Company's shares.

The Professional Ethics Charter applies to each member of the Board of Directors and to all of the Group's senior executives and employees.

Chairman of the Board of Directors and Management

The Chairman of the Board of Directors is an individual elected by the Board from among its members. Furthermore, the Board of Directors may decide whether to separate or combine the positions of Chairman of the Board and Chief Executive Officer. If the decision is taken to separate these roles, the Board of Directors appoints the Chief Executive Officer.

The Board of Directors elects a Vice-Chairman from among its independent members. The Vice-Chairman is elected for his or her entire term as a Director, and may be re-elected.

The Vice-Chairman:

- shall exercise the powers of the Chairman in the event of the incapability, absence or unavailability of the Chairman, under the same conditions as the Chairman;
- shall be available for and may meet and listen to the Company's shareholders;
- shall be available and listen to the Directors of the Company to discuss the proper functioning of the Board of Directors.

David Amar was elected Vice-Chairman by the Board of Directors at its meeting of 14 February 2018.

On 5 November 2014, the Board of Directors opted to separate the functions of Chairman of the Board of Directors and Chief Executive Officer in line with corporate governance best practice. During the change in governance in 2017, the Board of Directors decided to keep the two roles separate. The choice of governance model is largely due to the Company's wish to make a clear distinction between responsibility for strategic guidance and oversight, which lies with the Board of Directors, and the Chief Executive Officer's operational and executive powers. This governance model also enables the Group to benefit from the complementary skills and experience of the Chief Executive Officer and the Chairman of the Board of Directors.

The Chief Executive Officer, subject to the powers expressly granted by law to Shareholders' Meetings and the Board of Directors, and within the limits of the corporate purpose, is vested with the widest powers to act, in all circumstances, in the name of the Company, with the following stipulations:

(i) the Chief Executive Officer must present a draft strategic plan to the Board of Directors each year defining the Group's medium-term business objectives, including projected trends for the Group's key operational and financial indicators, in addition to a draft annual budget;

(ii) the following decisions are subject to prior approval by the Board of Directors:
- approval of the annual budget and any significant changes thereto,
- approval of the annual and three-year business plans,
- any acquisition or disposal of a business by Solocal or any of its subsidiaries that is not included in the annual budget, the total amount of which, including all liabilities and other off-balance sheet commitments, exceeds €10 million per year,
- any investments or divestments not included in the annual budget and involving fixed assets of an amount, including all liabilities and other off-balance sheet commitments, greater than €10 million,
- amendments to the employment contract, hiring/appointment or dismissal/removal of the Chief Financial Officer of the Company; any amendment to the employment contract, hiring/appointment or dismissal/removal of the Group's Human Resources Director and the Secretary to the Board of Directors shall not require prior authorisation by the Board of Directors, but shall require the prior agreement of the Remuneration and Appointments Committee,

- any increase in the total indebtedness of Solocal Group or any of its subsidiaries that exceeds the amount authorised under the financing or loan agreements previously authorised by Solocal Group's Board of Directors,
- the execution of any agreement in order to create a joint-venture with a third party, not included in the annual budget and generating a commitment for Solocal or any of its subsidiaries for a total amount greater than €10 million over the duration of the joint-venture,
- any decision to have the securities of Solocal or any of its subsidiaries listed on a regulated exchange and any operation with a view to the listing of additional securities of Solocal or any of its subsidiaries subsequent to the original listing on a regulated exchange,
- any decision to delist or buy back shares (except share purchases under liquidity agreements previously authorised by the Board of Directors),
- the acquisition or subscription, by Solocal or any of its subsidiaries, of shares, other equity securities or any securities giving access to the capital of any company (x) of a value, including all liabilities and other off-balance sheet commitments, greater than €10 million if the liability of Solocal or its subsidiaries is limited and the transaction is not already included in the annual budget, or (y) irrespective of the amount invested if Solocal or any of its subsidiaries is acting as an unlimited liability partner in such a company,
- any diversification of the business activities of Solocal or any of its subsidiaries that is unrelated to previous business activities, or any diversification that is related to previous business activities but is not included in the annual budget and involves a financial commitment that exceeds €10 million,
- any sale, transfer or termination of a major business activity of Solocal or any of its subsidiaries that is not included in the annual budget or the three-year business plan,
- the implementation of any incentive plan (as defined under French labour law or any similar legislation in another country, with the exception of a mandatory or standard voluntary profit-sharing plan) within Solocal or its subsidiaries, or any measure that encourages employees to directly or indirectly acquire shares in Solocal or its subsidiaries,
- any authorisation or instruction given to a Solocal subsidiary, to examine or undertake any of the transactions referred to in this appendix,
- the execution of any agreement not included in the annual budget involving payments or the supply of goods or services by Solocal or its subsidiaries for a total amount greater than €10 million per year,
- any decision relating to plans for the merger or demerger of any Solocal subsidiary, the spin-off of the assets of a Solocal subsidiary, or a long-term agreement to manage a Solocal subsidiary, that is not included in the annual budget or the three-year business plan, excluding internal reorganisation that has no material impact on Solocal's position,
- any transfer or sale in order to provide collateral, any decision to grant a security interest or pledge, by Solocal or any of its subsidiaries, in order to meet debts or honour guarantees given to third parties, not included in the annual budget and for a total amount greater than €10 million per year,
- any loans granted by Solocal or any of its subsidiaries which in total exceed €5 million and are not included in the annual budget.

Deputy Chief Executive Officer

At the recommendation of the Chief Executive Officer, the Board of Directors may appoint one or more individuals charged with assisting the Chairman, with the title of Deputy Chief Executive Officer. The maximum number of Deputy Chief Executive Officers is five. In agreement with the Chief Executive Officer, the Board of Directors shall determine the scope and duration of powers given to Deputy Chief Executive Officers.

Non-Voting Director

In accordance with Article 12 of the Company's Articles of Association, which allows the Board of Directors to appoint one or more Non-Voting Directors, who participate in Board meetings but are not entitled to vote at those meetings,

As of the date of this document, the Board of Directors does not include any Non-Voting Directors.

Rights, preferences and restrictions attaching to each class of the existing shares

Fully paid-up shares may be in registered or bearer form, at the shareholder's discretion. They must be registered until they are fully paid up. They are registered in the Company's records or with an authorised intermediary under the terms and conditions set out in law.

In order to be able to identify bearer shares, under current legal and regulatory conditions and subject to applicable legal or regulatory penalties, the Company may, among other things, request from any organisation or intermediary, including the central custodian of financial instruments, information required by law or regulations enabling the identification of holders of Company shares giving immediate or future voting rights at Shareholders' Meetings and, in particular, the number of shares held by each of them and, if applicable, any restrictions that may apply to those shares.

Any intermediary registered on behalf of an owner who is not resident within France is required, under the terms set out in Article L. 228-1 of the French Commercial Code, to reveal the identity of the owners of such shares within 10 days, on request by the Company or its legal representative at any time.

Where the Company has reason to believe that holders of registered or bearer shares who are known to the Company are holding those shares on behalf of third-party shareholders, it is entitled to request those holders to reveal the identities of the owners of said shares under the terms set out above.

Where a person to whom a request is made in accordance with the above provisions does not provide the requested information within the legal and regulatory time limits, or provides incomplete or incorrect information relating either to his or her capacity or to the identity of the shares' owners, the shares or securities providing immediate or future entitlement to share capital for which that person is the registered account holder shall have no voting rights at any Shareholders' Meetings until such time as all matters relating to identity are settled, and payment of any corresponding dividends shall be deferred until that date.

In addition, if a person registered as a holder of shares knowingly disregards the above provisions, the Court in whose jurisdiction the Company's registered office is located may, at the request of the Company or one or more shareholders, holding at least 5% of the capital, order the full or partial withdrawal, for a total period not exceeding five years, of any voting rights attached to the shares in question and, possibly for the same period, the right to any corresponding dividends.

Where any legal entity owns shares in the Company and has a holding of more than one-fortieth of the capital or voting rights, the Company may ask that entity to disclose the identities of any persons who directly or indirectly hold more than one-third of the entity's share capital or voting rights exercised at the entity's General Shareholders' Meetings.

Actions required to modify shareholders' rights

At the registration date of this Universal Registration Document, the Articles of Association contain no provisions stricter than those set out in the law relating to changes to shareholders' rights.

6.2.2 GENERAL SHAREHOLDERS' MEETINGS (ARTICLE 11 AND ARTICLES 25 TO 31 OF THE ARTICLES OF ASSOCIATION)

Access, participation and voting at General Shareholders' Meetings

General Shareholders' Meetings are made up of all shareholders whose shares are fully paid up and whose entitlement to participate in General Shareholders' Meetings has been evidenced by the registration of the shares in the name of the shareholder or of the intermediary registered on the shareholder's behalf, on the second working day prior to the meeting at 12 midnight (Paris time), in either the registered share accounts held by the Company (or its representative), or the bearer share accounts held by the authorised intermediary.

The registration of shares in the bearer share accounts held by the financial intermediary is evidenced by a shareholder certificate issued by the financial intermediary, electronically if applicable, under the conditions provided for in Article R. 225-61 of the French Commercial Code. The certificate is appended to (i) the remote voting form or (ii) the proxy voting form or (iii) the application for the admission card issued in the shareholder's name or on behalf of the shareholder represented by the registered intermediary.

Access to the General Shareholders' Meeting is open to its members with proof of their status and identity. The Board of Directors may, if it considers it appropriate, arrange for shareholders to be sent personal admission cards bearing their names and require these cards to be shown at the General Shareholders' Meeting.

The shareholder may, under the conditions provided for in applicable laws and regulations, attend the General Shareholders' Meeting in person, or vote remotely (any remote voting form to be received by the Company (or its representative) no later than 3 p.m. (Paris time) on the day before the General Shareholders' Meeting), or appoint a proxy. Intermediaries registered on behalf of shareholders may participate in the General Shareholders' Meeting under the conditions provided for in applicable laws and regulations. It is specified that for any proxy given by a shareholder without indication of the proxyholder, the Chairman of the General Shareholders' Meeting will cast a vote in favour of the adoption of the draft resolutions submitted or approved by the Board of Directors and a vote against the adoption of all other draft resolutions.

In accordance with Article R. 22-10-28 of the French Commercial Code, it is specified that any shareholder who has already voted remotely, sent in a proxy form or applied for an admission card to the General Shareholders' Meeting or a shareholder certificate, may not then choose any other mode of participation.

Proxy and remote voting forms and certificates of non-transferability of shares may be submitted in electronic form duly signed under the conditions provided for in applicable laws and regulations.

If the Board of Directors so decides at the time of convening the meeting, forms may be completed and signed electronically directly on a site set up by the Company. This site must use a process including a username and password, in accordance with the terms set out in the first sentence of paragraph 2 of Article 1367 of the French Civil Code, or any other process which meets the conditions set out in the first sentence of paragraph 2 of Article 1367 of the French Civil Code.

The proxy form or ballot submitted in this way prior to the meeting by such electronic means, and any receipts which are provided for them, shall be considered to be fully enforceable, irrevocable written records, subject to the points set out below. By derogation, in the event of a sale of shares occurring prior to 12 midnight (Paris time) on the second working day preceding the meeting, the Company shall invalidate or alter accordingly, as the case may be, the proxy form or ballot submitted prior to the meeting, using the electronic means set up by the Board of Directors.

Owners of Company shares, who are not residents of France, may be registered in the accounts and represented at the meeting by any intermediary who is registered on their behalf and holds a general securities management mandate, provided such intermediaries have previously declared themselves as intermediaries holding shares on behalf of others at the time shares are registered in the accounts held with the Company or account-holding financial intermediary, in accordance with applicable laws and regulations.

The Company is entitled to ask any intermediary who is registered on behalf of shareholders not residing in France and who holds a general mandate to provide a list of the shareholders they represent and whose rights are to be exercised at the meeting.

General Shareholders' Meetings may be held by videoconference or by any other means of telecommunication, including the internet, which enables shareholders to be identified under the conditions set out in applicable laws and regulations.

Ordinary General Shareholders' Meetings

Ordinary General Shareholders' Meetings are called to make all decisions that do not amend the Articles of Association. They are held at least once a year within six months of the end of the financial year, to approve the financial statements for the previous financial year, unless this period is extended by Court order.

Ordinary General Shareholders' Meetings cannot validly deliberate, on the first Notice of Meeting, unless shareholders present, represented or voting remotely, hold at least one-fifth of shares with voting rights. Upon a second Notice of Meeting, no quorum is required. Decisions are made by majority vote of the shareholders who are present, represented or have voted remotely.

For the purposes of calculating quorum and majority, shareholders are deemed to be present if they take part in an Ordinary General Shareholders' Meeting by videoconference or any other means of telecommunication enabling them to be identified, the nature and terms of use of which are defined by applicable laws and regulations.

Extraordinary General Shareholders' Meetings

Only Extraordinary General Shareholders' Meetings are authorised to amend any provisions of the Articles of Association. However, they may not increase shareholders' commitments except through transactions resulting from a properly executed share consolidation.

Subject to legal stipulations applicable to share capital increases by the incorporation of reserves, profits or issue premiums, Extraordinary General Shareholders' Meetings cannot validly deliberate unless shareholders present, represented or voting remotely hold, on the first Notice of Meeting, at least one-quarter or, on the second Notice of Meeting, one-fifth of the shares with voting rights. If the latter quorum cannot be reached, the second meeting may be reconvened up to two months after the original date, at which point a one-fifth quorum is again required.

Subject to the same conditions, decisions are made by a two-thirds majority vote of shareholders who are present, represented or have voted remotely.

For the purposes of calculating quorum and majority, shareholders are deemed to be present if they take part in an Extraordinary General Shareholders' Meeting by videoconference or any other means of telecommunication enabling them to be identified, the nature and terms of use of which are defined by applicable laws and regulations.

Forms and deadlines for Notices of Meeting (Article 27 of the Articles of Association)

The Board of Directors calls General Shareholders' Meetings under the conditions provided for by law.

Failing this, they may also be convened by the Statutory Auditors or by any person authorised for this purpose.

Shareholders' Meetings are held at the registered office or at any other place stated in the Notice of Meeting.

Except as otherwise provided for by law, notices are issued at least 15 full days before the scheduled date of a General Shareholders' Meeting and this period is reduced to ten full days for General Shareholders' Meetings held after a second Notice of Meeting and for reconvened meetings.

The meetings shall take place at the date, time and place stated in the Notice of Meeting.

Notices of Meeting must include the agenda for the meeting, which shall be drawn up by the convenor of that meeting.

Officers of General Shareholders' Meetings (Article 29 of the Articles of Association)

General Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in his or her absence, by a Director appointed by the Board for this purpose. Failing this, the General Shareholders' Meeting elects its own Chairman.

The duties of scrutineers are performed by the two members of the General Shareholders' Meeting with the greatest number of votes and who are willing to perform these duties.

The officers of a General Shareholders' Meeting appoint a secretary, who is not required to be a shareholder.

Agenda

The Agenda of General Shareholders' Meetings is drawn up by the convenor of the meeting.

One or more shareholders representing the percentage of capital required by applicable regulatory provisions and acting in accordance with legal conditions and time limits may request that draft resolutions be added to the agenda.

Requests for draft resolutions to be added to the agenda must be sent by registered letter with recorded delivery after the Notice of Meeting has been published in the French bulletin of mandatory legal announcements (BALO) and up to 25 days prior to the meeting (however, if the notice is published more than 45 days prior to the meeting, draft resolutions must be sent within 20 days of publication of the notice). The persons making the request must demonstrate at the date of their request that they possess or represent the required proportion of share capital by having the corresponding shares shown either in the registered share accounts held by the Company (or its representative), or the bearer share accounts held by the authorised intermediary. They must submit a registration certificate along with their request. Consideration of the item or resolution is subject to the submission by the applicants of a new certificate evidencing the registration of the shares in the same accounts as of 12 midnight (Paris time) on the second working day prior to the meeting. Requests for items to be added to the agenda must include the reasons for the request.

Only matters on the agenda may be discussed at General Shareholders' Meetings. Nevertheless, the General Shareholders' Meeting may, under any circumstances, dismiss and replace one or more members of the Board of Directors.

The agenda may not be amended where a second Notice of Meeting has been issued, or in the event of a meeting being reconvened.

Conditions for exercising voting rights

At all General Shareholders' Meetings, each shareholder has as many votes as the number of shares he or she owns or represents, with no limitations other than those which may arise from legal provisions or the Articles of Association, subject to a Court order in certain cases. The provisions of the Articles of Association stipulating the existence of a double voting right, as adopted by the General Shareholders' Meeting of 7 June 2011, became effective on 1 May 2013. A double voting right is attributed to all fully paid-up registered shares of the Company that have been registered in the name of the same holder for at least two years.

Shares are indivisible with regard to the Company. Joint owners of shares must arrange for one of them to act as their representative with the Company, and such person shall be considered to be the sole owner and representative. In the event of failure to agree, the sole representative may be appointed by the Court at the request of the first joint owner to so request. Unless the Company is properly notified of any agreement to the contrary, beneficial owners have the right to vote at Ordinary General Shareholders' Meetings and bare owners have the right to vote at Extraordinary General Shareholders' Meetings.

6.2.3 SALE AND TRANSFER OF THE SHARES (ARTICLE 9 OF THE ARTICLES OF ASSOCIATION)

Shares are freely negotiable, subject to applicable legal and regulatory provisions. They are registered in an account and transferred under the terms and conditions set out in the applicable legal and regulatory provisions.

6.2.4 SHAREHOLDING DISCLOSURE THRESHOLDS (ARTICLE 9 OF THE ARTICLES OF ASSOCIATION)

In addition to the legal requirement to inform the Company when certain percentages of capital or voting rights have been exceeded or are not met, any person acting alone or in concert who comes to hold or ceases to hold, directly or indirectly, a fraction of the capital, voting rights or securities giving future rights to the Company's share capital that is equal to or greater than 1% or a multiple of this fraction, will be required, no later than before the close of trading on the fourth trading day after the day this threshold was exceeded or not met, to notify the Company, by registered letter with acknowledgement of receipt, of the total number of shares, voting rights or securities giving equity rights which it holds, directly or indirectly, alone or in concert.

This notification must be renewed under the aforementioned conditions whenever a new 1% threshold is reached or crossed, upwards or downwards, for any reason whatsoever, including above the 5% threshold.

In the event of non-compliance with the aforementioned requirements, and if one or more shareholders holding at least 1% of the share capital so requests from the General Shareholders' Meeting, the shareholders in question shall, without prejudice to potential suspensions of voting rights decided by a court, under the conditions and limits specified by law, be deprived of the voting rights for the shares exceeding the thresholds subject to declaration.

6.2.5 CHANGE IN CAPITAL CLAUSE

As at the registration date of this Universal Registration Document, the Articles of Association contain no provisions stricter than those set out in the law relating to changes in capital.

6.3 Share capital

Rights and obligations attached to shares (Article 10 of the Articles of Association)

Each share entitles the holder to a share in the profits, ownership of Company assets and in the liquidation dividend, in a proportion equal to the share of capital it represents. In addition, each share entitles its holder to vote and be represented at General Shareholders' Meetings, in accordance with the law and the Articles of Association. Ownership of shares automatically implies full adherence to the Company's Articles of Association and to decisions taken at the General Shareholders' Meeting.

Shareholders are liable for losses only in the amount of their contribution to capital.

The heirs, creditors, assignees or representatives of a shareholder may not request that the Company's assets, securities or shares be placed under seal, divided or put up for public auction, nor may they interfere in the Company's management. In order to exercise their rights, they must refer to corporate inventories and decisions taken at General Shareholders' Meetings.

Where exercising a particular right requires ownership of several shares, shareholders who do not own the required number of shares must form a group and, where appropriate, purchase or sell shares as necessary.

The provisions of the Articles of Association stipulating the existence of a double voting right, as adopted by the General Shareholders' Meeting of 7 June 2011, became effective on 1 May 2013. A double voting right is attributed to all fully paid-up registered shares of the Company that have been registered in the name of the same holder for at least two years.

In the event that the capital is increased by incorporation of reserves, profits or issue premiums, this double voting right will apply to new shares, upon issue, granted to a shareholder on the basis of existing shares for which he or she already holds this right. Any share converted to a bearer share or for which ownership is transferred will lose the double voting right, subject to exceptions provided for by law. These provisions entered into effect on 1 May 2013.

6.3.1 SHARE CAPITAL

As of the date of this document, the share capital amounts to €131,960,654 divided into 131,960,654 fully paid-up shares, each with a par value of €1, all of the same class.

Authorised but unissued capital (current delegations of authority granted to the Company's Board of Directors)

The Combined General Shareholders' Meeting of the Company held on 29 June 2023 delegated authority to the Board of Directors for the following purposes, under the conditions set out below:

Securities concerned	Term of the authorisation and expiration	Maximum amount of debt securities	Maximum nominal amount of capital increase
1. Purchase or transfer of shares within the limit of 10% of the share capital (thirteenth resolution of the General Shareholders' Meeting of 29 June 2023)	18 months 29 December 2024	-	Repurchase programme ceiling: €65,953,325
2. Delegation of authority to the Board of Directors to increase the share capital, with retention of shareholders' preferential subscription rights, by issuance of shares and/or equity securities granting access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities granting access to equity securities to be issued (fourteenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	€300,000,000	Ceiling: €39,571,996 Overall ceiling for issues 2, 3 and 4: € 52,762,661
3. Delegation of authority to the Board of Directors to increase the share capital, with cancellation of shareholders' preferential subscription rights, by issuance of shares and/or equity securities granting access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities granting access to equity securities to be issued, within the framework of public offerings (fifteenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	€300,000,000	Ceiling: €13,190,665 Overall ceiling of issues 3 and 4: €13,190,665
4. Delegation of authority to the Board of Directors to increase the share capital, with cancellation of shareholders' preferential subscription rights, by issuance of shares and/or equity securities granting access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities granting access to equity securities to be issued, in favour of qualified investors or a small circle of investors (sixteenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	€300,000,000	Ceiling: €13,190,665
5. Authorisation given to the Board of Directors to increase the number of securities to be issued, in the event of a capital increase with or without cancellation of shareholders' preferential subscription rights (seventeenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	-	Regulatory ceiling
6. Delegation of authority to the Board of Directors to increase the Company's share capital by incorporation of reserves, profits or premiums (eighteenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	-	Ceiling: €13,190,665
7. Share capital increase, with cancellation of shareholders' preferential subscription rights, reserved for members of a group savings plan (nineteenth resolution of the General Shareholders' Meeting of 29 June 2023)	26 months 29 August 2025	-	Ceiling: €1,319,006

The Board of Directors has not made use of any delegation of authority granted by the Company's Combined General Shareholders' Meeting of 29 June 2023.

Other securities giving rights to capital

None.

6.3.2 NON-EQUITY SHARES

As at the registration date of this Universal Registration Document, there were no non-equity shares.

6.3.3 ACQUISITION BY THE COMPANY OF ITS OWN SHARES

In accordance with Articles L. 22-10-62 et seq. of the French Commercial Code, the Combined General Shareholders' Meeting of 29 June 2023 authorised the Board of Directors to purchase Company shares, up to a maximum of 10% of the existing share capital as of the date when the authorisation takes effect, under the following conditions:

- the maximum purchase price should not exceed €5 per share, it being specified that in the event of any transactions involving the capital, notably by way of incorporation of reserves and the allotment of free shares, and/or division or grouping together of shares, this price will be adjusted accordingly;
- the maximum total amount of funds intended for the repurchase programme stands at €65,953,325;
- this authorisation is valid for an 18-month period;
- shares may be acquired or transferred at any time, except during the period of a takeover bid, in compliance with legal or regulatory requirements, by any method, in particular, on the market, on multi-lateral trading facilities or over-the-counter, including block purchases or sales, and by the use of derivative financial instruments traded in regulated markets, multi-lateral trading facilities, or over-the-counter services.

The Company's Board of Directors has not made use of this authorisation.

At the General Shareholders' Meeting called to approve the 2023 financial statements, the shareholders will be asked to vote on the renewal of this share repurchase programme.

Transactions carried out by Solocal Group in relation to its own securities during the financial year

Summary of transactions carried out as part of the programme approved by the General Shareholders' Meeting

Number of shares comprising the share capital of Solocal Group as at 31/12/2022	**131,906,654**
Treasury shares held directly or indirectly as at 01/01/2023	**440,940**
Number of shares purchased in 2023	464,191
Average weighted price of shares purchased in 2023	**€0.2847**
Number of shares sold in 2023	471,242
Average weighted price of shares sold in 2023	**€0.2658**
Treasury shares held directly or indirectly as at 31/12/2023	**433,889**
Book value (valued at cost) as at 31/12/2023	€111,794.97
Market value of the portfolio as at 31/12/2023	**€38,138.84**
Performance shares transferred	0
Performance shares cancelled	578,200

At 31 December 2023, the 433,889 shares held by the Company were all allocated to the liquidity objective.

6.3.4 OTHER INFORMATION

Option plans and performance share grants

Information on option plans and performance share grants is described in section 6.4.3 of this document.

Convertible securities, exchangeable securities or equity warrants

As at the registration date of this Universal Registration Document, there were no convertible or exchangeable securities or equity warrants.

Information on the conditions governing any acquisition rights and/or obligations attached to capital subscribed but not paid up

Information relating to authorisations to issue shares given to the Board of Directors by the General Shareholders' Meeting is set out in section 6.3.1 of this document.

Information on the capital of any of the Group's members subject to an option or a conditional or unconditional agreement

As at the registration date of this Universal Registration Document, no member of the Group had any option or agreement of this type.

6.3.5 HISTORY OF SHARE CAPITAL AND VOTING RIGHTS

Information on the ownership of the Company's share capital is provided in section 6.4 of this document.

Statement of change in share capital

Date	Operation	Number of shares issued	Maximum nominal amount of capital increase	Issue premium per share	Total amount of the issue premium	Successive amounts of capital	Number of shares	Par value
Combined General Shareholders' Meeting of 27 May 2004	Stock split	274,050,000	-	-	-	€54,810,000	274,050,000	€0.20
Initial Public Offering July 2004	Capital increase reserved for employees of France Télécom	4,739,610	€947,922	€11.10	€52,609,671	€55,757,922	278,789,610	€0.20
15 January 2007	Recognition of the capital increase resulting from share subscription options exercised in 2006	1,477,170	€295,434	€17.60	€25,990,960.40	€56,053,356	280,266,780	€0.20
15 January 2008	Recognition of the capital increase resulting from share subscription options exercised in 2007	377,670	€75,534	€11.52	€4,350,758.40	€56,128,890	280,644,450	€0.20
25 February 2009	Recognition of the capital increase resulting from allotments of performance shares in 2008	340,304	€68,060.80	-	-	€56,196,950.80	280,984,754	€0.20
6 June 2014	Capital increase with preferential subscription rights and reserved capital increase	880,742,416	€440,371,208	€0.50	€264,222,724	€232,345,434	1,161,727,170	€0.20
29 April 2015	Capital increase reserved for current and former employees of Solocal Group	4,569,773	€913,954.60	€0.36	€921,266.37	€233,259,388.60	1,166,296,943	€0.20
26 October 2015	Reverse stock split by allotment of one (1) new ordinary share with a par value of €6 for thirty (30) existing ordinary shares, each with a par value of €0.20	-	-	-	-	€233,259,384	38,876,564	€6

Date	Operation	Number of shares issued	Maximum nominal amount of capital increase	Issue premium per share	Total amount of the issue premium	Successive amounts of capital	Number of shares	Par value
2 February 2017	Capital reduction by way of a reduction in the par value of each share	-	-	-	-	€3,887,656.40	38,876,564	€0.10
13 March 2017	Free share allotments at a ratio of 3 free shares for 2 shares held at 10 March 2017	58,314,846	€5,831,484.60	-	-	€9,719,141	97,191,410	€0.10
13 March 2017	Capital increase with preferential subscription rights	398,484,781	€39,848,478.10	€0.90	€358,636,303	€49,567,619.10	495,676,191	€0.10
13 March 2017	Reserved capital increase	80,542,087	€8,054,208.70	€4.41	€355,190,603.67	€57,621,827.80	576,218,278	€0.10
7 April 2017	Recognition of the capital increase resulting from the redemption of MCBs	619,504	€61,950.40	€1.90	€1,177,057.60	€57,683,778.20	576,837,782	€0.10
4 May 2017	Recognition of the capital increase resulting from the redemption of MCBs	2,552,365	€255,236.50	€1.90	€4,849,493.50	€57,939,014.70	579,390,147	€0.10
9 June 2017	Recognition of the capital increase resulting from the redemption of MCBs	2,140,432	€214,043.20	€1.90	€4,066,820.80	€58,153,057.90	581,530,579	€0.10
10 July 2017	Recognition of the capital increase resulting from the redemption of MCBs	441,771	€44,177.10	€1.90	€839,364.90	€58,197,235	581,972,350	€0.10
2 August 2017	Recognition of the capital increase resulting from the redemption of MCBs	68,127	€6,812.70	€1.90	€129,441.30	€58,204,047.70	582,040,477	€0.10
7 September 2017	Recognition of the capital increase resulting from the redemption of MCBs	4,307	€430.70	€1.90	€8,183.30	€58,204,478.40	582,044,784	€0.10
6 October 2017	Recognition of the capital increase resulting from the redemption of MCBs	160,014	€16,001.40	€1.90	€304,026.60	€58,220,479.80	582,204,798	€0.10
6 November 2017	Recognition of the capital increase resulting from the redemption of MCBs	75,528	€7,552.80	€1.90	€143,503.20	€58,228,032.60	582,280,326	€0.10
4 December 2017	Recognition of the capital increase resulting from the redemption of MCBs	164,474	€16,447.40	€1.90	€312,500.60	€58,244,480	582,444,800	€0.10
8 February 2018	Recognition of the capital increase resulting from the redemption of MCBs	239,640	€23,964	€1.90	€455,316	€58,268,444	582,684,440	€0.10
6 April 2018	Recognition of the capital increase resulting from the redemption of MCBs	634,564	€63,456.40	€1.90	€1,205,671.60	€58,331,900.40	583,319,004	€0.10
7 May 2018	Recognition of the capital increase resulting from the redemption of MCBs	22,873	€2,287.30	€1.90	€43,758.70	€58,334,187.70	583,341,877	€0.10
6 July 2018	Recognition of the capital increase resulting from the redemption of MCBs	31,687	€3,168.70	€1.90	60,205.30	€58,337,356.40	583,373,564	€0.10

Date	Operation	Number of shares issued	Maximum nominal amount of capital increase	Issue premium per share	Total amount of the issue premium	Successive amounts of capital	Number of shares	Par value
28 January 2019	Recognition of the capital increase resulting from the redemption of MCBs	256,801	€25,680.10	€1.90	€487,921.90	€58,363,036.50	583,630,365	€0.10
7 March 2019	Recognition of the capital increase resulting from the redemption of MCBs	157	€15.70	€1.90	€298.30	€58,363,052.20	583,630,522	€0.10
9 May 2019	Recognition of the capital increase resulting from the redemption of MCBs	491,368	€49,136.80	€1.90	€933,599.20	€58,512,189	585,121,890	€0.10
2 October 2019	Recognition of the capital increase resulting from the redemption of MCBs	4,386	€438.60	€1.90	€8,333.40	€58,512,627.60	585,126,276	€0.10
At 31 December 2019	Capital increase resulting from the issuance of shares under the equity line	34,415,190	€3,441,519	€0.41233	€14,190,415.30	€61,954,146.60	619,541,466	€0.10
At 31 January 2020	Capital increase resulting from the issuance of shares under the equity line	7,500,000	€750,000	€0.4021	€3,015,750	€62,704,146.60	627,041,466	€0.10
7 August 2020	Capital reduction for reasons other than losses	-	-	-	-	€6,270,414.66	627,041,466	€0.01
9 September 2020	Capital increase with cancellation of shareholders' preferential subscription rights in favour of GoldenTree and Financière de la Clarée	131,286,950	1,312,869.50	€0.07	€9,190,086.50	€7,583,284.16	758,328,416	€0.01
6 October 2020	Capital increase by issuance of free shares in favour of shareholders who have proof that their shares are registered in an account	625,912,878	€6,259,128.78	-	-	€13,842,412.94	1,384,241,294	€0.01
6 October 2020	Capital increase with shareholders' preferential subscription rights	11,198,586,929	€111,985,869.29	€0.02	€223,971,738.58	€125,828,282.23	12,582,828,223	€0.01
6 October 2020	Reserved capital increase with cancellation of shareholders' preferential subscription rights in favour of members of the ad hoc Bondholders' Committee or their affiliates, successors or assigns	367,231,638	€3,672,316.38	€0.0254	€9,327,683.60	€129,500,598.61	12,950,059,861	€0.01
16 October 2020	Recognition of the capital increase resulting from the redemption of MCBs	1,651	€16.51	€0.94	€1,549.50	€129,500,615.12	12,950,061,512	€0.01
5 November 2020	Free allotment of shares under the Universal Plan	522,270	€5,222.70	-	-	€129,505,837.82	12,950,583,782	€0.01
27 November 2020	Reverse split of Company shares at a parity of one hundred (100) ordinary shares, each with a par value of €0.01 in exchange for one (1) new share, each with a par value of one euro (€1)	-	-	-	-	€129,505,837*	129,505,837	€1
18 January 2021	Recognition of the capital increase resulting from the redemption of MCBs	2,863	€2,863	€94.25	€269,843	€129,508,700	129,508,700	€1

Date	Operation	Number of shares issued	Maximum nominal amount of capital increase	Issue premium per share	Total amount of the issue premium	Successive amounts of capital	Number of shares	Par value
30 April 2021	Recognition of the capital increase resulting from the redemption of MCBs	42	€42	€95.95	€4,030	€129,508,742	129,508,742	€1
3 May 2021	Recognition of the capital increase reserved for employees	319,730	€319,730	€1.19	€380,479.70	€129,828,472	129,828,472	€1
4 May 2021	Recognition of the capital increase resulting from allotments of performance shares made in 2018	31,255	€31,255	-	-	€129,859,727	129,859,727	€1
29 June 2021	Recognition of the capital increase resulting from the redemption of MCBs	33	€33	€93.88	€3,099	€129,859,760	129,859,760	€1
30 September 2021	Recognition of the capital increase resulting from the partial repayment of the claims of certain RCF creditors	1,834,708	€1,834,708	€0.64	€1,165,290	€131,694,468	131,694,468	€1
22 February 2022	Recognition of the capital increase resulting from the redemption of MCBs	29	€29	€94.24	€2,733	€131,694,497	131,694,497	€1
10 March 2022	Recognition of the capital increase resulting from the redemption of MCBs	215	€215	€94.32	€20,279	€131,694,712	131,694,712	€1
15 March 2022	Recognition of the capital increase resulting from the redemption of MCBs	238	€238	€94.56	€22,506	€131,694,950	131,694,950	€1
15 March 2022	Recognition of the capital increase resulting from the redemption in full of the outstanding amount of the MCBs following the maturity of the MCBs	20,904	€20,904	€94.24	€1,970,024	€131,715,854	131,715,854	€1
25 October 2022	Recognition of the capital increase resulting from allotments of performance shares made in 2021	187,800	€187,800	-	-	€131,903,654	131,903,654	€1
26 October 2022	Recognition of the capital increase resulting from allotments of performance shares made in 2021	3,000	€3,000	-	-	€131,906,654	131,906,654	€1
24 April 2024	Recognition of the capital increase resulting from allotments of performance shares made in 2021	54,000	€54,000	-	-	€131,960,654	131,960,654	€1

* *The Company waived the reverse split of 82 existing treasury shares forming fractional shares.*

Comments on material changes in the breakdown of the Company's share capital during the last three years

Recent changes in the breakdown of the Company's share capital are described in section 6.4.1 of this Universal Registration Document.

Pledges

See section 6.4.7 of this document.

Market for Company shares

Euronext (FP)	Low (in euros)	High (in euros)	Last price (in euros)	Volume traded	Capital
Jan-23	0.61000	0.73350	0.69200	3,230,974	2,218,398
Feb-23	0.49740	0.70850	0.52400	4,349,666	2,570,662
Mar-23	0.41420	0.53000	0.44300	3,804,336	1,798,280
Apr-23	0.21100	0.46050	0.21100	7,506,653	2,287,859
May-23	0.11700	0.22700	0.15820	42,222,745	7,002,306
Jun-23	0.12680	0.16620	0.13160	7,529,285	1,114,116
Jul-23	0.11100	0.14200	0.12240	9,876,002	1,271,485
Aug-23	0.10900	0.12600	0.11900	4,948,235	577,951
Sept-23	0.10600	0.12080	0.10600	2,763,269	318,602
Oct-23	0.07010	0.11000	0.07620	4,594,685	412,521
Nov-23	0.07700	0.10400	0.08220	4,900,006	444,659
Dec-23	0.08210	0.09000	0.08790	3,881,164	333,420

6.3.6 RELATIONS WITH SHAREHOLDERS

See "Shareholder structure" section of the integrated report.

6.4 Main shareholders

6.4.1 OWNERSHIP STRUCTURE HISTORY

Breakdown of the Company's share capital

At 31 December 2023, and on the basis of information known to the Company, Solocal's ownership structure was as follows:

	31/12/2023			
	Number of shares	% of share capital	Available voting rights	% of voting rights
GoldenTree Asset Management, L.P. (U.S.)	30,616,900	23.2%	30,616,900	23.2%
Credit Suisse Asset Management	7,684,500	5.8%	7,684,500	5.8%
Melqart Asset Management (UK) Ltd	6,474,300	4.9%	6,474,300	4.9%
Public	86,391,681	65.5%	86,714,978	65.8%
Solocal Group employees(1)	305,384	0.2%	305,384	0.2%
Treasury shares held(2)	433,889	0.3%	-	-
TOTAL	**131,906,654**	**100.0%**	**131,796,062**	**100.0%**

(1) Under the Solocal Group Savings Plan.
(2) 433,889 treasury shares are held under a liquidity agreement.

Previously, and on the basis of information known to the Company, Solocal's ownership structure was as follows:

Shareholder structure as at 31 December 2022

	31 December 2022			
	Number of shares	% of share capital	Voting rights	% of voting rights
GoldenTree Asset Management, L.P. (U.S.)	30,616,900	23.2%	30,616,900	23.2%
DNCA Finance S.A. (1)	9,186,100	7.0%	9,186,100	7.0%
Melqart Asset Management (UK) Ltd(2)	9,118,600	6.9%	9,118,600	6.9%
Credit Suisse Asset Management	7,684,500	5.8%	7,684,500	5.8%
Public	74,552,004	56.5%	74,831,090	56.8%
Solocal Group employees(3)	307,591	0.2%	307,591	0.2%
Treasury shares held(4)	440,940	0.3%	-	-
TOTAL	**131,906,654**	**100.0%**	**131,744,800**	**100.0%**

(1) *In accordance with the Company's Articles of Association, it is specified that as a result of the securities transactions carried out on 23 February 2023, DNCA Finance crossed below the threshold of 6% of the share capital and voting rights of Solocal Group. DNCA Finance currently holds 7,676,544 shares in Solocal Group through its managed funds under the Solocal Group Savings Plan (PEG).*

(2) *In accordance with the Company's Articles of Association, it is specified that as a result of the securities transactions carried out on 17 April 2023, Melqart crossed below the threshold of 5% of the share capital and voting rights of Solocal Group. Melqart currently holds 6,474,315 shares in Solocal Group through its managed funds. 309,885 treasury shares are held under a liquidity agreement implemented on 2 December 2012.*

(3) *Under the Solocal Group Savings Plan.*

(4) *440,940 treasury shares are held under a liquidity agreement implemented on 2 December 2012.*

Shareholder structure as at 31 December 2021

	31 December 2021			
	Number of shares	% of share capital	Available voting rights	% of voting rights
GoldenTree Asset Management, L.P. (U.S.)	30,616,919	23.2%	30,616,919	23.3%
DNCA Finance S.A.	13,369,434	10.2%	13,369,434	10.2%
Melqart Asset Management (UK) Ltd	9,118,617	6.9%	9,118,617	6.9%
Credit Suisse Asset Management	7,684,520	5.8%	7,684,520	5.8%
Public	70,277,263	53.4%	70,331,711	53.5%
Solocal Group employees(1)	317,830	0.2%	317,830	0.2%
Treasury shares held(2)	309,885	0.2%	-	-
TOTAL	**131,694,468**	**100.0%**	**131,439,031**	**100.0%**

(1) *Under the Solocal Group Savings Plan.*

(2) *309,885 treasury shares are held under a liquidity agreement implemented on 2 December 2012.*

Shareholding disclosure thresholds

DNCA Finance (19 place Vendôme, 75001 Paris), acting on behalf of funds under its management, reported that:

- on 28 December 2022, it had crossed below the threshold of 8% of the share capital and voting rights of Solocal Group and that it held 10,006,797 Solocal Group shares;
- following transactions carried out on 11 and 12 January 2023, it had crossed below the threshold of 7% of the share capital and voting rights of Solocal Group and that it held 9,218,359 Solocal Group shares;
- on 23 February 2023, it had crossed below the threshold of 6% of the share capital and voting rights of Solocal Group and that it held 7,676,544 Solocal Group shares;
- following transactions carried out on 28 April 2023, and 2 and 4 May 2023, it had crossed below the thresholds of 5%, 4% and 3% of the share capital and voting rights of Solocal Group and that it held 2,696,060 Solocal Group shares;
- following the transactions carried out on 5 and 8 May 2023, it no longer held any Solocal Group shares.

Melqart Asset Management (UK) Limited (5 St James's Square, SW1Y 4JU, London), acting on behalf of the fund Melqart Opportunities Master Fund Limited under its management, reported that on 17 April 2023, it had crossed below the thresholds of 5% of the share capital and voting rights of Solocal Group and that it held, on behalf of said fund, 6,474,315 Solocal Group shares and the same proportion of voting rights, or 4.91% of the share capital and 4.90% of the voting rights in the Company.

Dimensional Funds Advisor (6300 Bee Cave Rd, Building One, Austin, TX 78746, United States), acting on behalf of clients and of funds under its management, reported that on 8 June 2023, it had crossed below the threshold of 1% of the share capital and voting rights of Solocal Group and that it held 1,166,549 Solocal Group shares representing 0.884% of the Company's share capital and 0.882% of the voting rights.

La Française Asset Management (128 boulevard Raspail 75006 Paris), acting on behalf of funds under its management, reported that on 2 October 2023, it had crossed below the threshold of 1% of the share capital and voting rights of Solocal Group and that it held 861,491 Solocal Group shares and the same proportion of voting rights, or 0.6668% of the share capital.

6.4.2 CONTROL OF THE ISSUER

No person or entity, directly or indirectly, jointly or in concert, exercises, to the knowledge of the Company, control over it.

6.4.3 SHAREHOLDING, SHARE SUBSCRIPTION OR PURCHASE OPTIONS, PERFORMANCE SHARE GRANTS

Shareholdings

On the date this Document was filed, and to the Company's knowledge, the members of the Board of Directors held the following number of Solocal Group shares:

Director	Number of shares
Philippe Mellier, Chairman of the Board of Directors	141,000
David Amar and related persons	958,585
Cédric Dugardin	1
Alexandre Fretti	1
Delphine Grison	5,929
Bruno Guillemet	50,000
Ghislaine Mattlinger	1,000
Marie-Christine Levet	839
Catherine Robaglia	54
Sophie Sursock	1,678

Corporate officer transactions involving Solocal shares

The table below shows all transactions involving Solocal Group securities declared to the French Financial Markets Authority (AMF) and carried out during the 2023 financial year by the corporate officers(1) and related persons(2), in accordance with Article 223-26 of the AMF General Regulation.

Person concerned	Financial instrument	Transaction type	Transaction date	Number of transactions	Number of shares	Average unit price	Transaction value
Philippe Mellier	Shares	Acquisition	28/01/2022*	2	23,000	€1.46	€33,580
Chairman of the Board of Directors	Shares	Disposal	15/03/2023	1	100	€0.4676	€46.76
	Shares	Acquisition	15/03/2023	1	1,000	€0.4522	€452.2
	Shares	Disposal	03/09/2021*	8	38,000	€1.7961	€68,251.8
	Shares	Acquisition	24/12/2021*	1	20,000	€1.2450	€24,900
	Shares	Acquisition	10/03/2022*	1	30,000	€1.2144	€36,432
	Shares	Disposal	16/01/2023	2	20,000	€0.6712	€13,424
	Shares	Disposal	30/01/2023	2	20,000	€0.6961	€13,820
	Shares	Disposal	09/02/2023	1	10,000	€0.6467	€6,467
	Shares	Disposal	15/03/2023	6	12,900	€0.4538	€5,854.02
	Shares	Disposal	16/03/2023	4	10,000	€0.4470	€4,470
	Shares	Disposal	09/06/2023	9	40,000	€0.1581	€6,324
	Shares	Disposal	12/06/2023	3	9,800	€0.1570	€1,538.60
	Shares	Disposal	13/06/2023	7	30,000	€0.1534	€4,602
	Shares	Disposal	14/06/2023	7	37,300	€0.1536	€5,729.28
	Shares	Disposal	14/06/2023	19	90,100	€0.1561	€14,064.61
	Shares	Disposal	15/06/2023	5	27,000	€0.1559	€4,209.30

* *Transaction carried out prior to 2023 but declared to the AMF during the 2023 financial year.*

(1) *Entities defined in accordance with Article L. 621-18-2 of the French Monetary and Financial Code.*

(2) *Related entities as defined in Article R. 621-43-1 of the French Monetary and Financial Code.*

Employee profit-sharing

In accordance with Article L. 225-102 of the French Commercial Code, we report that of the 131,906,654 shares comprising the share capital as at 31 December 2023, 305,384 shares are held by employees of the Group.

Allotments of share subscription or purchase options

Various share subscription or purchase option plans were set up between 2005 and 2010. These plans are described in the Company's Universal Registration Documents, which can be found on its website www.solocal.com. No share subscription or purchase option plans are currently vesting.

In accordance with Article L. 225-184 of the French Commercial Code, information on the granting and exercise of Company stock options in 2023 is provided below:

Share subscription or purchase options granted during the 2023 financial year to each executive corporate officer by the issuer or by any Group company

Name of executive corporate officer	Plan no. and date	Type of options (purchase or subscription)	Valuation of options according to the method used for the consolidated financial statements	Number of options granted during the year	Strike price	Exercise period
Hervé Milcent (from 1 January 2023 to 21 November 2023 inclusive)	-	-	-	-	-	-
Philippe Mellier	-	-	-	-	-	-
Cédric Dugardin (from 22 November 2023 to 31 December 2023)	-	-	-	-	-	-

Share subscription or purchase options exercised during the 2023 financial year by each executive corporate officer

Name of the executive corporate officer	Plan no. and date	Number of options exercised during the year	Strike price
Hervé Milcent (from 1 January 2023 to 21 November 2023 inclusive)	-	-	-
Philippe Mellier	-	-	-
Cédric Dugardin (from 22 November 2023 to 31 December 2023)	-	-	-

Share subscription or purchase options granted to and exercised by the top ten non-corporate officer beneficiaries

Share subscription or purchase options granted to and exercised by the top ten non-corporate officer beneficiaries in 2023	Total number of options granted/ shares subscribed for or purchased	Average weighted price
Options granted during the year by the issuer and by the companies included in the stock option plan, to the ten employees of the issuer or of the said companies who received the highest number of options (general information)	None	-
Options held in the issuer and in the aforementioned companies that were exercised during the year by the ten employees of the issuer or of the said companies who purchased or subscribed for the highest number of options (general information)	None	-

History of share subscription or purchase option allotments

Various share subscription or purchase option plans were set up between 2005 and 2010. These plans are described in the Company's Universal Registration Documents, which can be found on its website www.solocal.com. No share subscription or purchase option plans are currently vesting.

No Director holds any share subscription or purchase options granted by the Company.

Performance share allotments

Various performance share plans were set up between 2006 and 2021. These plans, which have now ended, are described in the Company's Universal Registration Documents, which can be found on its website www.solocal.com

2021 plan

The shareholders of Solocal Group, meeting at the Combined General Shareholders' Meeting of 27 November 2020, authorised the Board of Directors to set up, in favour of certain senior executives and employees of the Company and affiliated companies, a performance share plan as defined in Articles L. 225-197-1 et seq. of the French Commercial Code.

Under this authorisation, the maximum number of performance shares that can be granted free of charge is 1,295,087 Company shares, including a maximum of 431,695 shares for the Company's corporate officers.

On 21 January 2021, 811,000 performance shares were granted to 61 beneficiaries under this plan, including 731,000 under the "Classic" LTI plan and 80,000 under the "Booster" LTI plan. On 2 June 2021, the Board of Directors approved an additional allotment of 97,000 performance shares to 13 beneficiaries.

On the same date, the Board of Directors approved an allotment of 10,000 shares to two beneficiaries under the "Classic 2" LTI plan.

For the "Classic", "Classic 2" and "Booster" LTI plans, the performance condition is assessed over three years and based on two criteria:

- an off-market criterion: the level of achievement of the free cash flow targets during the Reference Period; and
- a market criterion: the change in Solocal's share price during the Reference Period.

The "Booster" plan also carries an additional investment condition.

For the "Classic" and "Classic 2" plans, the two criteria are applied as follows:

(i) first criterion: 80% of the final award at the end of the plan period will depend on the achievement of the annual free cash flow objectives during the three years of the plan period:
  - vesting of an initial tranche of shares (30% of the total number of shares) on condition that the Company generates €40 million in FCF in 2021,
  - vesting of a second tranche of shares (30% of the total number of shares) on condition that the Company generates €80 million in FCF in 2022,
  - vesting of a third tranche of shares (20% of the total number of shares) on condition that the Company generates €80 million in FCF in 2023;

(ii) second criterion: 20% of the final award will depend on the Solocal Group share price at the end of the plan period, with a target of €4.41:

- if the share price is greater than or equal to €4.41 at the end of 2023 (based on the average share price over the preceding twenty trading days), all of the shares granted in respect of this criterion will vest,
- if the share price is less than or equal to €3 at the end of 2023 (based on the average share price over the preceding twenty trading days), no shares granted in respect of this criterion will vest,
- if the share price is greater than €3 but less than €4.41 at the end of 2023 (based on the average share price over the preceding twenty trading days), the number of performance shares vested in respect of this criterion will be determined on a linear basis between 0% and 20%.

The vesting period is one year for tranche 1, two years for tranche 2 and three years for tranches 3 and 4. The retention period is three years for tranche 1, two years for tranche 2 and one year for tranches 3 and 4.

For the "Booster" plan, the two criteria are applied as follows:

(i) first criterion: 50% of the final award at the end of the plan period will depend on the achievement of the annual free cash flow objectives during the three years of the plan period subject to an investment condition for beneficiaries:
  - vesting of an initial tranche of shares (15% of the total number of shares) on condition that the Company generates €40 million in FCF in 2021 and that the investment condition is met,
  - vesting of a second tranche of shares (15% of the total number of shares) on condition that the Company generates €80 million in FCF in 2022 and that the investment condition is met,
  - vesting of a third tranche of shares (20% of the total number of shares) on condition that the Company generates €80 million in FCF in 2023 and that the investment condition is met;

(ii) second criterion: 50% of the final award will depend on the Solocal Group share price at the end of the plan period, with a target of €4.41:

- if the share price is greater than or equal to €4.41 at the end of 2023 (based on the average share price over the

preceding twenty trading days) and if the investment condition is met, all of the shares granted in respect of this criterion will vest,
- if the share price is less than or equal to €3 at the end of 2023 (based on the average share price over the preceding twenty trading days) and if the investment condition is met, no shares granted in respect of this criterion will vest,
- if the share price is greater than €3 but less than €4.41 at the end of 2023 (based on the average share price over the preceding twenty trading days) and if the investment condition is met, the number of performance shares vested in respect of this criterion will be determined on a linear basis between 0% and 50%.

As the performance conditions for tranche 1 of the "Classic" and "Classic 2" LTI plans had been met, 30% of the "Classic" plan shares were vested on 22 February 2022 and 30% of the "Classic 2" LTI plan shares were vested on 2 June 2022 (i.e. 187,800 shares for the "Classic" plan and 3,000 shares for the "Classic 2" plan).

As the performance conditions for tranche 2 of the "Classic" and "Classic 2" LTI plans had not been met, the Board of Directors, at its meetings of 22 February 2023 and 28 June 2023, noted that none of the shares under either the "Classic" LTI plan or the "Classic 2" LTI plan were vested.

As the investment condition of the "Booster" plan of 21 January 2021 was not met, the right for the beneficiaries of that plan to receive these shares free of charge was forfeited and this was noted by the Board of Directors at its meeting of 25 October 2022.

On 15 April 2021, the Board of Directors approved an allotment of 275,000 performance shares to the Chief Executive Officer, 130,000 under a "Classic" plan and 145,000 under a "Booster" plan.

For the LTI plans that apply to the Chief Executive Officer, the performance condition is assessed over three years and based on two criteria:

- an off-market criterion: the level of achievement of the free cash flow targets during the Reference Period; and
- a market criterion: the change in Solocal's share price during the Reference Period.

The "Booster" plan also carries an additional investment condition.

For the "Classic" plan, the two criteria are applied as follows:

(i) first criterion: 80% of the final award at the end of the plan period will depend on the achievement of the annual free cash flow objectives during the three years of the plan period:
  - vesting of an initial tranche of shares (30% of the total number of shares) on condition that the Company generates €40 million in FCF in 2021,
  - vesting of a second tranche of shares (30% of the total number of shares) on condition that the Company generates €80 million in FCF in 2022,
  - vesting of a third tranche of shares (20% of the total number of shares) on condition that the Company generates €80 million in FCF in 2023;

(ii) second criterion: 20% of the final award will depend on the Solocal Group share price at the end of the plan period, with a target of €4.41:

- if the share price is greater than or equal to €4.41 at the end of 2023 (based on the average share price over the preceding twenty trading days), a maximum of 24,000 performance shares will vest in respect of this criterion, it being specified that if Solocal's share price is greater than €3 but less than €4.41, the number of performance shares vested will be determined on a linear basis between 0 and 24,000 shares,
- a maximum of 10,000 additional shares will vest if Solocal's share price is equal to €5, it being specified that if Solocal's share price is greater than €4.41 but less than €5, the number of additional performance shares vested in respect of this criterion will be determined on a linear basis between 0 and 10,000 additional shares,
- if the share price is less than or equal to €3 at the end of 2023 (based on the average share price over the preceding twenty trading days), no shares granted in respect of this criterion will vest.

For the "Booster" plan, the two criteria are applied as follows:

(i) first criterion: 50% of the final award at the end of the plan period will depend on the achievement of the annual free cash flow objectives during the three years of the plan period subject to an investment condition for the Chief Executive Officer:
  - vesting of an initial tranche of shares (a maximum of 18,000 shares) on condition that the Company generates €40 million in FCF in 2021 and that the investment condition is met,
  - vesting of a second tranche of shares (a maximum of 18,000 shares) on condition that the Company generates €80 million in FCF in 2022 and that the investment condition is met,
  - vesting of a third tranche of shares (a maximum of 24,000 shares) on condition that the Company generates €80 million in FCF in 2023 and that the investment condition is met;

(ii) second criterion: 50% of the final award will depend on the Solocal Group share price at the end of the plan period, with a target of €4.41:

- if the share price is equal to €4.41 at the end of 2023 (based on the average share price over the preceding twenty trading days) and if the investment condition is met, all shares granted in respect of this criterion will vest (a maximum of 60,000 shares),

- if the share price is greater than €3 but less than €4.41 at the end of 2023 (based on the average share price over the preceding twenty trading days) and if the investment condition is met, the number of performance shares vested in respect of this criterion will be determined on a linear basis between 0 and 60,000 shares,
- if the share price is equal to €5 at the end of 2023 (based on the average share price over the preceding twenty trading days) and if the investment condition is met, all shares granted in respect of this criterion will vest (a maximum of 25,000 shares),
- if the share price is greater than or equal to €4.41 at the end of 2023 (based on the average share price over the preceding twenty trading days) and if the investment condition is met, all of the shares granted in respect of this criterion will vest (a maximum of 25,000 shares),
- if the share price is less than or equal to €3 at the end of 2023 (based on the average share price over the preceding twenty trading days) and if the investment condition is met, no shares granted in respect of this criterion will vest.

In the case of the Chief Executive Officer, the Board of Directors' meeting of 17 November 2023 decided, in the context of his departure, to waive the continued employment condition. At the Board of Directors' meeting of 23 April 2024, it was decided to approve the vesting (subject to a lock-in period of one year) of 36,000 performance shares under the first tranche of the "Classic" plan, the performance condition for this tranche relating to the achievement of annual free cash flow of €40 million having been met.

Furthermore, with regard to the "Booster" LTI plan, the Board of Directors made a commitment at the time of Hervé Milcent's appointment to waive the continued employment condition in the event of his dismissal before the end of the vesting period, thus allowing Hervé Milcent to gain ownership of 18,000 performance shares under the first tranche of that plan (subject to a lock-in period of one year).

2022 plan

The shareholders of Solocal Group, meeting at the Combined General Shareholders' Meeting of 3 June 2021, authorised the Board of Directors to set up, in favour of certain senior executives and employees of the Company and affiliated companies, a performance share plan as defined in Articles L. 225-197-1 et seq. of the French Commercial Code.

Under this authorisation, the number of performance shares that may be granted free of charge is capped at 987,708 Company shares.

On 26 April 2022, 797,500 performance shares were granted to 30 beneficiaries under this plan, including 370,000 under the "non-CEO" LTI plan, 230,000 under the "Executive Committee" LTI plan and 197,500 under the "CEO" LTI plan.

On 25 October 2022, the Board of Directors approved an allotment of 90,000 shares to two beneficiaries.

For all of these plans, the performance condition is assessed over a reference period of three years and based on two criteria:

- an off-market criterion: the level of achievement of the free cash flow target during the Reference Period; and
- a market criterion: the change in Solocal's share price during the Reference Period.

The two criteria are applied as follows:

(i) first criterion: 60% of the final award at the end of the plan period will depend on the achievement of the free cash flow objective for the plan reference period:
  - no shares will vest if the Company generates less than €160 million in free cash flow in total over the three financial years,
  - 75% of this 60% subtotal will vest if the Company generates €160 million in free cash flow in total over the three financial years,
  - 100% of this 60% subtotal will vest if the Company generates €240 million in free cash flow in total over the three financial years;

(ii) second criterion: 40% of the final award will depend on the change in the Solocal Group share price ("Solocal Index") compared with the change in the benchmark index at the end of the plan period. The Solocal Index Vesting Rate is calculated as follows:
  - 0% if the Solocal Index is strictly less than the Benchmark Index,
  - 75% if the Solocal Index is equal to the Benchmark Index, - 100% if the Solocal Index is greater than 105% of the Benchmark Index,
  - linear vesting would be agreed if the share price is between the index and 105% of the index.

The vesting period is three years and the retention period is one year.

Since the Chief Executive Officer resigned from his post before the scheduled end of the plan on 22 February 2025, the continued employment condition was not met. None of the 197,500 shares granted was vested.

Performance shares granted to each executive corporate officer during the 2023 financial year

Name of the executive corporate officer	Plan no. and date	Number of shares granted during the financial year	Valuation of shares according to the method used for the consolidated financial statements	Vesting date	End of lock-up period	Performance conditions
Hervé Milcent (from 1 January 2023 to 21 November 2023 inclusive)	-	-	-	-	-	-
Philippe Mellier	-	-	-	-	-	-
Cédric Dugardin (from 22 November 2023 to 31 December 2023)	-	-	-	-	-	-

Performance shares having vested during the 2023 financial year for each executive corporate officer

Name of executive corporate officer	Plan date	Number of shares having vested during the financial year	Vesting terms
Hervé Milcent (from 1 January 2023 to 21 November 2023 inclusive)	15 April 2021	54,000	31 March 2024
Philippe Mellier	-	-	-
Cédric Dugardin (from 22 November 2023 to 31 December 2023)	-	-	-

	Solocal Plan
Number of performance shares granted during the 2023 financial year to the top ten non-corporate officer Group beneficiaries	-

History of performance share allotments[1]

Information on performance shares

Shareholder's Meeting	27 Nov. 2020	27 Nov. 2020	27 Nov. 2020	3 June 2021	3 June 2021
Board meeting	21 January 2021	15 April 2021	2 June 2021	26 April 2022	25 Oct. 2022
Total number of shares granted	684,000[2]	275,000[2]	10,000[2]	667,500[2]	90,000[2]
of which number granted to corporate officers					
Catherine Robaglia	-	-	-	-	-
Hervé Milcent	-	*275,000*	–	197,500	-
Share vesting date	21 January 2024	31 March 2024	2 June 2024	26 April 2025	25 October 2025
Retention period end date	21 January 2025	31 March 2025	2 June 2025	26 April 2026	25 October 2026
Performance conditions	Free cash flow and change in share price	Free cash flow and change in share price	Free cash flow and change in share price	Free cash flow and change in share price	Free cash flow and change in share price
Number of shares vested	187,800	-	3,000	-	-
Number of shares cancelled or lapsed during the financial year	237,200	221,000	3,500	307,500	-
Performance shares remaining at year-end	259,000	54,000	3,500	360,000	90,000

(1) *Plans still in vesting period in 2023.*

(2) *Balance at 31 December 2022.*

The exercise of all 712,500 shares granted free of charge may potentially lead to the creation of 712,500 new shares. The total number of shares comprising the share capital would thus increase from 131,960,654 shares to 132,727,154 shares. The allotment of these new shares was made within the limit of a maximum potential dilution of 0.58% per year. It should be noted that share subscription options are out of the money. As at 31 December 2023, there were no unallocated performance shares authorised by the Solocal Group General Shareholders' Meeting.

6.4.4 VOLUNTARY AND MANDATORY PROFIT-SHARING AGREEMENTS

Mandatory profit-sharing

The Group signed a mandatory profit-sharing agreement on 26 June 2006 with five trade unions (CFE/CGC, CFDT, FO, CGT and the independent PagesJaunes union). This agreement covers the Group's French companies in which the Company's interest exceeds 50%.

The Group's special mandatory profit-sharing reserve is the total of the special profit-sharing reserves of each participating subsidiary, which are calculated using a specific formula (provided that the total result is greater than that which would be obtained from the ordinary statutory formula).

The special mandatory profit-sharing reserve is allocated to the beneficiaries as follows: 30% in proportion to length of service and 70% in proportion to gross annual salary. Individual allotments may either be invested in the Group Savings Plan and locked in for five years, or in the Group Retirement Savings Plan and locked in until retirement if the beneficiaries choose to invest (the money may also be received directly without being tied up).

The table below shows the gross mandatory profit-sharing distributed or to be distributed for the last three financial years:

Group agreement *(in millions of euros)*	Gross mandatory profit-sharing to be distributed to Group employees
2023	1.8
2022	1.9
2021	1.9

Voluntary profit-sharing

There have not been any voluntary profit-sharing agreements in place within the Group since 1 January 2016:

Company Savings Plan

On 12 February 2007, Management and trade unions signed an agreement to set up a Group Savings Plan. On 17 September 2019, Management and four trade unions signed a new agreement to change the financial management of the scheme and the intermediary holding the account. On 14 December 2022, Management and the five representative trade unions signed an amendment to change the financial management of the scheme and the intermediary holding the account.

Universal Free Share Plan

As part of the Solocal 2020 project and in order to give the employees a stake in the Group's strategic and economic objectives, the Company's Board of Directors, at its meeting of 4 November 2019, made use of the authorisation granted under the terms of the thirteenth resolution of the Combined General Shareholders' Meeting of 11 April 2019, and decided to allocate 100 free shares for each employee of the Group's French companies, i.e. a total award of 321,600 shares. These shares vested on 4 November 2020 (one year from the date on which they were granted), subject to the continued employment condition. In connection with the Company's financial restructuring and the capital increase, on 9 October 2020, in accordance with the subdelegation of authority granted by the Board of Directors on 2 October 2020, an adjustment was made to the number of new shares to be issued in respect of each entitlement to the free allotment of shares under the "Universal Plan" at a ratio of 2.109 new shares for each "Universal Plan" share. On 5 November 2020, 522,270 shares were granted under this plan (after adjustments related to restructuring operations).

Supplementary retirement scheme

On 22 November 2007, Management and trade unions signed an agreement to implement a supplementary retirement scheme. This agreement provided for:

- a PERCO (Collective Retirement Savings Plan) that tops up employee contributions with an employer contribution of €502 gross for an employee contribution of €1,500. The PERCO is no longer part of the Group agreement signed on 22 November 2007. It is covered by a new agreement signed on 17 September 2019 by Management and four trade unions. The employer contribution arrangement is unchanged. Two amendments were signed on 21 October 2022 and 14 December 2022 by Management and the five representative trade unions:
  - the first to bring the PERCO into line with the new retirement saving schemes created by the Pacte Law of 22 May 2019. As part of this change, the term "PERCO" was replaced by "PERECO";
  - the second to change the financial management of the scheme and the intermediary holding the account.
- a defined-contribution supplementary retirement plan, pursuant to Article 83 of the French Tax Code, for Group subsidiary managerial staff ("cadres") with effect as of 1 January 2008. Membership of this plan is compulsory and requires a contribution of 5.50% of the employee's tranche B and C compensation (i.e. above the maximum tranche A compensation limit of €3,377 per month in 2019). Employees pay 40% of this contribution (2.20%) and the Company pays the remaining 60% (3.30%). An amendment was signed on 29 October 2013 to allow the participating employees to make additional and voluntary contributions into the supplementary retirement plan, pursuant to Article 163 quater vicies of the French Tax Code. An amendment was signed on 31 March 2015 to change the management of the Article 83 scheme. An amendment was signed on 14 December 2022 by Management and the five representative trade unions to convert the Article 83 scheme into a PERO (a new defined-contribution retirement scheme created within the framework of the Pacte Law of 22 May 2019).
- A new amendment was signed on 27 November 2023 to change the financial management and formalise the change of service provider.

6.4.5 VOTING RIGHTS

All registered shares in the Company that are fully paid up and have been registered in the name of the same shareholder for at least two years carry a double voting right (see section 6.2).

6.4.6 SHAREHOLDER AGREEMENTS

To the Company's knowledge, no shareholder agreement is in effect as of the date of this document.

6.4.7 PLEDGES

In connection with the issue of the Bonds (see Note 9.5 to the consolidated financial statements and Notes 5.4 and 6.1 to the Company annual financial statements in chapter 5 of this document), the Company has created a pledge of financial securities in favour of the bondholders covering all Solocal shares that it holds as collateral for all amounts due (in principal, interest, commissions, fees and expenses) by the Company in respect of the Bonds.

6.5 Dividend distribution policy

The Company has not paid dividends since the General Shareholders' Meeting of 7 June 2011, which approved the payment of a dividend of €0.58 per share.

The Solocal Group Board meeting decided to propose to the Annual General Shareholders' Meeting held to approve the 2023 financial statements that a dividend not be paid for the 2023 financial year.

6.6 Main related party transactions

6.6.1 SERVICE AGREEMENTS

No members of the Board of Directors and no Chief Executive Officers have a service agreement with the Company or with any of its subsidiaries that provides for benefits upon contract termination.

6.6.2 RELATED PARTY TRANSACTIONS

Information on the regulated agreements and commitments referred to in Article L. 225-38 of the French Commercial Code is provided in the Statutory Auditors' special report on regulated agreements reproduced below.

6.6.3 STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

To the General Shareholders' Meeting of Solocal Group,

In our capacity as your Company's auditors, we present below our report on regulated agreements.

Based on the information provided, we are required to report to shareholders on the characteristics, main terms and conditions of and the reasons justifying the appropriateness for the Company of the agreements that have been disclosed to us or which were brought to light as a result of our engagement, without commenting on their relevance or substance and without determining whether other such agreements exist. Under Article R. 225-31 of the French Commercial Code, it is the responsibility of shareholders to determine whether the agreements are appropriate and should be approved.

We are also required to report to you the information set out in Article R. 225-31 of the French Commercial Code (*Code de commerce*) regarding operations carried out during the past financial year under agreements approved by shareholders in previous years.

We have performed those procedures deemed necessary by us in accordance with the professional guidelines of France's national auditing body, the CNCC, as applicable to this engagement. These procedures consisted of verifying the consistency of the information given to us with the contents of the source documents.

Agreements submitted for the approval of the General Shareholders' Meeting

Agreements authorised and signed during the past financial year

We were not informed of any agreement authorised and signed during the past financial year to be submitted for the approval of the General Shareholders' Meeting pursuant to Article L. 225-38 of the French Commercial Code.

Agreements already approved by the General Shareholders' Meeting

Agreements approved in previous financial years that remained in force during the year ended 31 December 2023

Pursuant to Article R. 225-30 of the French Commercial Code, we were informed that the following agreement, already approved by the General Shareholders' Meeting in previous years, remained in force during the year ended 31 December 2023.

Securities account pledge agreement relating to the shares issued by Solocal SA, entered into between Solocal SA, Aether Financial Services and your Company

PERSONS CONCERNED

Hervé Milcent (until 21 November 2023) and Cédric Dugardin (from 22 November 2023), successively Chief Executive Officer of your Company and Chairman of the Board and CEO of Solocal SA.

NATURE

Your Board of Directors, at its meeting of 7 August 2020, gave prior approval to the fifth-rank securities account pledge agreement relating to the Solocal SA shares held by your Company, as security for the bond issue of a principal amount of €18.7 million (the "Secured Bonds") issued by your Company on 14 August 2020. This pledge agreement was signed on 13 August 2020.

TERMS AND CONDITIONS

The amounts due in respect of such bonds are secured by a fifth-rank securities account pledge, documented by a securities account pledge agreement governed by French law, drafted in English and entitled "Financial Securities Account Pledge Agreement", between your Company, as Pledgor, Solocal SA, as Financial Securities Account Holder and Aether Financial Services, as (i) Security Agent and (ii) representative of the holders of the Secured Bonds (Representative).

This agreement shall remain in force until the expiry date of the Security Period, i.e. the date on which the Secured Bonds have been fully repaid.

Paris-La Défense, 30 April 2024

The Statutory Auditors

DELOITTE & ASSOCIÉS	AUDITEX
	Member of the Ernst & Young Global Limited network
Stéphane Rimbeuf	Mohamed Mabrouk

6.7 Material contracts

The Company has entered into a bank financing arrangement the principal terms of which are presented in Note 9 to the consolidated financial statements and in Notes 2 and 5 to the Company financial statements presented in chapter 5 of this document.

Furthermore, on 12 April 2024, Solocal Group announced that it had signed an Agreement in Principle on its financial restructuring with Ycor, bondholders representing 84% of the Bonds and 100% of the Mini Bonds respectively, and creditors representing 78.6% of the RCF (pending internal validation of the last RCF creditor), the terms of which are described in section 5.1.6 of this document.

As at this date, the Company has not signed any major contracts, other than those signed in the normal course of its business, that create a major obligation or commitment for the whole Group.

6.8 Legal proceedings

In the ordinary course of business, Group entities may be involved in a number of legal, arbitration and administrative proceedings. Provisions for the potential costs of such proceedings are only made where it is probable that the expense will be incurred and the amount can be either quantified or estimated within a reasonable range. The amount of the provisions is based on an assessment of the risk on a case-by-case basis and largely depends on factors other than the particular stage of proceedings, although events occurring during the proceedings may call for a reassessment of this risk.

With the exception of the proceedings described below and in the notes to the consolidated financial statements (Note 16 "Disputes, contingent assets and liabilities"), the Company does not consider that it is party to any legal or arbitration procedure that could reasonably be believed to have a material adverse effect on its earnings, operations or consolidated financial position.

In 2013, Solocal had to undertake further reorganisation to ensure its sustainability in the face of a constantly changing and highly competitive business environment. Proposed changes to Solocal's business model and organisation were presented to the staff representation bodies beginning in September 2013. At the same time, Management negotiated with the trade unions to reach a majority agreement on employee support measures. This agreement was signed on 20 November 2013. Following completion of these negotiations with the employee representatives, this plan provided for restructuring combined with changes in the employment contracts of the entire salesforce, and a plan without compulsory redundancies which would ultimately create 48 additional jobs within the Company. This agreement received validation via a ruling of the DIRECCTE on 2 January 2014.

A total of 311 employees refused the amendment to their employment contract linked to this reorganisation implemented at the end of 2013 and 280 of them were made redundant. One employee of the Company contested the decision to validate the collective agreement relating to the Employment Protection Plan (Plan de Sauvegarde de l'Emploi - PSE) before the administrative courts. The Versailles Administrative Court of Appeal, in a judgment dated 22 October 2014 and notified on 5 November 2014, annulled the validation decision by DIRECCTE. On 22 July 2015, the Council of State rejected the appeal brought by Solocal and the Minister of Employment.

Consequently, multiple proceedings are in progress with the administrative as well as judicial courts. The administrative proceedings are now terminated.

With regard to the proceedings before the ordinary courts, more than 200 legal proceedings were brought before employment tribunals by employees invoking the consequences of the annulment by the Versailles Administrative Court of Appeal of the administrative decision validating the collective agreement relating to the Employment Protection Plan, which enabled them to claim compensation.

Only a few cases are still ongoing.

In the consolidated financial statements for 2015, Solocal recognised the exceptional impact of the court decisions that cancelled DIRECCTE's validation of the Employment Protection Plan (PSE). An additional provision of €35 million was recognised in the consolidated financial statements for that year. This was based on a prudent assumption in a context of great legal uncertainty, increased recently by conflicting decisions of employment tribunals. As at 31 December 2023, the remaining provision in the financial statements was €0.1 million compared with €0.2 million as at 31 December 2022.

A request for claims for the loss caused by the state to Solocal due to incorrect validation of its PSE is underway. Solocal initially requested compensation from the state for the loss arising from the payment of compensation following the cancellation of the DIRECCTE decision, then sought an order from the Cergy-Pontoise Administrative Court in July 2017 to have the state pay this sum to the Company. Solocal's claim for compensation was dismissed by the Cergy-Pontoise Administrative Court, in a judgment dated 16 June 2020, and then by the Versailles Administrative Court of Appeal, in a ruling dated 25 May 2023. Solocal has appealed to the French Council of State (Conseil d'État). A ruling is expected in 2024.

In common with other companies in the sector, Solocal is frequently the subject of court proceedings brought in relation to errors in customer listings in its digital media. Generally, the financial risk represented by each of these proceedings is relatively limited. However, an increase in their number may constitute a significant risk for the Company. As at 31 December 2023, ten such proceedings were in progress, involving total claims of approximately €0.2 million. In these proceedings, the Solocal entities endeavour to negotiate out-of-court compensation, which significantly reduces the final total cost of such proceedings. However, no guarantee can be given that these proceedings will not have an adverse impact on the Company's financial position.

The Legal department monitors the risks connected with the most significant disputes, in liaison with senior management and the subsidiaries and assisted by law firms.

In addition, Solocal has strengthened its procedures and systems for the detection and qualification of potential insider information within the Company, as well as its Securities Trading Code of Conduct, which is available to all employees.

CHAPTER

7 Additional information

7.1 Persons responsible for the Universal Registration Document

7.1.1 RESPONSIBILITY FOR THE UNIVERSAL REGISTRATION DOCUMENT

Responsibility for this document is assumed by Philippe Mellier, Chairman of the Board of Directors, and Cédric Dugardin, Chief Executive Officer of Solocal Group.

7.1.2 ATTESTATION OF THE PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT INCLUDING THE ANNUAL FINANCIAL REPORT

We hereby attest that the information in this Universal Registration Document is, to the best of our knowledge, accurate and contains no omissions which could limit the scope of its relevance.

We hereby attest that, to the best of our knowledge, the financial statements were prepared in accordance with the applicable accounting standards and present a true picture of the assets, financial position and net income of the Company and of all the consolidated companies, and that the elements of the management report included in this document and listed in the cross-reference table in section 7.5 of this document present an accurate reflection of the development of the business activities, performance and financial position of the Company and of all the consolidated companies, and that it describes the main risks and uncertainties they face.

Boulogne-Billancourt, 2 May 2024

Philippe Mellier
Chairman of the Board of Directors of Solocal Group

Cédric Dugardin
Chief Executive Officer of Solocal Group

7.2 Statutory Auditors

Deloitte & Associés

Represented by Stéphane Rimbeuf – 6, place de la Pyramide 92908 Paris-La Défense Cedex. Member of the compagnie régionale de Versailles et du Centre.

Appointed Co-Statutory Auditor of the Company by decision of the Combined General Shareholders' Meeting on 2 June 2022 for a term of six years expiring at the end of the General Shareholders' Meeting to be held in 2028 to approve the financial statements for the financial year ending 31 December 2027.

Auditex, member of the Ernst & Young Global Limited network

Represented by Mohamed Mabrouk – Paris La Défense 1 1-2 Place des Saisons 92400 Courbevoie. Member of the compagnie régionale de Versailles et du Centre.

Appointed Co-Statutory Auditor of the Company by decision of the Combined General Shareholders' Meeting on 2 June 2022 for a term of six years expiring at the end of the General Shareholders' Meeting to be held in 2028 to approve the financial statements for the financial year ending 31 December 2027.

The Statutory Auditors' fees are presented in Note 19 to the consolidated financial statements.

7.3 Documents on display

The Articles of Association, minutes of General Shareholders' Meetings, Statutory Auditors' reports and other corporate documents may be consulted at the Company's registered office. Moreover, all regulatory information provided for under Article 221-1 of the General Regulation of the AMF (the French Financial Markets Authority), certain information on the Group's organisation and business activities, and an up-to-date version of its Articles of Association are available on the Group's website at www.solocal.com.

7.4 Provisional financial calendar

Date	Event
2nd half of June 2024	Annual General Shareholders' Meeting

7.5 Cross-reference tables

Cross-reference table with the headings in Annex 1 to EU Delegated Regulation No. 2019/980

The cross-reference table below identifies within this document the information referred to in the various headings in the URD schedule.

Information		Chapter	Page
1	**Persons responsible, third party information, experts' reports and competent authority approval**		
1.1	Persons responsible for the information	7.1	262
1.2	Attestation of the person responsible	7.1	262
1.3	Statements by experts and declarations of any interest	N/A	N/A
1.4	Third party information	N/A	N/A
1.5	Statement on the competent authority approving the document	N/A	N/A
2	**Statutory Auditors**		
2.1	Information on the Statutory Auditors	7.2	262
2.2	Information on the possible resignation or non-reappointment of the Statutory Auditors	N/A	N/A
3	**Risk factors**	**2**	**27 TO 49**
4	**Information about the issuer**		
4.1	Legal and commercial name of the Company	6.1	230
4.2	Registration location and number of the Company and legal entity identifier	6.1	230
4.3	Date of incorporation and duration of the Company	6.1	230
4.4	Domicile, legal form and regulations governing the Company	6.1	230
5	**Business overview**		
5.1	Principal activities	1.3 5.1.1 / 5.3.3 Note 1	10 to 20 / 142 / 206
5.2	Principal markets	1.1.2	7
5.3	Important events in the development of the Company's business	1.4	21
5.4	Description of strategy and objectives	1.2.1	8
5.5	Extent to which the issuer is dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes	2.2.2 / 2.2.3	33 to 34
5.6	The basis for the issuer's statement regarding its competitive position	1.1.2.3	7
5.7	Investments		
5.7.1	*Description of the Company's main investments*	*5.1.4*	148
5.7.2	*Description of the Company's investments in progress and their geographical location and the Company's planned projects*	*5.1.4*	148
5.7.3	*Information relating to the undertakings and joint ventures in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses*	*N/A*	*N/A*
5.7.4	*A description of any environmental issues that may affect the issuer's utilisation of the tangible fixed assets*	*3.2.3.4*	78 to 82

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6	**Organisational structure**		
6.1	Description of the Group	1.3	10 to 20
6.2	List of significant subsidiaries	1.4.2 / 5.3, Note 6.5	22 / 221
7	**Operating and financial review**		
7.1	Financial condition	5.1 / 5.2	142 to 155 / 156 to 201
7.1.1	*Review of the business for the periods presented*	*5.1 / 5.2.6, Note 1.4*	*142 / 163 to 164*
7.1.2	*Explanations of the future development prospects and of the R&D activities*	*5.1.5*	148
7.2	Operating income	5.1.2 / 5.1.2.3 / 5.2.1 / 5.3.2 / 5.3.3	142 to 146 / 144 / 156 / 204 / 205
7.2.1	*Events that have impacted the issuer's income from operations*	*5.1.2.3*	*144 & 145*
7.2.2	*Explanations of material changes in net sales and/or revenues*	*5.1.2.1*	143
8	**Capital resources**		
8.1	Information on the Company's capital resources	2.5.1 / 5.1.3 / 5.2.6, Note 13	37 to 39 / 146 & 147 / 188 & 189
8.2	Sources and amounts of and a narrative description of the issuer's cash flows	5.1.2.4 / 2.5.1 / 5.2.6, Note 9.5	145 & 146 / 37 to 39 / 178 to 183
8.3	Information on the issuer's borrowing conditions and financial structure	5.1.3 / 2.5.1 / 5.2.6, Note 9.5	146 & 147 / 37 àto39 / 178 to 183
8.4	Information regarding the existence of any restrictions affecting the use of capital resources and that may have an impact on the issuer	5.1.3 / 2.5.1 / 2.5.2 / 5.2.6, Note 9.5	146 & 147 / 37 to 39 / 40 / 192
8.5	Anticipated sources of funds needed for the Company to fulfil its commitments	5.1.3 / 2.5.1 / 5.2.6, Note 9.5	165 & 166 / 65 to 66 / 178 to 183
9	**Regulatory environment**	**2.6**	**41 TO 43**
10	**Trend information**		
10.1	Significant trends in production, sales and inventory, costs and selling prices since the end of the last financial year Significant change in the Company's financial performance	5.1.6	148 & 153
10.2	Known trends, uncertainties, demands, commitments or events reasonably likely to have a material effect on the issuer's prospects for at least the current financial year	5.1.5	148
11	**Profit forecasts or estimates**	**1.2.3**	**9**
12	**Administrative, management and supervisory bodies and senior management**		
12.1	Information concerning the members of the Company's administrative and management bodies	4.1	92 to 102
12.2	Administrative, management, and supervisory bodies and senior management conflicts of interests	4.1.2	100
13	**Compensation and benefits**		
13.1	Amount of compensation paid and benefits in kind	4.2 / 4.3 / 6.4.3	103 to 135 / 136 to 140 / 247 to 254
13.2	Total amounts provisioned or otherwise recognised by the issuer or its subsidiaries for payment of pension, retirement or other benefits	4.3.2	140

Information		Chapter	Page
14	**Functioning of the administrative and management bodies**		
14.1	Date of expiration of the current terms of office	4.1	92 to 102
14.2	Service contracts between members of the administrative and management bodies	4.2.2 / 6.6	103 / 256 & 257
14.3	Information about the Audit Committee and Remuneration Committee	4.2	103 to 135
14.4	Statement of compliance with the corporate governance regime	4.2	103 to 135
14.5	Potential impacts on governance, including any changes in the Board or the composition of Committees	N/A	N/A
15	**Employees**		
15.1	Number of employees	3.2	88
15.2	Shareholdings and stock options	6.4.3	247 to 254
15.3	Arrangements for involving the employees in the capital of the issuer	6.4.4	254 & 255
16	**Major shareholders**		
16.1	Shareholders holding more than 5% of the capital	6.4.1	245 to 247
16.2	Existence of different voting rights	6.3 / 6.4	238 to 256
16.3	Ownership or control of the issuer	6.4.2	247
16.4	Arrangements that may at a subsequent date result in a change in control	4.2.3	103 to 135
17	**Related party transactions**	**6.6**	**256 & 257**
18	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**		
18.1	Historical financial information	5.1.1 to 5.1.4 / 5.2	142 to 148 / 156 to 201
18.2	Interim and other financial information	N/A	N/A
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18.4	Pro forma financial information	N/A	N/A
18.5	Dividend policy	6.5	256
18.6	Litigation and arbitration proceedings	6.8	258 & 259
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19	**Additional information**		
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19.1.1	*Amount of subscribed capital and information relating to each class of share capital*	*6.3.1*	*239*
19.1.2	*Number and characteristics of shares not representing capital*	*6.3.2*	*240*
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19.1.4	*Amount of any convertible securities, exchangeable securities or securities with warrants*	*6.3.4*	*241*
19.1.5	*Information about and terms of any acquisition rights and/or obligations over authorised but unissued capital or an undertaking to increase the capital*	*6.3.4*	*241*
19.1.6	*Information about the capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option*	*6.3.4*	*241*

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19.1.7	*History of share capital for the period covered by the historical financial information*	*6.3.5*	241 to 245
19.2	Memorandum and Articles of Association	6.2	230 to 238
19.2.1	*Description of the issuer's objects and purposes and company registration number*	*6.2.1 / 6.1.2*	*230 to 235 / 250*
19.2.2	*Description of the rights, preferences and restrictions attaching to each share class*	*6.2.1*	230 to 235
19.2.3	*Provisions having the effect of delaying, deferring or preventing a change in control of the issuer*	*N/A*	N/A
20	**Material contracts**	**6.7**	**258**
21	**Documents available**	**7.3**	**263**

Cross-reference table with the information required in the management report

The cross-reference table identifies within this Universal Registration Document the information contained in the management report in accordance with applicable laws and regulations and in particular Articles L. 225-100 et seq. of the French Commercial Code.

Themes		Chapters	Page
1	**Information on the Company's activity**		
1.1	Description of the activity (including the progress made and the difficulties faced) and the results of the Company, each subsidiary and the Group	5.1 / 5.3	142 to 155 / 230 to 249
1.2	Analysis of the business development, results, financial position and, in particular, the borrowings of the Company and the Group	5.2.1 / 5.2.2 / 5.2.3	156 / 157 / 158
1.3	The likely future development of the Company and/or the Group	1.2.2	9
1.4	Key performance indicators of a financial and non-financial nature for the Company and the Group	Key figures / 3.2.3 / 5.1.2.1	2 & 3 / 60 to 82 / 143
1.5	Significant post-closing events within the Company and the Group	5.1.6	148 to 153
1.6	Information about its objectives and policy for hedging each major type of forecasted transaction for which hedge accounting is used, and on its exposure to price risk, credit risk, liquidity risk and cash flow risk. This information includes the Company's use of financial instruments	2.5.1 / 2.5.2	37 to 40
1.7	Description of the main risks and uncertainties faced by the Company and the Group	2	27 to 43
1.8	Indicators on financial risks related to the effects of climate change and the measures taken by the Company to mitigate these risks through a low-carbon strategy applicable to all aspects of its business	2.3.2 / 3.2.3.4.1	35 / 78 to 82
1.9	Information on the R&D activities of the Company and the Group	1.2	8 & 9
1.10	Main features of the Company's internal control and risk management procedures for the preparation and treatment of accounting and financial information	2.8	44 to 49
1.11	Mention of existing branches	N/A	N/A
1.12	Activity and results of the Company as a whole, the subsidiaries of the Company and the companies it controls by business line	5	142 to 228

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2	**The Company's legal, financial and tax information**		
2.1	Shareholder structure and changes thereto and identity of shareholders	6.4.1	245 to 247
2.2	Names of controlled companies that hold shares in the Company and the percentage of the Company's capital held by them	N/A	N/A
2.3	Acquisitions during the financial year of material holdings in companies whose registered office is in France	N/A	N/A
2.4	Notification of holdings representing more than 10% of capital of another company limited by shares and disposals of shares to reduce cross holdings	N/A	N/A
2.5	Share buybacks	6.3.3	240
2.6	Purchase and sale by the Company of its own shares in order to allocate them to its employees (share buybacks)	6.3.3	240
2.7	Employee ownership of the share capital	6.4.3	247 to 254
2.8	Opinion of the Works Council regarding changes to the economic or legal structure	N/A	N/A
2.9	Table of earnings for the past five financial years	5.3.5	223
2.10	Net income for the financial year and proposed appropriation of net income	See the documentation to be provided to the shareholders as part of the invitation to attend the 2024 Annual General Shareholders' Meeting	
2.11	Issue of securities giving access to the capital: – information about the calculation of the adjustment; and – results of this adjustment	6.3.4	241
2.12	Amount of dividends distributed for the previous three financial years	6.5	256
2.12	Amount of non tax-deductible expenses and costs	See the documentation to be provided to the shareholders as part of the invitation to attend the 2024 Annual General Shareholders' Meeting	
2.14	Payment terms and breakdown of outstanding trade accounts payable and receivable by due date	5.3.4	222
2.15	Injunctions or fines for anti-competitive practices	N/A	N/A
2.16	Information on regulated agreements remaining in effect during the financial year (AMF Recommendation to follow)		
2.17	Securities acquired by employees in connection with the buy-out of a company by its employees	N/A	N/A
3.1	In the event of an allotment of free shares, mention of the information on which the Board of Directors based its decision either to: – prohibit executives from exercising their options prior to the termination of their duties; or – require them to hold in registered form all or some of the shares issued as a result of options already exercised until the termination of their duties (specifying the proportion set)	N/A	N/A
3.2	Summary statement of transactions by executives and related persons involving the Company's securities	6.4.3	247 to 254
3.3	In the event of an allotment of free shares, mention of the information on which the Board of Directors based its decision either to: – prohibit executives from selling the shares that were awarded to them free of charge prior to the termination of their duties; or – set the quantity of shares that they are required to hold in registered form until the termination of their duties (specifying the proportion set)	N/A	N/A

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4	**Company CSR information**	**Chapter 3**	**54 to 90**
4.1	Statement on Non-Financial Performance	3.2	59 to 90
4.2	Information on hazardous installations	N/A	N/A
5	**Other information**		
5.1	Amount of loans due in less than two years granted by the Company, as an ancillary activity to its main business, to micro-enterprises, SMEs or intermediate-sized companies with which it has economic ties justifying such loans	N/A	N/A
5.2	Information on payments made to the authorities of each state or territory in which the Company conducts the following activities: exploration, prospecting, discovery, development or extraction of hydrocarbons, anthracite and lignite, metallic minerals, stone, sand and clay, chemical minerals and mineral fertilisers, peat, salt or other mineral resources or the logging of primary forests	N/A	N/A
5.3	Information relating to the use of the CICE tax credit	N/A	N/A
5.4	Special report on share subscription or purchase options granted to corporate officers and employees	6.4.3	247 to 254
5.5	Special report on allotments of free shares made to corporate officers and employees during the financial year	6.4.3	247 to 254
5.6	Vigilance plan – risk mapping for the purposes of identifying, analysing and prioritising risk factors – processes for regularly assessing the situation of subsidiaries, subcontractors or suppliers with whom there is an established commercial relationship, vis-à-vis the risk mapping; – tailored actions to mitigate risks or prevent severe impacts – an alert and reporting mechanism to report risks or actual incidents, developed in consultation with the representative unions in the said company – a system for monitoring measures taken and evaluating their effectiveness	2.8 / 3	44 to 49 / 54 to 90

The cross reference table below identifies the main information provided for in the financial report referred to in Article L. 451-1-2 of the French Monetary and Financial Code and in Article 222-3 of the AMF General Regulation.

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

- in respect of the financial year ended 31 December 2022, the consolidated financial statements and the annual financial statements, the related Statutory Auditors' Reports as well as the Statutory Auditors' Special Report on Regulated Agreements and the Board of Directors' Report presented on pages 170 to 211, 212 to 253, and 283 and 230 to 249 respectively of the Universal Registration Document filed on 28 April 2023 under No. D.23-0379 and available in the Investors section of the Company's website www.solocal.com;
- in respect of the financial year ended 31 December 2021, the consolidated financial statements and the annual financial statements, the related Statutory Auditors' Reports as well as the Statutory Auditors' Special Report on Regulated Agreements and the Management Report presented on pages 164 to 206, 207 to 250, and 279 and 225 to 246 respectively of the Universal Registration Document filed on 19 April 2022 under No. D.22-0309 and available in the Investors section of the Company's website www.solocal.com.

Chapters of the 2021 and 2020 Registration Documents that are not referred to above are either irrelevant to investors or covered elsewhere in this Universal Registration Document.

Cross-reference table with the information required in the corporate governance report

The cross-reference table below identifies within this Universal Registration Document the information contained in the corporate governance report in accordance with applicable laws and regulations and in particular Articles L. 225-100 et seq. of the French Commercial Code

Themes		Chapters	Page
1	List of offices and duties held by each corporate officer in any company during the financial year	4.1.1	92 to 99
2	Agreements entered into, directly or through an intermediary, between a corporate officer or a shareholder that holds more than 10% of voting rights of a company and another company in which the former owns more than 50% of the capital.	4.2.3	124
3	Summary table of current delegations of authority granted by the General Shareholders' Meeting regarding capital increases and disclosing the use made of these delegations of authority during the financial year	4.2.3	124 & 125
4	Choice of a management structure	4.1	92 to 102
5	Compensation policy for executives and directors (Say on Pay)		
	– ex-ante vote: draft resolutions drawn up by the Board of Directors on the compensation policy for executives and directors that must be submitted to shareholders for approval, and the items of compensation concerned	4.2.3	104 to 109
	– decision process followed to calculate compensation and the criteria used to determine the breakdown and allocation of the fixed, variable and exceptional items of total compensation and benefits in kind awarded to executives	4.2	103 to 134
	– criteria used to determine the breakdown of the fixed annual sum awarded to the directors by the General Shareholders' Meeting	4.3.1	136 to 140
	– ex-post vote on the variable or exceptional compensation paid or awarded during the past financial year	4.2.3	109 to 119

Themes		Chapters	Page
6	Information on corporate officers' compensation		104 to 109
	– Total compensation and benefits in kind that each corporate officer holding at least one office in a company whose securities are admitted to trading on a regulated market received during the financial year from the Company, the companies that it controls and the company that controls it	4.2.3	
	– Commitments of any kind and the terms and conditions thereof, made by that company alone in favour of its corporate officers (only those that also hold an office in a listed company in the same group), corresponding to items of compensation, indemnities or benefits payable or potentially payable as a result of the commencement, termination or change of duties or subsequent to the performance thereof, particularly pension commitments and other lifetime benefits	4.2.3	118 & 119
7	Pay ratio and disclosure of pay differentials between corporate officers and employees	4.2.3	120 & 121
8	Disclosures concerning pension commitments and other lifetime benefits	4.2.3	118 & 119
9	Composition, preparation and organisation of the Board's work	4.2.3	125 to 128
10	Any restrictions placed on the powers of the Chief Executive Officer by the Board of Directors	4.2.3	130 & 131
11	Corporate governance code chosen and any provisions of the code that have not been adopted	4.2.1	103
12	Special terms and conditions for attendance at General Shareholders' Meetings	4.2.3	131 to 133
13	Disclosure of factors likely to have an impact in the event of a public tender offer	4.2.3	134 & 135
14	Application of the principle of balanced representation of men and women on the Board of Directors or Supervisory Board	4.2.3	130
15	Observations of the Supervisory Board on the Executive Committee's Management Report and on the financial statements for the year		

Cross-reference table with the information required in the annual financial report

The cross-reference table below identifies within this Universal Registration Document the information contained in the annual financial report in accordance with Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF General Regulation

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1	**Declaration of the individuals assuming responsibility for the annual financial report**	7.1.2	262
2	**Management report**	See table on pages 267 to 269	
3	**Financial statements and reports**		
3.1	Company financial statements	5.3	202 to 223
3.2	Statutory Auditors' report on the Company financial statements	5.3.6	224 to 228
3.3	Consolidated financial statements	5.2	156 to 207
3.4	Statutory Auditors' report on the consolidated financial statements	5.2.8	197 to 201

Cross-reference table of employee-related, environmental and societal information

Statement of Non-Financial Performance

	Themes	Chapters	Page
1	Presentation of the business model of the Company or Group	3.2.1	52 & 53
2	Description of the main risks associated with the activity of the Company or all consolidated companies in terms of social, environmental and human rights matters, the fight against corruption and tax evasion, including where relevant and proportionate, and the risks arising from its business relationships, products and services	3.2.2	59 & 60
3	Description of the policies applied by the Company or all consolidated companies including, where appropriate, due diligence procedures to prevent, identify and mitigate the occurrence of risks	3.2.3	60 to 82
4	Results of these policies, including key performance indicators	3.2.3	60 to 82
5	The statement must cover the following topics:		
	– the climate impact of the Company's business and of the use of the goods and services that it produces;	3.2.3.4.1	78 to 82
	– societal commitments to:		
	– sustainable development,	3.2.3.4.1	78 to 82
	– the circular economy,	3.2.3.4.1	78 to 82
	– the fight against food waste,	N/A	N/A
	– the fight against food insecurity,	N/A	N/A
	– the safeguarding of animal welfare,	N/A	N/A
	– responsible, fair and sustainable nutrition;	N/A	N/A
	– collective agreements entered into within the Company and their impacts on its economic performance and the working conditions of employees;	3.2.3.3	72 to 78
	– diversity and anti-discrimination actions;	3.2.3.3	72 to 78
	– disability measures	3.2.3.3	72 to 78
6	Mention of the framework followed and the recommendations of the said framework	N/A	N/A

7.6 Glossary

Display: display is the online advertising market segment that is showing the fastest growth. It includes banners, online videos and social media promotions.

ARPA (Average Revenue Per Advertiser): total sales for the period under review divided by the average number of customers for the period.

Audience/Traffic: indicator of visits and access to content over a given period.

- direct: audiences that are the result of users' expressed intent to access the site or the PagesJaunes application (direct access and brand research on a search engine);
- SEO: audiences on the PagesJaunes site and application that come from search engines (SEO – search engine optimisation);
- affiliates: audiences on the PagesJaunes site and application that come from affiliated partners (MSN, Nosibay, Free and Alice, Planet, L'internaute);
- syndication: audiences on PagesJaunes content, excluding the PagesJaunes site or application (through partnerships such as Apple, Bing, Yahoo!, etc.).

Order backlog: outstanding portion of revenue still to be recognised at the end of a period from order intake validated and committed by customers. For income from subscriptions, only the current commitment period is considered.

Recurring net external expenses:

- including external purchases: primarily the costs of databases, operating expenses and information system development expenses, communication and marketing expenses, and fixed costs; and
- also including other operating income and expenses: mainly comprised of duties and taxes, of certain provisions for risks, and provisions for customer risks.

Digital revenue: the sum of revenues from the Presence, Digital Advertising, Websites and New Solutions activities.

Presence revenue: the Presence range helps VSEs/SMEs manage their digital presence across the web (several media, including Google, Facebook, PagesJaunes, Bing, Tripadvisor, Waze, Instagram, etc.) in a few clicks, in real time and entirely independently through a single mobile app.

Digital Advertising revenue: the Digital Advertising range helps businesses capture relevant contacts year-round from customers in their catchment area, through different types of products based on the customers' needs: improvement in search engine rankings, increase in web traffic or prospects, or brand awareness on the web and social networks.

Website revenue: through the Websites range, Solocal builds customers' websites and e-commerce sites and optimises them for search engines, at prices that fit different budgets, on a subscription basis with automatic renewal.

New Solutions revenues: Solocal also offers a New Solutions range that consists of additional, high value-added features for its customers, such as online appointment scheduling, restaurant or salon reservations, hotel bookings and also more specialised services, such as digital consulting in the area of search engine optimisation.

Print revenues: revenues from the Printed Directories activities related to the publication, distribution and sale of advertising space in the printed directories (PagesJaunes).

Group consolidated revenues: Group revenues taking into account continued and divested activities as of the reporting date.

Churn: number of lost customers compared to the total number of customers at the beginning of period.

Cookie: a small text file stored on an internet user's computer when the user visits a web page.

SNFP (Statement of Non-Financial Performance): includes social and environmental information, replacing CSR reporting measures.

EBITDA (earnings before interest, taxes, depreciation and amortisation): an alternative performance indicator presented in the income statement with regard to operating income before depreciation and amortisation.

Recurring EBITDA: recurring EBITDA corresponds to EBITDA before non-recurring items.

These non-recurring items concern income and expenses that are very limited in quantity, unusual, abnormal and infrequent in nature, and of a particularly significant amount. For the most part they include:

- capital gains or losses on disposals of assets;
- restructuring costs: costs related to programmes that are planned and controlled by management, and which materially change either the scope of activity of the company, or the way this activity is managed, as defined by IAS 37 criteria.

Publisher: the individual or legal entity that assumes responsibility for the content it publishes.

Net financial debt: total gross financial debt, less cash and cash equivalents.

Group: refers to Solocal Group SA and its entities.

Consolidated Group: the consolidated Group refers to the group of companies formed by the Company, all of its subsidiaries and the Solocal EIG.

Intranet: a local network that uses the same protocols and technologies as the internet, but which privately connects computers, i.e. without being open to all internet users. Examples: corporate intranet, community intranet, etc.

Sponsored links: payment made for the clicks and text links that appear in the search results for specific keywords.

MaaS (Mobility as a Service): Mobility as a Service encompasses the public and private mobility services provided to the end user through a single service interface.

MarTech (marketing technology): marketing companies whose services are connected mainly to marketing software technology or developments.

Number of customers: average number of customers for the period who have a Solocal service.

Number of unique visitors to a site: number of internet/mobile/tablet users who have visited a site over a given month.

NPS (Net Promoter Score): index that measures satisfaction with a brand, product or service.

PagesJaunes: PagesJaunes is the company's proprietary media with the highest volume of traffic, with nearly 1.6 billion visits in 2023. PagesJaunes comprises several sites and products, including the website PagesJaunes.fr, a mobile app and syndicated content that is posted on its partners' websites.

PagesJaunes SA: former name of the current company Solocal SA. The company name was changed on 18 March 2019.

Order intake: orders booked by the salesforce that give rise to a service performed by the Group for its customers.

Unique visitor: concept used to measure the audience of a website. It refers to the number of individual internet users that visit a website in a given period. Note that an internet user may make several visits to the website during that period but will be counted as only one unique visitor.

Reach (of a website): reach is the coverage of an advertising campaign, site or network. It measures the ability to capture a broad audience.

It is the number of unique visitors of a website, expressed as a percentage of a reference population during a given month.

Search: search advertising is the influence that can be exerted so that an advertiser's web page appears in the results of the searches carried out by visitors using search engines, by associating it with terms, phrases or keywords used in internet searches.

Advertising representative: an individual or legal entity responsible for selling advertising space in content produced by a third party, and whose rights and obligations are defined by an advertising representation contract.

GDPR (General Data Protection Regulation): European Union legal framework that governs the collection and processing of users' personal data.

ROI (Return on Investment): a financial ratio that measures the money gained on an investment relative to money invested. It can represent the return on a past or current investment or the estimated return on a future investment.

SaaS (Software as a Service): a software distribution model in which a third-party provider hosts the applications and makes them available for its customers via the internet.

Salaries and charges: include personnel expenses for all Solocal personnel categories, but exclude legal employee profit-sharing, share-based payments and restructuring costs (i.e. the "PSE" Employment Protection Plan).

SEA (Search Engine Advertising): payments made to guarantee that a web page is indexed by a search engine.

SEO (Search Engine Optimisation): search engine optimisation is the improvement of a web page's attributes in order to boost its visibility in free search engine results.

Company: refers to the holding company Solocal Group SA.

Solocal: refers to Solocal Group SA and its entities.

Solocal SA: refers to Solocal SA, a subsidiary controlled by Solocal Group SA.

Migration rate: number of customers migrated towards new Presence and Priority Ranking digital services vs. addressable customer base (excluding Large Accounts).

Development rate: increase in customer budget on the new range vs. budget for the equivalent old range.

Winback: acquisition of a customer who has been lost in the previous 12 months.

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