

UNIVERSAL REGISTRATION
DOCUMENT INCLUDING THE ANNUAL
FINANCIAL REPORT 2023



nexity

Bringing
new life
to cities

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UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

2023



This Universal registration document was filed with the French Financial Markets Authority (Autorité des marchés financiers – AMF) on 16 April 2024, as the competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said regulation.

The Universal registration document can be used for a public offering of securities or for the admission of securities for trading on a regulated market if it is supplemented by a prospectus and, as the case may be, a summary and all the amendments made to the Universal registration document. The whole is then approved by the AMF in accordance with Regulation (EU) No. 2017/1129.

In accordance with Article 19 of Regulation (EU) No. 2017/1129, the following information is included in this Universal registration document:

- The management report, the consolidated financial statements for the 2022 fiscal year and the corresponding audit report, presented on pages 19 to 22, 27 to 29, 32 to 33, 39, 288 to 291 and 316 to 319 of the Universal registration document filed with the AMF on 6 April 2023 under number D.23-0251; and
- The management report, the consolidated financial statements for the 2021 fiscal year and the corresponding Statutory Auditors' report, set out on pages 20 to 24, 29 to 31, 34 to 35, 41, 332, 242 to 293, and 294 to 297 of the Universal registration document filed with the AMF on 6 April 2022 under number D.22-0248.

Copies of this Universal registration document may be obtained free of charge from Nexity, 19 rue de Vienne – TSA 50029 – 75801 Paris Cedex 08, and on the Nexity and AMF websites (<https://nexity.group/en/> and www.amf-france.org).

This document is a translation into English of the Universal registration document including the 2023 Annual Financial Report which has been released in French in the ESEF format (European Single Electronic Format), and which is available on the Company's website: www.nexity.group



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1.1 NEXITY'S HISTORY

Created in June 2000, Nexity is the result of the combination of the historical real estate activities of Compagnie Générale des Eaux (now Vivendi), and in particular the business lines of SEERI and SARI (developer of the La Défense district in Paris), and the historical real estate activities of the Arnault Group, a housing developer for the middle classes.

The exit of the Vivendi Group was carried out in the form of a leveraged buyout ⁽¹⁾ by the executives (Stéphane Richard, Jean-Louis Charon and Alain Dinin), supported by financial investors including LBO France and Caisse des Dépôts.

Nexity was then listed on the stock exchange in October 2004 at the initiative of its executives, who believed that the short time frame of leveraged buyouts was no longer compatible with the development and urban planning business lines.

In June 2007, Nexity formed an alliance with the Caisse d'Épargne group (which later became the BPCE group), providing it with services and property management activities (Lamy) and non-controlling interests in non-strategic activities (21% stake in Crédit Foncier de France, 33% in the real estate company Eurosic and 40% in Ciloger, an SCPI management company). The aim of this alliance was to develop a service platform dedicated to the various clients: individuals, businesses and local authorities.

Following the 2008 financial crisis, Nexity sold the non-controlling interests mentioned above, and strengthened its geographical presence and market share across all of its historical business lines. The Group also increased its services activities through external growth, notably with the acquisition in 2014 of Oralia (property management), in 2016 of PERL (social rental usufruct) and Edouard Denis (residential development), in 2022 of Angelotti (residential real estate developer in Occitanie), and the acquisition of majority stakes (coworking company Morning in 2018).

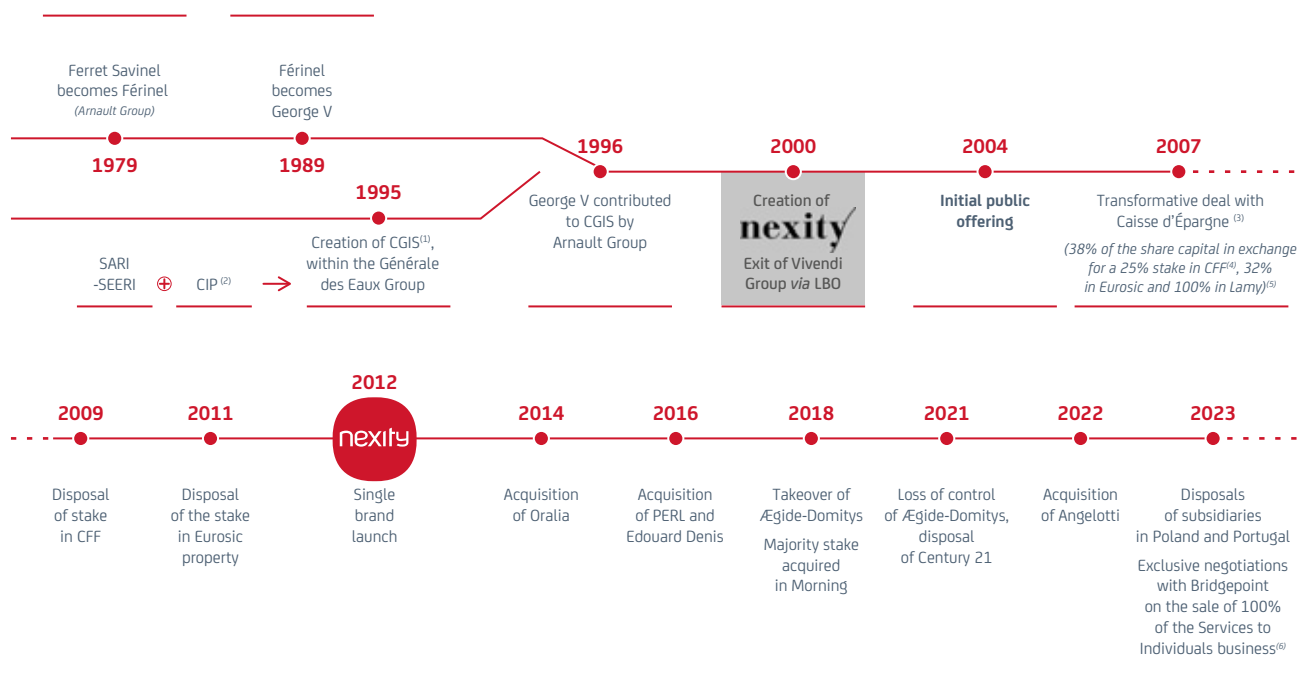
To deal with the unprecedented real estate crisis that has been ongoing for several months, Nexity has made the strategic choice to refocus its activities in France and therefore sold its Polish and Portuguese subsidiaries, in July and September 2023 respectively (the remaining countries, Belgium, Italy and Germany, are currently being wound up). Lastly, after announcing in July 2023 that it was seeking strategic and financial partners for its Property management and Distribution activities, Nexity entered into exclusive negotiations with the investment fund Bridgepoint for the sale of 100% of its property management activities ⁽²⁾ in December 2023 (see Chapter 5, Section 5.5.2 "Recent developments" of this Universal registration document).

Since its IPO in 2004, Nexity has multiplied its revenue by three times and doubled its operating profit.

Véronique Bédague, Chief Executive Officer since 2021, was appointed Chairwoman and Chief Executive Officer of the Company on 1 January 2023. Alain Dinin became Honorary Chairman of the Company.

1) Leveraged Buyout or LBO.

2) Property management activities operated by Nexity Lamy and Oralia Partenaires and their subsidiaries.



(1) Compagnie Générale d'Immobilier et de Services

(2) Compagnie Immobilière Phénix

(3) Holding of approximately 40% of Nexity's capital until 2015

(4) Crédit Foncier de France

(5) Lamy: real estate services to individuals agencies

(6) Property management activities operated by Nexity Lamy, Oralia Partenaires and their subsidiaries

1.2 NEXITY IN 2023: LEADING PLAYER IN THE FRENCH REAL ESTATE MARKET

1.2.1 A leader in all segments of the real estate chain

Nexity⁽¹⁾, the leading real estate group in France, operates in planning, development and services for all clients whether individuals, companies, institutions or local authorities.

Through its skills as a developer, urban planner and operator, Nexity affirms its corporate purpose, “Life Together”, by creating places that encourage the forging of relationships and by presenting its clients with an unrivalled range of real estate offers on the market thanks to the addition of services to its historical businesses:

	Individuals	Companies	Institutional clients	Local authorities
DEVELOPMENT	• Apartment blocks • Social housing • Senior residences, students, Co-living, tourism, etc. • Single-family houses • Rehabilitation of residential assets • Etc.	• Bespoke offices • Newly-constructed speculative office building (without buyer at the start of works) • Refurbishment • Ground-floor retail • Coworking spaces • Etc.	• Office building • Social, intermediate or free housing • Serviced residences • Mixed-used programmes • Etc.	• Large urban projects and mixed-used programmes • Refurbishment of assets in city-entrances and city-centres • Ground-floor retail • Public buildings • Brownfields transformation • Etc.
SERVICES	• Condominium management • Rental management • Real estate transactions (Bien'ici) • Consulting / wealth management • Real estate research platform (Bien'ici) • Credit brokerage and Real estate insurance • Consulting and monitoring of energy renovation • Interior design • Residential property management • Managed residential real estate: student residences, serviced properties • Services to residents (concierge services, home automation, etc.) • Services related to real estate • Etc.	• Real estate consulting and support in changing working methods • Interior design • Property Management • Digital asset management • Digital management of the building • Hospitality and reception • Access to coworking, micro-coworking, co-meeting and corporate-working spaces • Office marketplace • Professional services • Etc.	• Advisory services & financial structuring • Land sourcing and acquisition • Asset performance management • Asset management arbitration • Etc.	• Advisory services / PMA • Interior design • Building services management platform • Etc.

Across all of its activities, Nexity is among the leaders where it operates, as a developer, planner and service provider.

URBAN PLANNING & DEVELOPMENT

€3,401m⁽¹⁾

URBAN PLANNING RESIDENTIAL COMMERCIAL



SERVICES

€872m⁽¹⁾

PROPERTY MANAGEMENT SERVICED PROPERTIES DISTRIBUTION



(1) 2023 figures / competitive positions calculated on the basis of public data

1) Hereinafter also referred to as “the Company” or “the Group”.

Nexity places each of its clients at the heart of a close and attentive relationship and supports them as their needs and uses change. Present in all major cities, as well as in the vast majority of medium-sized cities, the Group relies on a powerful physical network of approximately 450 locations and on the efficiency of digital technology to support its entire real estate offering.

To better serve its clients and affirm its partnership with local authorities, Nexity has 200 long-standing agencies specialising in condominium management, property management and transactions on existing buildings, in the

An effective corporate purpose

As the leading French real estate group operating in real estate development and services, Nexity is at the heart of the life of people, companies and regions, and this unique positioning lends it a great responsibility:

- To support everyone over the long term in all of their life projects;
- To help companies adapt to changes in the world of work by creating spaces that encourage them to reunite and work together; and
- To support cities through the economic, social and environmental challenges they face.

By applying this corporate purpose from 2021 onwards, Nexity is collectively affirming this responsibility and giving a shared meaning to its work, beyond the diversity of its business lines. The "Life Together" corporate purpose is a new step forward in the continuity of its story. Since the creation of Nexity, it has been the driving force behind its daily actions and all employees are deeply committed to it.

A value creation model for clients and for the Group

Nexity's unique model, combining development and services, creates strong value for its clients. Whatever their real estate needs and issues, Nexity has an appropriate response. Combined with a strong commitment to continually improving the client experience and client satisfaction, this model enables the Group to be present at every stage of its clients' real estate projects.

This allows for solid growth in terms of the development business, because it is supported and enhanced by the services provided, which themselves rely on the business to develop.

At the same time, this virtuous and resilient model creates value for both the Group and its clients:

- **Synergies impacting revenue:** cross-selling and business contribution between business lines (e.g. individual investing in new homes with rental management needs, company wishing to change its working methods and develop its spaces as managed

heart of cities, welcoming clients in person throughout the year. The majority of them, recently transformed, already offer clients access to the entire range of new and existing housing in a single location.

Following the launch of exclusive negotiations in December 2023 with the investment fund Bridgepoint ⁽¹⁾ with a view to the sale of 100% of its property management activities, the Group will rely on the strategic partnership backed by this sale to continue to offer its customers all of its products and services.

The commitment pillars of the purpose defined in 2021 are broken down into five short- and medium-term programmes and correspond to concrete commitments whose implementation or actual achievement is monitored through quantitative or qualitative indicators, depending on the case:

- Acting in unison to tackle environmental challenges;
- Working towards an inclusive and supportive city;
- Shaping real estate with new ways of living and working;
- Putting the customer at the heart of real estate; and
- Enriching the Nexity collective with diversity in all its forms.

Most of these objectives are part of the CSR strategy and its performance indicators, described in Chapter 3 "Statement of Non-financial performance" of this Universal registration document.

offices, an institutional investor looking to develop a managed residential real estate offering for its tenants and managing agent for all the condominium buildings delivered by the development), deployment of a real estate challenge applied to all Group employees;

- **Cost synergies, improving business line productivity:** pooling between subsidiaries (e.g. sharing of real estate within the same region, intra-group subcontracting, etc.), economies of scale (e.g. centralisation of purchases, implementation of framework contracts and negotiated rates with partners, etc.), setting up a construction department (centralised discussion of construction processes and industrialisation), optimisation of processes and sharing of skills across the business lines (establishment of a call centre and client satisfaction management processes throughout the Group, increased mobility between business lines, etc.); and

¹⁾All details related to the sale of the Property management activities to Bridgepoint are presented in Chapter 5, Section 5.5.2 "Recent developments" of this Universal registration document

Nexity in 2023: leading player in the French real estate market

- **Proposal of customised solutions across the entire value chain:** development of mixed-use programmes, support for major urban projects, marketing of packaged offerings (e.g. new housing and home insurance, rental investment and rental management, office building and property management, etc.), transformation of offices into housing, refurbishment of buildings.

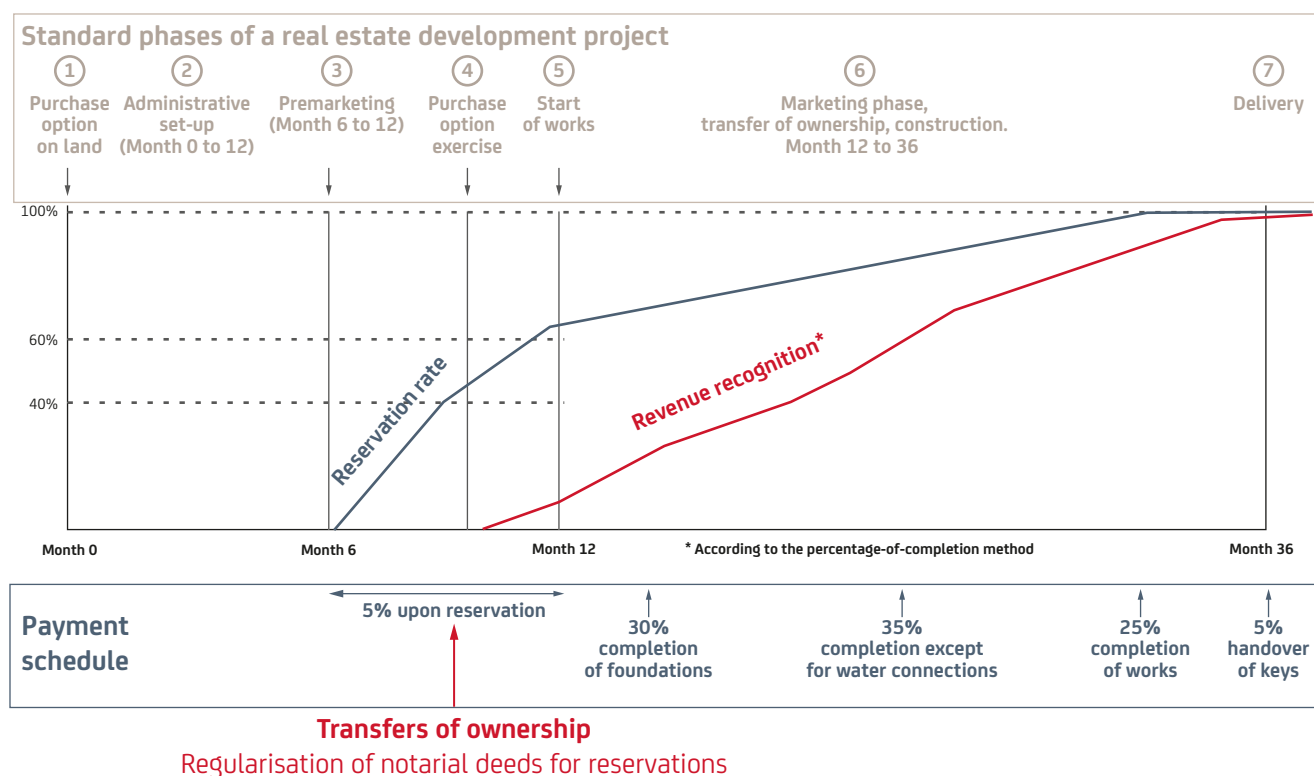
After announcing on 21 December 2023 that it had entered into exclusive negotiations, and following the lifting of the conditions precedent and the consultation with the employee representative bodies, which unanimously issued a favourable opinion, Nexity finalised on 2 April 2024 the

sale of 100% of its Services to Individuals business to Bridgepoint, a major European player in alternative asset management. This transaction is accompanied by a strategic partnership for a period of six years, renewable for four years, aimed at perpetuating and amplifying existing synergies with Nexity's property development activities.

It is also the means for the property management activities, which employ 3,100 people (condominium managing agent services, rental management, real estate transactions and insurance brokerage), to continue and accelerate their development. See Chapter 5, Section 5.5.2 "Recent developments" of this Universal registration document.

A low-capital-intensive flow model

Another characteristic of Nexity's model is that it is a flow model (a lightly-capitalised service company) rather than an inventory model (a highly-capitalised real estate or asset holding company: the model used by some of its peers and competitors, and which is predominant abroad).



The Group sells homes via reservation contracts and subdivisions through purchase agreements, followed by final sales contracts (signed before a notarial deed).

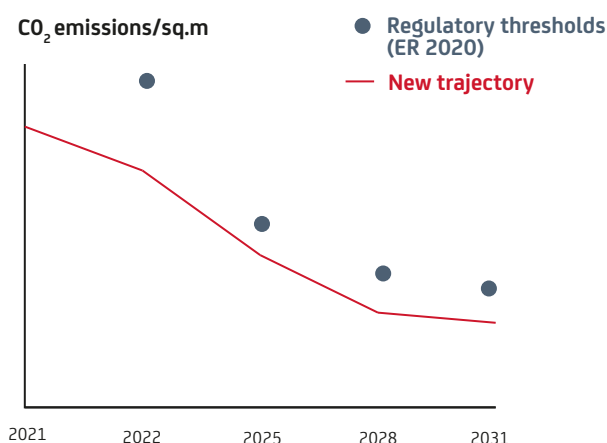
New homes are marketed under the VEFA off-plan sales regime, an original model resulting from the law of 3 January 1967 and gradually improved, which is characterised by a limited level of risk (compared to other models) for developers, clients and banks.

For the urban regeneration model, which is more capital-intensive, the land, asset or wasteland to be converted must be managed up to the pre-sales stage and the obtaining of administrative authorisations. Nexity used land banks until the end of 2022. With no more commitments having been made since that date, it was down sharply at the end of 2023 (down 40% compared to the end of 2022). In the future, land banking will only be carried out with operational and financial partners in a deconsolidated and non-risky manner for Nexity, such as the partnerships signed with Carrefour and Mirabaud Asset Management, presented in Section 1.12 "Material contracts" of this chapter.

1.2.2 A committed company

Meeting the environmental challenge

In response to the climate emergency, Nexity has set itself an ambitious target of reducing its carbon emissions related to its development activities (Scope 3) by 42% per square metre delivered in 2030 compared to 2019, *i.e.* 10% more than required by French regulations (ER 2020). In 2023, the Group's carbon trajectory was certified 1.5°C-aligned by the SBTi.



The Group is committed to the sustainable city and is a pioneer in the decarbonisation of the real estate sector. It is driven on a daily basis by the implementation of the sustainable city concept, under conditions that make it affordable for all.

Through its recently created subsidiary, Nexity Héritage, the Group offers a wide range of housing and office products that perfectly meet local authorities' demand for urban regeneration, and address sustainable and affordable real estate issues that promote living together:

An inclusive and supportive city player

Nexity is also a company committed to inclusive and supportive cities. The Group believes that all citizens must have a place in the city and Nexity has always fought to ensure that housing remains affordable. The Group has always had a strong presence in low-VAT neighbourhoods, and is the leading private partner of social housing operators.

- Urban transformation on brownfield and commercial sites, urban renewal such as mixed-use neighbourhoods;
- Repositioning of obsolete asset uses (transformation of car parks into housing, offices into housing or mixed-use);
- Refurbishment of heritage sites; and
- Restructuring and raising the height of existing buildings.

The Group has been ISO 14001 certified for its development activities since 2004 and launched its first timber constructions in 2010, making Nexity the leading low-carbon developer in France, regularly winning the BBKA challenge, which rewards the most advanced developers in low-carbon construction.

Through its property management activities, in 2023 Nexity also carried out energy renovation projects in the condominium properties it manages.

Nexity thus addresses the production of new homes as well as renovated homes. The Group therefore has an unrivalled ability on the French market to accelerate the deployment of sustainable cities across all of its assets, giving it a very powerful market advantage.

Nexity is committed to biodiversity issues by positioning itself among the pioneers in biodiversity impact measurement, and also works to promote nature in the city, preserve resources and act in favour of the circular economy.

The Group's commitments and actions are described in Chapter 3, Section 3.2 "Meeting the environmental challenge" of this Universal registration document.

Through Nexity Non Profit and the Nexity Foundation, the Group develops solidarity actions by helping people in vulnerable situations, for example by building family shelters.

The Group's commitments and actions are described in detail in Chapter 3, Section 3.3 "Making cities inclusive and supportive" of this Universal registration document.

A people-oriented model

Because the model involves little land and financial capital or intellectual property (little fundamental research, a lot of innovation, but generally not patentable), Nexity relies primarily on human capital, which the Group preserves and develops. Nexity is committed to its employees. For example:

- Nexity has been an entrepreneurial company from the outset. It follows a largely decentralised model for operational and commercial decisions, relying on an open architecture and multiple brands, as well as subsidiaries whose founders may also be non-controlling shareholders, alongside Nexity;
- Nexity maintains a good position in the SBF 120 ranking of female representation on governing bodies, ranking 7th in 2023;
- For the 5th consecutive year, Nexity has been included in the Bloomberg Gender-Equality Index which identifies companies committed to gender equality and the promotion of gender equity, thus recognising the actions undertaken by Nexity;
- In 2023, and for the second time, Nexity was named in the Best Workplaces To Work ranking by Great Place to Work[®], which is the highest level of recognition of a company's quality of life at work. It honours the best

organisations that have obtained the Great Place To Work[®] label during the year. Nexity received this certification in September 2022, with more than 70% positive responses to the Trust Index[®] survey;

- Nexity's employees and managers are very well represented in its shareholding. At 31 December 2023, over 10% of its share capital was owned by Group employees and managers;
- Nexity regularly awards free shares, either specifically to members of the management team (linked to demanding performance criteria), or *via* Group plans. This has increased employee shareholding and helped improve the alignment of interests; and
- Nexity, as an open, diverse and inclusive company, is highly committed to young people through the Nexity Foundation, and occasionally allows its employees to get involved in causes outside the Company.

Through its unique approach, Nexity's model is a decisive advantage in terms of accelerating its development, consolidating its leadership status and continuing to nurture its client relationships and its regional roots.

The Group's commitments and actions are described in Chapter 3, Section 3.4 "Developing human capital" of this Universal registration document.

1.3 MARKET ENVIRONMENT

Nexity is positioned in constantly changing markets, influenced by demographic, economic, social, societal and environmental trends. Since 2020, these dynamics have been reinforced by the impacts of the health crisis, which have accelerated the transformation of real estate uses. At the same time, 2023 saw a market environment that was particularly disrupted by the sharp rise in central bank interest rates in response to the fight against inflation.

This section presents the major market trends facing Nexity. Understanding these trends enables the Group to position its business lines so as to take advantage of their strong medium- and long-term growth potential. The market environments specific to each of the Group's business lines are presented in paragraphs 1.6.1.1, 1.7.1.1 and 1.8.1.1 "Market environment" of this chapter.

1.3.1 Significant need for new and renovated housing

Due to demographic growth, the trend for smaller household sizes, the challenges of poor housing and the impact of the Climate and Resilience Act, France is facing strong demand for new or renovated housing. According to INSEE forecasts (2022 French economy tables), the French population is expected to increase by 1.9 million inhabitants in 2044 compared to 2021, while the size of households continues to reduce, from 2.6 people in 1990 to 2.2 people in 2020 ⁽¹⁾. It is expected to reach 2.07 in 2030

and 1.99 in 2050, according to the latest SDES analyses on household projections, which estimate an increase of 215,000 households per year between 2018 and 2030 then of 86,000 per year between 2030 and 2050 according to the baseline scenario.

It is also important to take into account the needs of more than 4.1 million poorly housed or non-housed households in France ⁽²⁾.

1) Source: Rexecode estimate.

2) Source: Fondation Abbé Pierre.

Moreover, the Climate and Resilience Act will also push towards the gradual exit from the rental, private and social market, around 2 million of the most energy-intensive housing units (classified F and G) between 2025 and 2028; then the approximately 2.8 million rental housing units classified E from 2034.

These various factors lead to a significant potential demand for new homes (new or renovated) by 2030, estimated at a

minimum of 450,000 housing units per year according to the CNH, and 518,000 according to the USH⁽¹⁾, while the market has only built 374,000 housing units per year on average over the last 10 years and 298,000 in 2023⁽²⁾. This nationwide approach is an approximation of the difference between production and needs, which gives an idea of the scale of the effort to be made. However, this assessment is not a substitute for a more localised and contextualised approach to housing needs.

1.3.2 Changing demand

Changes in customer demand require an adaptation of the housing supply. Customers are looking for housing adapted to their current needs:

- Smaller housing due to the reduction in the size of households;
- More flexible housing to evolve over time and thus support the ageing of the French population: 29% of the French population will be over 65 in 2070, compared to 21.5% today⁽³⁾;
- Housing that adapts to working from home, given the post-Covid situation where 79% of employees say that the possibility of working from home is a factor when choosing a job⁽⁴⁾; and
- Sustainable housing that adapts to climate constraints: having more energy-efficient housing with a low environmental impact are the first two triggers of French people's desire to relocate⁽⁵⁾.

In addition, movements of the population towards medium-sized cities have been observed⁽⁶⁾. Small and medium-sized cities have recorded a migration surplus since 2019 and this trend has increased following the health crisis, even if in 2023 the trend has eased due to the reduced mobility of households due to the housing crisis. Almost all suburban areas have observed a positive impact, to the detriment of the centres of major cities and the greater Paris area.

The future of major cities depends in part on the quality of urban projects, their attractiveness and their ability to adapt to needs, particularly in terms of housing and new uses. Partnerships between local authorities and private real estate operators such as Nexity can provide innovative solutions thanks to their size, resources, expertise and varied range of products.

Nexity's national presence also makes it possible to respond to the increased attractiveness of small and medium-sized cities. In addition, its skills in urban planning, refurbishment/urban regeneration, real estate management and operation as well as its expertise in the development of mixed-use, residential, commercial and service projects, lend it a distinctive ability to operate in major cities.

1.3.3 A stressed housing market

In 2023, the sharp rise in interest rates destabilised the most modest households and those with little in terms of savings. According to an internal estimate by the Group, real estate borrowing capacity decreased by 27% between December 2021 and December 2023, purely due to the increase in interest rates (on a like-for-like monthly basis and all other things being equal). At the same time, the Observatoire Crédit Logement noted a decrease of 40% in the number of loans granted at the end of 2023 compared to the previous year, following a 21% decrease between 2021 and 2022⁽⁷⁾.

Market conditions for real estate transactions have led to a contraction in the supply of rental housing. The observation of the Bien'ici ad portal shows a 9% reduction in the number of ads published between 2021 and 2023, particularly in major cities. Rental tension (ratio between the number of contacts per listing and the number of listings available on Bien'ici.com) decreased in 2023 (-12%) after being at its peak in 2022, but remained up by +44% compared to 2021.

1) CNH: Conseil National de l'Habitat / USH: Union Sociale pour l'Habitat.

2) Source: French Ministry of Housing and Energy Transition - Sit@del database (2014/2023).

3) Source: INSEE, *Tableau de bord de l'économie française*.

4) Source: IFOP & SFL, *Workplace 2023*.

5) Source: Observatoire de l'Habitat 2022 - ObSoCo for Nexity.

6) Source: "Urban migration, impacts of the Covid-19 pandemic on residential mobility" POPSU Territoires 2021.

7) Observatoire Crédit Logement.

1.3.4 Fewer offices: changing space requirements

The commercial real estate sector is currently undergoing significant changes. Working from home has led to a reduction in the surface area occupied by offices in the Paris region, estimated at around 13% (based on two days of remote working per week) ⁽¹⁾. Conversely, coworking spaces have grown significantly, growing more than double in number since 2019 ⁽²⁾.

The obsolescence of building performance is another key issue. In fact, more than 50% of the Paris region's office stock is more than 30 years old ⁽³⁾. The renovation of these buildings is key in order to meet the requirements of a sustainable city and current needs.

Lastly, regional movements are an important factor to take into account, with strong demand for city centres in the Paris region to the detriment of the inner suburbs and a dynamic market in the regions but also marked by concentration in the centres.

1.3.5 Climate emergency and regulatory requirements raising the entry barriers

The mitigation of climate change and preserving biodiversity are two major environmental challenges to which Nexity aims to provide concrete solutions. The real estate sector is governed by strict regulations, but these are necessary in view of the climate emergency, especially in terms of energy and carbon for the development of sustainable cities.

Since 1 January 2022, the ER 2020 regulation, one of the strictest in Europe, has been implemented for the construction of residential and commercial buildings (since July 2022), leading to a gradual reduction in carbon emissions linked to buildings (construction and energy). As a result, the sector must adapt its practices to meet new legal thresholds and develop low-carbon products in terms of energy performance, materials and construction processes.

For existing buildings, the tertiary decree requires office owners to make a significant and rapid reduction in their energy consumption: -40% by 2030 and -60% by 2050 compared to their consumption in 2010.

With regard to residential buildings, the Climate and Resilience Act requires the renovation of low-energy efficient homes (classified F and G in the Energy Performance Assessment) in order to avoid being excluded from the rental market. G-rated homes must be renovated from 2025, F-rated homes in 2028 and E-rated homes in 2034. This regulation offers development opportunities already activated at Nexity (renovation of condominiums in particular), but also raises institutional investors' expectations for solutions guaranteeing the liquidity of their long-term portfolio. As a result, Nexity has innovated to offer sustainable, flexible and scalable solutions, in addition to low-carbon quality.

Lastly, the ZAN (Zero Net Artificialisation) law aims to reduce the rate of soil artificialisation by 50% by 2030. This should result in a gradual increase in the share of apartment blocks in overall housing production, as well as an increase in the number of buildings with upward extensions or high-rise buildings in supply-constrained areas.

Urban density adapts to the economic and environmental constraints inherent in the creation of a sustainable city, in particular by increasing the value of land costs by improving constructability, limiting urban sprawl and reducing the artificialisation of soils and the use of cars in the city.

1)Source: Institut de l'Épargne Immobilière et Foncière (IEIF).

2)Source: Ubiqdata 2023.

3)Source: Observatoire Régional de l'Immobilier d'Entreprise (ORIE).

1.4 STRATEGY AND OBJECTIVES

Through its corporate purpose “Life Together”, Nexity aims to create places that foster connections. By adding services expected by its customers to its long-standing development businesses (condominium management, rental management,

rental, transaction, financing, insurance, property management, student residences and coworking), Nexity has gradually moved from the traditional developer model to that of a developer supplemented by services.

1.4.1 Strategic plan

During its investor day on 28 September 2022, the Group presented its Imagine 2026 strategic roadmap with the aim of becoming a global real estate operator for a new growth cycle over the 2022-2026 period.

By capturing the full value of the product and its uses and by supporting each of its clients in the most appropriate way, throughout its real estate life, Nexity wants to be at the heart of an open ecosystem enabling it to operate, distribute and aggregate a wide range of real estate offers. By offering its clients personalised solutions, the Group plays an essential and unrivalled role in the development of sustainable and affordable cities.

During this day, the Group announced the following objectives:

- >20% market share in Residential Real Estate by 2030;
- >€6 billion in revenue in 2026; and
- €500 million in current operating profit in 2026.

While maintaining a strict financial policy: Group debt under control with leverage of <2.5x EBITDA⁽¹⁾ over the duration of the plan, and allowing the distribution of a dividend of ≥€2.50 per share for each fiscal year of the 2022–2026 period.

1.4.1.1 Acceleration of sustainable cities

The acceleration of sustainable cities is largely linked to the evolution of the legislative and regulatory environment to respond to the climate emergency and affects both the flow and the stock, through the regulations in force (see Section 1.3 “Market environment” of this chapter).

To address the need to work on existing cities (reconstruction of the city on the city), the Group’s strategy is to capitalise on its size effect and its industrial control by relying on a continuum of expertise in new and renovated buildings, strengthening its ability to industrialise, to maintain its margins and by having the ability to secure its financing.

In July 2023, upon publication of its half-year results, the Group suspended the aforementioned financial objectives, given the prolonged deterioration of the economic environment (continued rise in interest rates, reduction in the number of loans granted by banks, sharp decline in retail sales, etc.), described in Section 1.3 “Market environment” of this chapter.

However, given the increased structural needs for housing, the need to develop sustainable low-carbon cities as well as the new needs and uses, the Group is confident in the relevance of its model and will continue and accelerate the implementation of its strategic roadmap, the axes of which presented below are fully validated by the crisis.

To achieve this ambition set out in its strategic plan, Nexity is reliant upon two very powerful market movements:

- The acceleration of sustainable cities, which requires constant innovation in both offers and construction processes, favouring players with the size and means of these investments; and
- The shift in the value of the product towards use in both residential and commercial buildings.

Nexity is constantly developing its entire range of products in line with local resident demand. All its projects have a strong local presence, designed in partnership with local authorities, with two inseparable imperatives: sobriety (refurbish, reuse and build new as sparingly as possible) and anticipating the consequences of climate change. Whatever the client base concerned, the Group’s products will be sustainable, affordable and catalysts for “Life Together”.

1) EBITDA after lease payments.

For several years, the Group has been committed to a partnership with local authorities in all regions, whether urban, peri-urban or even rural. At a time when local authorities are faced with high demands from their citizens (social, urban, environmental), Nexity has increased and diversified its intervention capacities to strengthen relations with:

- **A long-term partnership:** across the country, with around 30 joint development zones (ZAC) as a delegate for local authorities, and around ten major urban projects in progress, Nexity has established itself as a strong and recognised player. Its experience allows it to build long-term relationships with local authorities;
- **A partnership to support the changes in these regions:** Nexity has expanded its service offerings in order to better respond to specific issues by confirming its recognised expertise in decontamination that the Group is developing as part of the transformation of brownfield sites.

Similarly, by joining the *Cœur de Ville* and *Petites Villes de Demain* programme (city centre renovation) or the transformation of city outskirts in partnership with certain major food retailers (see Section 1.12 "Material contracts" of this chapter).

Lastly, *via* a new range of services in the consulting business, by supporting local authorities on issues of land restoration, restructuring or development of economic areas; and

- **A partnership to give meaning to life together and inclusion in the regions:** condominium managing agent services and building management services, Nexity remains in the region after the delivery of its projects. In addition, through its more than 200 branches in major cities and medium-sized cities, the Group has a strong local presence.

Similarly, through Nexity Non Profit and the Nexity Foundation, the Group supports numerous non-profit and integration projects in all the cities where it operates.

In this movement to accelerate the sustainable city, Nexity's size is an essential asset for gaining market share, in particular thanks to:

- **Its multi-brand and multi-product growth policy:** the Group is present throughout the country thanks to two national brands (Nexity Residential Real Estate and Groupe Edouard Denis), three expert urban regeneration brands (Apollonia, Patrimoine & Valorisation, and SEERI, recently united under one dedicated urban regeneration subsidiary - Nexity Héritage), and two regional brands (Primosud and Angelotti). These brands, with strong local roots, complementary in terms of expertise, products and geographical locations, serve all of its client segments; and
- **Its effective and targeted distribution force:** the distribution of the Group's products is ensured by a physical and digital marketing team, for retail sales (vendors, city-centre agencies, partners under Nexity mandate) and for bulk sale, by offering in-house expertise and packaged offerings for social housing operators and institutional investors, of which the Group is the preferred partner.

Its leading position in its business lines gives Nexity the means to strengthen its market leadership by playing an essential and unparalleled role in the sustainable and affordable city market.

1.4.1.2 Shift in value from product towards use

Nexity's strategy is focused on the three areas described below:

- An extension of the rental offer for institutional investors and individuals;
- A proliferation of forms of home ownership; and
- Make the office better.

An extension of the rental offer for institutional investors and individuals

Nexity is deploying a comprehensive range of management methods for these clients that will promote the support of institutional investors in the housing market, and downstream the existence of a dynamic rental market to benefit as many people as possible.

SERVICED REAL ESTATE	Institutional or individual investor	studéa & New offer Operation of student residences furnished accommodation buildings with para-hotel services	*** ***
PROVIDING SERVICES	Institutional investor with in-house real estate management	URBANCAMPUS Operation of professional young people and multi-family residences with para-hotel services (Build-To-Rent)	** *
MANAGEMENT AGREEMENT	Institutional investor with outsourced real estate management	NEX'TOYOU Management contract from an institutional investor (Residential property management)	* **
OWNERSHIP DIVISION	Individual or institutional investor	Perl. Bare ownership and usufruct separation until the end of the lease	* *

* Level of services to residents

* Level of investor guarantee

A proliferation of forms of home ownership

With the aim of helping and supporting its clients towards savings that will enable them in the future to be able to invest again in their own real estate projects, in 2023 Nexity rolled out the first real estate savings distribution platform for all budgets and all investor profiles.

100% digital, **Pierre Paper Immo** offers a diversified range of real estate savings solutions, ranging from real estate investment companies (SCPIs) to life insurance and passbook savings accounts.

To roll out this offer, Nexity has selected high-performance and exemplary environmental products from recognised partners, detailed in Section 1.9.1 "Institutional clients" of this chapter.

Make the office better

Nexity offers corporate solutions that fit perfectly into companies' new real estate plans: high-intensity buildings (maximising employee interactions) combining flexible facilities, services and environmental sobriety.

Since 2018, the Group, which had anticipated changes in working methods forcing companies to rethink their space needs, has offered offices that incorporate the constraints of low-carbon production and flexibility of use from the design phase.

The evolution of the environment since then has largely validated this approach, and puts Nexity in a favourable position to seize the opportunities related to the transformation of the sector.

Nexity is developing innovative, low-carbon tertiary programmes that are ahead of environmental regulations, with solutions adapted to new expectations:

- Optimisation of the carbon footprint of construction materials;

- Proposal for a frugal “Essentiel” building without air conditioning or heating;
- Renovation of buildings, improvement of energy performance and transformation of buildings. Nexity is also working on a building renovation proposal in “Essentiel” mode; and
- Diversity of uses, integration of services, creation of flexible buildings and tailor-made solutions for users.

Nexity has already rolled out numerous offers to meet customer demand, thus creating new growth vectors. For example:

- Building on the success of its coworking activity, Morning is developing at a sustained pace an à la carte modular space design offer; and
- Hiptown is stepping up its "corpworking" activities ⁽¹⁾ in the regions, thus responding to investor appetite for a hospitality offering capable of improving the attractiveness of their assets.

1.4.1.3 Commitment to employees

Nexity consolidates and amplifies its commitment to its employees by focusing on two key areas:

- **Nexity, a learning company:** each employee can develop their talents and acquire the skills necessary to adapt to changes in the business lines. This focus is implemented through *Académies des métiers*, the apprenticeship training centres, and the *Cité*, a centre for the development of human, behavioural and managerial skills; and
- **Nexity, a preferred company:** Nexity is investing in the necessary equipment and software, as well as in the

working environment with the installation of new seats to promote collaborative working. The Company has been awarded “Best Place to Work” status by its employees and is dedicated to maintaining this image by paying special attention to them. This focus on employees is a key factor in Nexity’s success in terms of client satisfaction.

All of these actions are described in detail in Chapter 3 - “Statement of non-financial performance” of this Universal registration document.

1.4.1.4 Quality of customer relations at the heart of the Group’s focus

Nexity considers its customers and employees to be its most valuable assets. Nexity’s objective is to become the preferred real estate player in France by creating a more intense and lasting relationship with each of its clients, whether in its agencies or on its websites.

Nexity’s long-term objective is the maximum personalisation of the client experience through a

continuous offering and a constant search for innovation. To this end, Nexity is accelerating the development of its “phygital” and multi-channel model, in particular by completely overhauling its online private client spaces.

All of these actions are described in detail in Chapter 3 - “Statement of non-financial performance” of this Universal registration document.

1.4.2 2023: a transitional year

After a sharp drop of 41% in new home reservations on the market ⁽²⁾ in two years (-30% for Nexity), combined with a distortion of the client mix (67% of the Group’s reservations

made in bulk sales), Nexity accelerated the execution of its strategic plan to adapt to the new market situation by focusing in 2023 on the refocusing of its roadmap by:

1) Born of the merger between the terms “corporate” and “coworking”, “corpworking” refers to the creation of a shared workspace within a company.
2) Source: Fédération des Promoteurs Immobiliers.

- **Accelerating on urban regeneration and serviced real estate:**
 - **alliance with Carrefour:** first nationwide agreement with Carrefour to upgrade 76 sites, representing approximately 800,000 square metres to be regenerated, enabling, among other things, the creation of 12,000 housing units, for revenue estimated at more than €2 billion over 10 years. See Section 1.12 “Material contracts” of this chapter,
 - **launch of Nexity Héritage:** a subsidiary specialising in urban regeneration,
 - **land banking with Mirabaud AM:** this solution offered by Mirabaud will cover large-scale operations for the refurbishment, transformation and/or restructuring of predominantly residential assets and will enable Nexity to outsource up to 90% of the carry and pre-sales risk until administrative authorisations are obtained, for an investment budget of up to €200 million over five years, and
 - **acceleration of serviced real estate:** at the end of 2023, 133 student residences and 16 coworking sites had been opened during the year, with record occupancy rates of more than 95% and operating revenue up 25% compared to the end of 2022. See Section 1.8.3 “2023 Performance” of this chapter; and
- **Arbitrating certain activities to refocus on its core business lines:**
 - **Disposal of the property management activities (ADB):** after announcing on 21 December 2023 that

it had entered into exclusive negotiations, and following the lifting of the conditions precedent and the consultation with the employee representative bodies, which unanimously issued a favourable opinion, Nexity finalised on 2 April 2024 the sale of 100% of its Services to Individuals business to Bridgepoint, a major European player in alternative asset management. This transaction is accompanied by a strategic partnership for a period of six years, renewable for four years, aimed at perpetuating and amplifying existing synergies with Nexity's property development activities. It is also the means for the property management activities, which employ 3,100 people (condominium managing agent services, rental management, real estate transactions and insurance brokerage), to continue and accelerate their development. See Chapter 5, Section 5.5.2 “Recent developments” of this Universal registration document.

The Group is also pursuing strategic and financial partnerships for property management and distribution activities, and

- **Effective disposals of subsidiaries in Poland and Portugal** in July and September 2023, where the proceeds from the sale of approximately €100 million contributed to the reduction of the Group's debt.

In addition, Nexity has taken strong measures to limit the effects of the crisis by controlling the cost base through a plan to reduce overheads with a target of around €30 million on an annual basis (reduction in payroll through a freeze on job creation and partially replaced departures, reduction in consulting, travels, IT and marketing expenses).

1.4.3 2024: a year of profound transformation towards an urban operator model

The sector is expected to continue to face a deteriorated market context in 2024. As a result, Nexity has undertaken an in-depth adaptation of its organisation to take into account the effects of the separation from the Services to Individuals activities but also the structural changes of the activities.

This transformation reinforces a regional multi-product approach allowing a lean and agile organisation through the:

- Simplification of hierarchical levels;
- Lightening of the central office around the central system; and
- The ability to design new products, thus helping to calibrate offers tailored to client constraints.

At the end of this year of profound transformation, Nexity will be more effective and efficient, more agile and will have an organisational structure tailored to the new needs of the regions, enabling it to position itself as a benchmark urban operator:

- At the service of urban regeneration, by progressing ahead of the market and positioning itself in large-scale renovation projects; and

- At the service of regions and local authorities, thanks to a new multi-product regional organisation, more relevant in terms of addressing the challenges of the future.

Nexity will be able to draw on its know-how as a planner-developer on the one hand and as a developer-operator on the other.

This organisational transformation will allow Nexity to seize post-crisis market opportunities and regain its normative margins. The Group is working to boost its profitability from 2025, and consequently, achieve a maximum net debt of €500 million at the end of 2025.

The dividend policy will be implemented in line with the context and reviewed annually with regard to the free cash flow generated.

The business model presented below takes into account the organisational changes presented in this section.

transforming our business model for the future

PRIORITIES



ENVIRONMENTAL

- Adapting to climate change
- Zero net land take
- Environmental regulations
- Pressure on urban planning
- Energy transition
- Sustainability awareness



SOCIOECONOMIC

- Population pressure and separate living
- Ageing populations
- Need to form social bonds
- Growth in hybrid working arrangements
- Aspirations towards the 15-minute city
- Loss of purchasing power
- Poor housing conditions

OUR RESOURCES

HUMAN CAPITAL

- **8,200** employees: diverse, complementary range of expertise
- **11.1%** of the share capital owned by Group employees and managers
- **63%** of employees are shareholders in the Group (including Édouard Denis)
- **~1 million** clients: sustainable, loyal customer base

GEOGRAPHIC COVERAGE

- **450** locations across France
- **13.5 million** visitors to Nexity's sites

RESILIENT BUSINESS MODEL

- Asset-light, non-capital-intensive business model geared toward flows, based on limited land ownership in the pipeline/backlog
- Balanced presence across all cycles (short-, medium- and long-term)
- Pooling of resources and processes to achieve economies of scale
- Land banking with operational and financial partners for urban regeneration projects, which are more capital-intensive

Planner/
Developer

Urban
operator

committed to life
together

Developer/
Operator



OUR CLIENTS:

Local Authorities,
Individuals, Companies,
Institutional Investors

VALUE CREATION

SOLID FINANCIAL STRUCTURE

- **€4.3bn** in revenue (down 9% vs 2022)
- **€246m** in operating profit, 5.7% margin
- Lower net debt: **€776m** (down €43m vs 2022)

PARTNER OF CHOICE FOR OUR CLIENTS

- **15.4%** market share in new homes⁽¹⁾
- **10.1**-point increase in customer satisfaction for Residential Real Estate (CSAT indicator) between 2021 and 2023
- **3rd** in the HCG/Les Echos customer relationship ranking
- **Client Smile** programme rolled out to all employees

RESPONDING TO KEY PRIORITIES RAISED BY CURRENT TRENDS



REDUCED ENVIRONMENTAL IMPACT

Bringing nature into the city

- **98%** of residential developments and **100%** of commercial developments delivered with green space

Ramping up regeneration to reduce land take

- **7%** of housing building permits in 2023 were for renovation projects

Reducing carbon emissions from our developments

- **25%** outperformance vs France's RE2020 energy efficiency requirements for building permits filed in 2023
- **232** BBCA-certified developments since 2016, totalling over 1 million sq.m



SUSTAINABLE SOCIETAL COMMITMENT

Adapting housing for all

- **5** Complicity® residences opened
- **22** inclusive housing residences authorised (building permits obtained) or under construction

Ensuring affordable housing⁽²⁾

- **5,793** social housing units sold
- **2,394** intermediate housing units
- **1,845** affordable housing units covered by formal social rent-to-own (PSLA) and leasehold (BRS) agreements
- **€4,423/sq.m** (average price), 5%-10% below market prices

Protecting people facing hardship

- **1,921** people given shelter in **8** family shelters / emergency accommodation centres via **579** solidarity leases entered into via Nexity Non Profit
- **26** family shelters under construction
- **30** non-profit initiatives supported by the Nexity Foundation for >€900,000

Accommodating new lifestyles and behaviours

- **133** student residences managed at year-end 2023
- **~130,000 sq.m** of coworking space under management

(1) Calculated on the basis of FPI (French Federation of Real Estate Developers) data as at 15 February 2024.
(2) Reservations in 2023.

1.5 2023 GROUP PERFORMANCE

The segment information presented in this chapter reflects Nexity's operational reporting, with joint ventures proportionately consolidated. The IFRS consolidated financial statements are included in Chapter 5 of this Universal registration document under Section 5.4 "Operational reporting information".

Business activity – Nexity beats the market

- New home reservations down 19% by volume – amid a market that shrank by 26% over one year and by 41% over two years
- Continued strong growth in managed real estate, with revenue up 25%

Financial results in line with objectives:

- Revenue of €4.3 billion; operating profit of €246 million
- Net debt: €776 million (down €43 million vs 2022)
- Solid liquidity: €882 million in cash flow and undrawn credit facility of €630 million

2023: A busy year for refocusing the Group's roadmap

- Pivoting towards urban regeneration:
 - First market deal with Carrefour and creation of the property joint venture. Expected revenue at termination: >€2 billion over 10 years
- Launch of Nexity Héritage and land banking solution with Mirabaud AM
- Deleveraging levers initiated:
 - Disposal of international activities (Poland and Portugal)
 - Search for strategic and financial partners in the management and distribution businesses

2024: A year of far-reaching transformation

- Finalisation of the sale of Property Management for Individuals business to Bridgepoint for an enterprise value of €440 million, concerning ~3,100 employees; ongoing process to seek out strategic and financial partnerships
- Accelerating the shift in the Group's business model towards that of an urban operator:
 - Implementing far-reaching organisational transformation based around a regional, multi-product offering and ramping up the Serviced Properties business
 - Adjusting the workforce in keeping with new market parameters and changes in scope
 - In view of its adaptation and transformation, the Group has decided to initiate in the coming weeks an information and consultation process with employee representative bodies before implementing a redundancy plan (PSE in French). As such, the Board proposes that the dividend in respect of financial year 2023 be suspended ⁽¹⁾
- Improved profitability from 2025, and as a result, maximum net debt of €500 million at year-end 2025
- Dividend policy consistent with the context and reviewed annually in light of free cash flow
- Forecast for 2024:
 - Operating profit to remain positive while reaching a low point, taking into account gains on disposals, the costs of adjusting supply to new market conditions and costs relating to the Group's reorganisation, paving the way for a rebound in 2025
 - Net financial debt considerably lower than at the end of 2023

1) Board proposal subject to approval at the Shareholders' Meeting of 23 May 2024

Business activity

New homes - France	2022	2023	Change
Nexity new home reservations - Volume	18,015 units	14,602 units	-19%
Nexity new home reservations - Value	€3,924m	€2,964m	-24%
Development backlog	€6.1bn	€5.4bn	-12%

Financial performance

(in millions of euros)	2022	2023	Change
Revenue	4,704	4,273	-9%
Operating profit	367	246	-33%
Operating margin (as % of revenue)	7.8%	5.7%	-210 bps
Group share of net profit	188	19	
Net debt ⁽¹⁾	820	776	
x EBITDA after lease payments ⁽²⁾	1.5x	2.5x	

1.5.1 2023 financial items – Operational reporting

Due to the process underway for the sale of Real Estate Services to Individuals activities, which is expected to be finalised in the first half of the year, the Group is applying IFRS 5 (on assets held for sale), which requires the assets and liabilities of these activities to be presented separately from other continuing operations in the balance sheet. The income statement has not been restated.

(in millions of euros)	2022	2023	Change
Consolidated revenue	4,704	4,273	-9%
Operating profit	367	246	-33%
% of revenue	7.8%	5.7%	
Net financial income/(expense)	(65)	(108)	-67%
Income tax	(90)	(51)	+43%
Share of profit/(loss) from equity-accounted investments	(7)	(49)	x6.6
Net profit	204	37	N/A
Non-controlling interests	(16)	(18)	+7%
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	188	19	N/A

Revenue

2023 revenue totalled **€4,273 million**, down 9% relative to 2022 (down 10% on a like-for-like basis ⁽³⁾).

- Revenue for the Development business was down 10%, mainly driven by the revenue generated through major projects in Commercial Real Estate (the green business park in La Garenne-Colombes and Nexity's headquarters in Saint-Ouen). Revenue from Residential Real Estate Development was down 13%, due to the slowdown in business in a highly unfavourable environment.
- Revenue from Services was down 7%, with the surge in revenue for the Serviced Properties business (up 25% compared with 2022) not enough to offset the decline in revenue from Distribution, which was affected by the downturn in the new home market.

1) Net debt before lease liabilities and after application of IFRS 5 following the entry into exclusive negotiations on 21 December 2023 on the disposal of the Property management activities.

2) Financial leverage ratio calculated according to the contractual provisions of the financing contracts (IFRS reporting).

3) Excluding Angelotti, company acquired in October 2022 and excluding Poland and Portugal activities disposed of in Q3 2023

<i>(in millions of euros)</i>	2022*	2023	Change
Development	3,766	3,401	-10%
Residential Real Estate development	3,385	2,942	-13%
Commercial Real Estate Development	380	459	+21%
Services	938	872	-7%
Property management	382	385	+1%
Serviced properties	217	270	+25%
Distribution	340	217	-36%
REVENUE	4,704	4,273	-9%
o/w: External growth in Residential Real Estate Development (Angelotti)	45	147	N/A

* Reclassification of Villes & Projets (historically classified under Other Activities) in Residential Real Estate Development.

Note: Revenue generated by the development activities from VEFA off-plan sales and real estate development contracts is recognised using the percentage-of-completion method, i.e. on the basis of notarised sales and pro-rated to reflect the progress of all inventoriable costs incurred.

Operating profit

At the end of December 2023, **operating profit amounted to €246 million**, in line with guidance.

	2022*		2023	
<i>(in millions of euros)</i>	Operating profit	Margin	Operating profit	Margin
Development	326	8.6%	181	5.3%
Residential Real Estate development	280	8.3%	140	4.8%
Commercial Real Estate Development	45	11.9%	41	8.9%
Services	92	9.8%	73	8.3%
Other activities	(51)	N/A	(48)	N/A
OPERATING PROFIT	367	7.8%	246	5.7%

* Reclassification of Villes & Projets (historically classified under Other Activities) in Residential Real Estate Development.

Other income statement items

The net financial expense totalled €108 million. In particular, it comprised an increase of nearly €25 million in financing costs due to the rise in interest rates (with 51% of total debt made up of floating-rate debt at year-end 2023) and an €8 million increase in finance costs on lease liabilities driven by growth in the portfolio of managed real estate.

The tax expense (including the CVAE⁽¹⁾) amounted to €51 million. The current effective tax rate (excluding the CVAE) was 35% (28% at year-end 2022). This rate, which

was 9 points higher than our normative rate, mainly resulted from international losses that were not recoverable against French taxes, as well as the tax on the long-term disposal gain following the transfer of Studéa shares from Property Management for Individuals to Nexity SA.

The decrease in “Share of profit/(loss) from equity-accounted investments” primarily arose from the 18% stake in Ægide Domitys.

The Group share of net profit came to €19 million at 31 December 2023.

1) Cotisation sur la Valeur Ajoutée des Entreprises (French business value-added tax)

1.5.2 2023 balance sheet and financial structure – Operational reporting

The Group's net debt before lease liabilities amounted to €776 million at year-end 2023, down €43 million compared to 2022, in line with its debt management policy announced at the beginning of the year.

This decrease notably reflects the following:

- Strict management of working capital in an adverse environment due to a more selective approach before projects are launched and the simultaneous start of construction work and signing of deeds when new land is purchased
- Discontinuation of business outside France and disposal of activities in Poland and Portugal finalised in Q3, with a €100 million impact on net debt

Debt at 31 December 2023 takes into account the impact of IFRS 5 application on Property Management for Individuals and thus includes a corresponding €67 million adjustment.

The Group was in compliance with all its financial ratios as at end-December 2023. The leverage ratio[1], calculated in accordance with contractual terms set out in financing agreements, stood at 2.5x, below the limit set out in the financial covenant (3.5x).

<i>(in millions of euros)</i>	31 December 2022	31 December 2023	Change
Bond issues and other	976	821	(155)
Bank borrowings and commercial paper	874	837	(37)
Net cash and cash equivalents	(1,030)	(882)	+149
NET FINANCIAL DEBT BEFORE LEASE LIABILITIES	820	776	(43)

Overall, nearly 50% of the Group's gross debt is fixed-rate debt, limiting its exposure to rising interest rates. The Group has also put in place interest rate hedges, bringing the proportion of its gross debt that is either well hedged or at fixed rates to over 60%.

At 31 December 2023, the average maturity of the Group's debt remained above two years (2 years and 4 months), with an average cost of borrowing of 3.8%.

The Group's liquidity is solid, with total cash and cash equivalents of €882 million, and €630 million in confirmed undrawn credit lines.

As a reminder, in February 2023, the Group renewed its corporate credit line for a period of 5 years with an expanded pool of banks and for an increased amount (€800 million versus €500 million).

<i>(in millions of euros)</i>	31 December 2022	31 December 2023	Change
Development	1,322	1,316	(6)
Residential Real Estate development	1,199	1,240	+41
Commercial Real Estate Development	123	76	(47)
Services	36	62	+27
Other activities	(23)	(39)	(15)
Total WCR excluding tax	1,335	1,340	+5
Corporate income tax	(11)	7	+17
WORKING CAPITAL REQUIREMENT (WCR)	1,324	1,346	+23

The Group's **WCR**, after adjusting working capital in the Property Management for Individuals business in accordance with IFRS 5, stood at €1,346 million at year-end 2023, mainly due to the slowdown in business and thus in sales of inventory. Excluding tax and before the adjustment relating to IFRS 5, the working capital requirement declined €39 million.

It mainly consists of secure operating items (receivables due from individual clients guaranteed by banks, and receivables due from institutional clients relating to top-tier counterparties) and includes an almost 40% reduction in the land bank, which stood at €171 million at 31 December 2023.

1.5.3 2023 Cash flows – Operational reporting

<i>(in millions of euros)</i>	2022	2023
Cash flow from operating activities before interest and tax expenses	538	375
Repayment of lease liabilities	(133)	(143)
Cash flow from operating activities after lease payments but before interest and tax expenses	405	232
Change in operating working capital	(248)	48
Interest and tax paid	(94)	(144)
Net cash from/(used in) operating activities	63	136
Net cash from/(used in) operating investments	(69)	(59)
Free cash-flow	(6)	77
Net cash from/(used in) financial investments	(28)	81
IFRS 5 reclassification	(45)	(15)
Dividends paid by Nexity SA	(138)	(139)
Net cash from/(used in) financing activities, excluding dividends	15	(179)
CHANGE IN CASH AND CASH EQUIVALENTS	(202)	(175)

1.6 RESIDENTIAL REAL ESTATE DEVELOPMENT

1.6.1 Market environment and competitive landscape

1.6.1.1 Market environment

Demographic changes are generating a structural need for new housing in France due to population growth, the increase in the number of households (children moving out) and migration phenomena, in addition to other macro-trends described in Section 1.3 “Market environment” of this chapter. Faced with this demand, the construction effort remains insufficient, making access to housing more complex.

In 2023, 373,100 housing units were authorised; 115,900 fewer than in 2022 (-24%). New housing starts fell below the 300,000 mark (-22% in one year to 287,100) to the lowest point recorded in 20 years.

In a year marked by still high inflation and a sharp rise in interest rates, new home sales fell sharply in 2023 due to the decline in demand from individual buyers.

The new housing market ⁽¹⁾ fell significantly in 2023 (-26% in one year and -41% compared to 2021 at 94,828 reservations) in a context marked by the deterioration in household solvency (rising interest rates, inflation, etc.). Year-on-year, reservations by individual investors fell by 51%, mainly due to a lack of sufficient profitability following the increase in rates, and reservations by owner-occupiers fell by 28%. Bulk sales remained dynamic in 2023 (+11.5% to 33,038 units) and represented 35% of market sales (compared to 23% in 2022), mainly supported by the CDC and Action Logement buyback programmes.

1.6.1.2 Competition

On the new-home development market, there are numerous developers active at national and regional level. Nexity's major national competitors on the new housing

market include Altarea Cogedim, Bouygues Immobilier, Vinci Immobilier and Kaufman & Broad.

The following table shows the net number of housing reservations and market share of France's leading residential property developers.

Housing	2020	2021	2022
Nexity	21,077	20,101	18,015
Altarea Cogedim	11,929	11,521	10,017
Bouygues Immobilier	8,700	9,510	9,276
Vinci Immobilier	6,798	7,479	6,825
Kaufman & Broad	6,305	6,609	6,214
Icade Promotion	5,338	6,004	6,014
Bassac (formerly LNC)	3,165	6,433	5,625
Pichet group	5,630	5,690	5,285
Procvivis	5,559	5,798	4,125
Eiffage Immobilier	4,273	4,164	2,481

Source: Ranking of Innovapresse developers

NS: not supplied

1) To analyse the national residential real estate development market, Nexity relies on the figures of the Observatory of the FPI (Fédération des Promoteurs Immobiliers) which is based on the information reported by the various regional observatories of the FPI and which covers around 90% of the real estate development market. It records net sales of retail housing (occupants and individual investors) and block sales (institutional investors, social housing and intermediate housing players).

1.6.2 Description of activities

The organisation of Residential Real Estate is based on a multi-brand strategy with a presence throughout France and national expertise in complex projects.

1.6.2.1 Products

Access to housing for all is central to Nexity's concerns whose offer focuses on affordable housing. Nexity has the ability to cover the entire range of housing on the market and is working on sustainable offers in order to offer high-performance and affordable products to all, designed for each stage of life.

As a real estate operator, Nexity is conscious of its need to help facilitate access to housing for all and today offers the following product lines:

- **Freely available housing:** development of new homes; housing benefiting from optimised construction processes to address the issues of first-time buyers through its Access design product; wood-frame housing to meet environmental requirements. Some programmes may be co-developed with local or national developers;
- **Standard social housing:** imposed by the SRU Law (Article 55 of the Law of 13 December 2000), Nexity's annual social housing production exceeds the 20% threshold;
- **Family shelters / Emergency accommodation:** Nexity has made the strategic choice since 2005 to meet the needs of social housing players in terms of urban planning, social cohesion and sustainable development, in particular through its subsidiary Nexity Non Profit (production of family shelters, management of vacant housing units with solidarity leases, and emergency accommodation);
- **Housing in Social Rental Usufruct (ULS):** in supply-constrained areas, in order to promote the production of affordable housing, Nexity is developing Social Rental Usufruct (ULS) projects. This product is based on the separation of bare ownership and usufruct over a period of 15 to 20 years. The individual or institutional investor acquires the bare ownership of an asset at a discounted price, while its usufruct is sold to an institutional lessor;
- **"Bail Réel Solidaire" (BRS) Housing:** in order to promote social home ownership to low-income households, Nexity works in cooperation with social housing operators and solidarity-based land organisations (OFS) to offer housing at affordable prices. Created by the Macron Law of 6 August 2015, the "Bail Réel Solidaire" allows for the separation of land and buildings and thus reduces the price of housing;

The Group's operating subsidiaries are responsible for the entire real estate project and are staffed with specialists. Specific service companies common to the entire Group may also assist the operating subsidiaries by setting up specialised operations or providing marketing or technical support.

- **Intermediate housing rental:** since 1 January 2014, two tax incentives for intermediate housing rental were introduced by the Government (Order No. 2014-159 of 20 February 2014), exclusively for buyers who are legal entities: VAT rate reduced to 10% and exemption from property tax on built properties for the term of ownership of the buildings, up to a limit of 20 years;
- **Residences:**
 - *Student residences:* production of housing for students to be operated by Nexity under the Studéa brand,
 - *Serviced senior residences:* production of serviced senior residences to be operated by Ægide-Domitys as part of the partnership signed in 2021 with AG2R La Mondiale,
 - *Social senior residences:* they are an appropriate response to the housing problems of seniors, who often end up alone in oversized, poorly-insulated homes. Usually built as rented and social housing, they guarantee access to a large population including seniors, people with disabilities and younger working people eligible for social housing. This "inclusive living" concept (within the meaning of the Housing Act (ELAN Act) of 23 November 2018) creates shared living spaces and provides a solution to the risk of isolation for seniors,
 - *COMPLICITY® Multigenerational Residences:* they are a response to the need for housing adapted to the demographic transition, encouraging social cohesion. COMPLICITY® is an "inclusive living" solution that includes social events at the residences to support senior residents in tailored accommodation and residential spaces, and to facilitate connection and harmonious co-living among all residents. There is a "social and shared living project" for every residence. This ambitious project, approved by elected officials, is the result of a joint development with the municipality, the social housing operator, the condominium managing agent (in the case of programmes in the freely available housing sector) and the social and shared life manager, by involving local community and economic players,
 - *Coliving:* to address new lifestyle trends, coliving is a shared mode of living in which private and shared spaces are brought together in the same place. Whether living or working, the objective is to pool rent and expenses in order to establish lower-cost housing in the heart of major cities whilst enjoying a comfortable and convivial environment.

- **Rehabilitation of real estate assets:** A player committed to a sustainable and affordable city, Nexity develops projects to rehabilitate and reconvert existing assets throughout the country. The Group develops, in synergy with local authorities, urban and financial solutions to rehabilitate residential real estate assets and to transform office buildings, commercial buildings or car parks, into mixed-use programmes (housing and offices) which are predominantly residential; and

- **Site development and subdivisions:** develops and subdivides sites, rendering the land suitable for construction and dividing the land into plots. The Group sells the plots primarily to private individuals who then have their own houses built on the plots, as well as occasionally to residential real estate developers who then develop groups of houses or collective dwellings on the land. For local authorities, the subsidiary develops neighbourhoods that integrate economic, social and environmental issues.

1.6.2.2 Clients

Nexity is a major player in the development of new housing and subdivisions (development of plots of land to be built), and operates throughout France.

Nexity's Residential Real Estate Development clients are:

- First-time buyers (of homes or plots of land);
- Other buyers (who already own their main residence) purchasing a new residential home (or a plot of land);
- Individual investors purchasing a buy-to-let home (whether furnished, unfurnished or under a division of property ownership known as "démembrement"); and
- Professional landlords purchasing an entire building to generate rental income (social, intermediate or freely available housing).

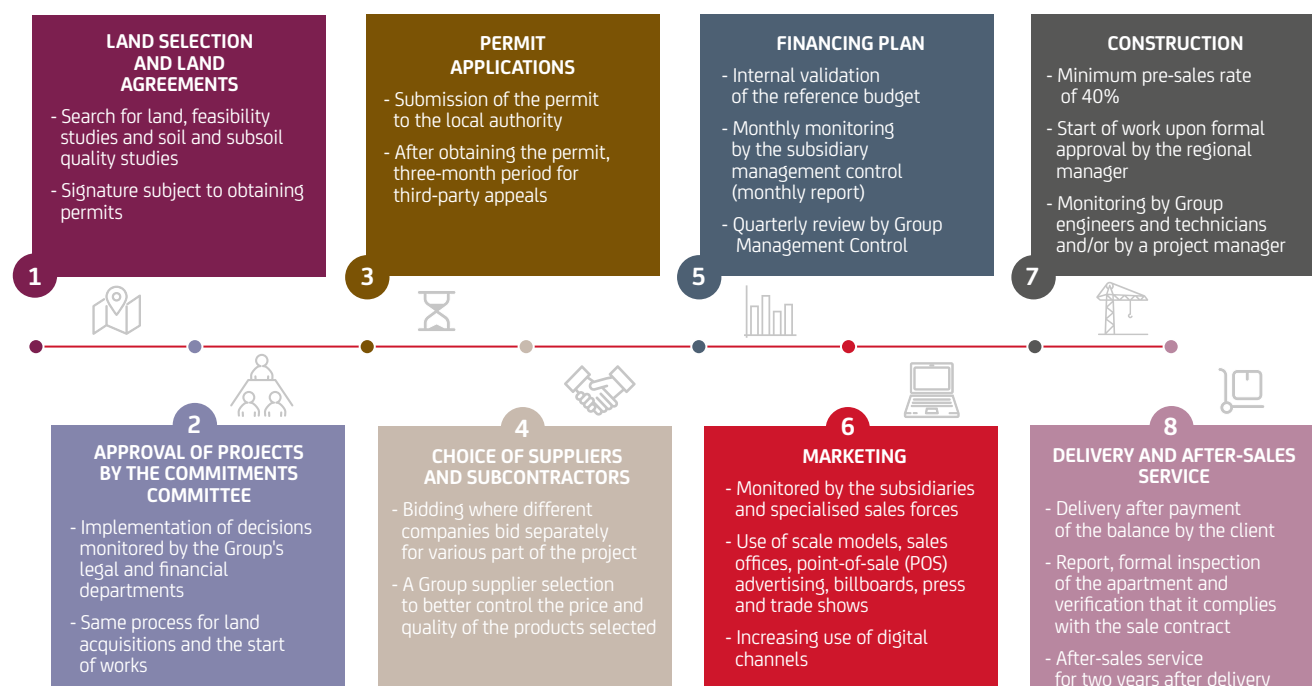
1.6.2.3 Progress of a project

The Group markets its housing units and subdivisions under the VEFA off-plan sales regime (see Section 1.2.1 "A leader in all segments of the real estate chain / A low-capital-intensive flow model" of this chapter).

Construction feasibility and the project's potential profitability are essential criteria. Except when special opportunities arise, the Group's Residential Real Estate strategy does not include buying land to create a real estate portfolio or as a speculative investment.

In order to provide the best possible response to the current scarcity for land facing the Group, Nexity has been developing Nexity Solutions Foncières since 2020 to simplify access to all of the Group's real estate and business expertise for land owners, whether they are individuals or professionals. Its mission is to create value from the real estate assets of its clients, thanks to its service platform and its wide range of products (residential, office, managed residence, refurbishment, fixtures and fittings, retail, etc.).

The development of a new housing programme generally takes place in several stages:



Nexity pays particular attention to client satisfaction. It focuses its efforts on the quality of services offered to clients in order to increase client satisfaction. To achieve this, Nexity created a single Client Satisfaction Department for all the Individual Clients business lines at the end of

Characteristics of a subdivision project

The process of a subdivision project is similar to that of a housing project (administrative authorisations, margin generation criteria).

Clients with subdivisions benefit from professional advisors, a website and a toll-free number, which helps the client to

Characteristics of housing projects outside of France

Housing developments outside of France can differ in certain respects from those in France. In particular, land may be purchased before the required final building permits have been obtained and ownership may not be transferred until construction is complete, leading to a higher working capital requirement. The development and

2018. Each business line now has the tools, reporting and management methods to help them improve their client relationships (see Section 3.5.2 "Improving client satisfaction and boosting client support" in this Universal registration document).

define his/her project on the land to be acquired, to complete a financing plan and to develop a timetable for the work. The Group also provides its clients with a financial guarantee covering work not yet carried out, which is mandatory to sign the final sales contract.

marketing processes for these projects are adapted to the legal and economic characteristics of each country, with the aim of maintaining a controlled risk profile in each of these local contexts (see Chapter 2, Section 2.2.2.1 "Strategic risks / Difficulty in the management and control of subsidiaries" of this Universal registration document).

Project costs

The following table presents a breakdown of the average cost of projects by type of cost, for projects delivered during the 2021-2023 period:

<i>(as % of total cost price)</i>	2021	2022	2023
Land costs	22.4	22.7	21.6
Roads & miscellaneous infrastructure (land development)	3.5	3.4	3.6
Construction works	51.3	51.0	52.7
Fees and insurance ⁽¹⁾	14.8	14.8	14.8
Financial expense	1.3	1.4	1.2
Marketing and advertising ⁽¹⁾	6.7	6.7	6.1
TOTAL	100.0	100.0	100.0

(1) Including intra-Group fees, which are generally around 10% of the total.

Controlling construction costs

The Group supports operational teams in reducing costs through optimisation in the following areas:

- Providing regional development teams with innovative construction methods aimed at offering clients low-carbon housing at controlled prices *via* the Ywood range;
- The entire range available is based on industrialised construction processes that make substantial use of wood, with excellent thermal performance and energy efficiency, for reduced operating costs;
- Promoting home ownership with highly competitive sales prices whilst meeting the quality requirements of projects and complying with delivery deadlines, while applying a high-performance environmental approach (FSC or PEFC accreditation, priority given to materials sourced from France, the hygroscopic properties of wood, etc.);
- Listing of industrial construction products and centralised purchasing. This aim of this approach is to optimise the cost and quality of purchases and offer services suited to the various target client categories whilst controlling construction costs;
- Monitoring of construction costs by product family and by batch, market indices, changes, measures to mitigate increases, coordination of works contractor panels; and
- Development and consolidation of best practices, development and dissemination of shared tools for construction in design (e.g. technical guidelines, design standards, BIM, etc.), purchasing, execution of works, quality of deliveries.

Warranties given by the Group

For sales of new homes under the VEFA system, the Group is required by law to provide certain warranties to its clients:

- A warranty against visible defects (*garantie des vices apparents*), covering visible construction defects reported by the buyer within one month of the buyer taking possession of the home;
- A completion warranty (*garantie de parfait achèvement*) covering all problems or faults relating to non-compliance of the home with the description given at the time of sale (valid for one year from date of delivery);
- A proper operation warranty (*garantie de bon fonctionnement*) covering malfunctions of items of equipment separate from the construction itself (valid for two years from date of delivery); and
- A 10-year warranty (*garantie décennale*) covering problems relating to the structural soundness of the construction or the suitability of the structure for its intended purpose (valid for 10 years from date of delivery).

1.6.3 2023 Performance

1.6.3.1 Business activity

In a highly challenging market, Nexity's business activity showed resilience: 14,602 reservations were booked, down 19% in a market that declined by 26%. The total value of these reservations was €2,964 million (down 24%). The latest FPI statement, dated 15 February, reported 94,828 reservations in the market, a record low for the past 10 years.

As expected, and in line with market data, retail sales declined sharply (down 41% compared with 2022), mainly due to lower solvency among individual clients arising from the substantial, lasting rise in interest rates and the drop in implied yields for individual investors. Sales to individual investors and homebuyers fell to an all-time low, accounting for 21% and 12% of total sales, respectively.

	2021				2022				2023			
	Q1	H1	9M	FY	Q1	H1	9M	FY	Q1	H1	9M	FY
Number of units												
New homes (France)	3,508	8,351	12,443	20,101	3,490	7,639	11,446	18,015	2,811	6,085	9,213	14,602
Reservations made directly with Ægide	389	737	737	737	-	-	-	-	-	-	-	-
Total new homes (France)	3,897	9,088	13,180	20,838	3,490	7,639	11,446	18,015	2,811	6,085	9,213	14,602
Subdivisions	338	777	1,144	1,916	337	760	979	1,537	288	647	833	1,050
Total number of reservations (France)	4,235	9,865	14,324	22,754	3,827	8,399	12,425	19,552	3,099	6,732	10,046	15,652

	2021				2022				2023			
	Q1	H1	9M	FY	Q1	H1	9M	FY	Q1	H1	9M	FY
Value (in millions of euros incl. VAT)												
New homes (France)	792	1,848	2,693	4,140	764	1,756	2,561	3,924	575	1,260	1,865	2,964
Reservations made directly with Ægide	90	175	175	175	-	-	-	-	-	-	-	-
Total new homes (France)	882	2,023	2,868	4,315	764	1,756	2,561	3,924	575	1,260	1,865	2,964
Subdivisions	29	71	104	159	27	64	82	135	28	56	81	101
Total amount of reservations (France)	911	2,094	2,972	4,474	790	1,819	2,643	4,059	604	1,316	1,946	3,065

Bulk sales remained strong, holding steady year on year: Nexity continued to pursue its dynamic sales strategy, in place since 2022, earmarking retail sale reservations for bulk sales, through its numerous long-term partnerships with private and public landlords.

Bulk sales accounted for 67% of total reservations at year-end 2023, up 13 percentage points from 2022, driven in particular by bulk sales of intermediate housing, which more than doubled year on year, to reach 16%.

Breakdown of new home reservations in France by client

<i>(number of units)</i>	2022		2023	
Homebuyers	2,605	14%	1,783	12%
<i>o/w: First-time buyers</i>	2,217	12%	1,456	10%
<i>o/w: Other homebuyers</i>	388	2%	327	2%
Individual investors	5,703	32%	3,107	21%
Professional landlords	9,707	54%	9,712	67%
<i>o/w: Institutional investors</i>	3,131	17%	3,858	26%
<i>o/w: Social housing operators</i>	6,576	37%	5,854	40%
TOTAL	18,015	100%	14,602	100%
Of which reservations made by Angelotti Promotion	356		506	

The difference between the change in reservations by volume and by value is mainly due to the change in the product mix.

Supply for sale at year-end 2023 was down 23% relative to year-end 2022, at 7,778 units, with take-up periods stable at around 7 months. These trends reflected the Group's increasingly selective approach to launching programmes

(the average rate of pre-selling was nearly 75% ⁽¹⁾ on programmes launched in 2023) and demonstrated its ability to adapt its supply despite a slower pace of sales. Developments under construction accounted for around 46% of the total supply for sale (vs. 60% for the market as a whole) and the stock of unsold completed units remained marginal, at around one hundred.

1.6.3.2 Results

Revenue declined by 13% in 2023 to €2,942 million, reflecting the slower pace of signings of notarial deeds of sale since the beginning of the year and fewer new programmes launched into the construction phase.

Operating profit was €140 million (down 50%), representing a margin of 4.8%, down 350 basis points. This change was mainly due to the decrease in revenue, the change in the customer mix with a higher proportion of bulk sales, higher construction costs affecting the budgets of certain programmes under construction, and the slowdown in business, which has affected the balance of overhead costs.

<i>(in millions of euros)</i>	2022*	2023	Change
Revenue	3,385	2,942	-13%
Operating profit	280	140	-50%
Margin <i>(as % of revenue)</i>	8.4%	4.8%	-350 bps

* Reclassification of Villes & Projets (historically classified under Other Activities) in Residential Real Estate Development.

1.6.3.3 Outlook

The backlog stands at €5.0 billion, representing two years' revenue.

The Carrefour partnership announced in 2023, which is fully aligned with the Group's increased emphasis on urban regeneration, reached a key milestone at the end of November with the formation of the "Villes et Commerces" land banking joint venture. As a reminder, this partnership covers the upgrade of 76 Carrefour sites across France through urban mixed-use projects, including 12,000 homes, and will generate revenue at termination of over €2 billion over the next ten years (developments will be included in the backlog with effect from H2 2024).

In early October, the French government made an initial revision to the country's zoning map, reclassifying more than 150 municipalities as supply-constrained areas (A/Abis/B1), meaning they are now eligible for the "Pinel" scheme, intermediate rental housing (LLI) and the 2024 PTZ interest-free loan scheme, and in some cases raising rent ceilings, which in turn improves rental yields. This zoning extension will enable Nexity to recalibrate developments currently being set up in the municipalities concerned, and to sell its available supply more quickly. For reference, 81% of Nexity's current supply for sale is located in supply-constrained areas.

¹⁾Including sales to individuals and institutional investors

1.7 COMMERCIAL REAL ESTATE DEVELOPMENT

1.7.1 Market environment and competitive landscape

1.7.1.1 Market environment

A description of the macro-trends supporting the Group's markets is presented in Section 1.3 "Market Environment" of this chapter.

The investment market

Activity in the commercial real estate investment market ended the year 2023 on a low: only €12 billion invested in commercial real estate, *i.e.* a 56% drop in activity over one year (-61% compared to the five-year average). This result attests to a business activity heavily impacted by the price correction difficulties encountered as well as the decline in the level of liquidity allocated to real estate. The fourth quarter recorded its second weakest performance in 20 years with investment of only €2.7 billion, representing a decrease of 77% compared to its five-year average.

Although the office market has been particularly subject to investor prudence and selectivity and is suffering from the lack of major transactions nationwide, it has nevertheless driven the investment market in the Paris region, despite a sharp annual decrease: €4.6 billion invested in 2023, -57% compared to 2022. Commitments in the main business districts were less buoyant in the second half of the year (only €1.5 billion invested in Paris CBD in 2023), to the benefit of other sectors such as Paris Sud which is currently leading with an annual volume of €1.7 billion committed, or 26% of investments in the Paris region. Furthermore, the volumes committed to VEFA off-plan sales showed a significant drop and amounted to only €345 million in 2023 (of which 38% speculative).

The office market

With 1.93 million square metres sold in 2023, take-up in the Paris region is down by 17% and 12% compared to its 10-year average ⁽¹⁾.

In addition, activity in the coworking market is trending downwards with a level of sales close to that of 2016: nearly 35,000 square metres leased by coworking operators in 2023, a decrease of 58% compared to 2022 ⁽²⁾.

At the same time, the immediate supply of offices in the Paris region has continued to grow, with 4.8 million square metres vacant at 31 December 2023, *i.e.* an estimated vacancy rate of 7.9% according to the CBRE. However, geographical disparities should be highlighted, with a slight increase in vacancies but which continues to contract in Paris and inventory that remains at high levels in peripheral areas, particularly in the northern and southern inner suburbs, linked to deliveries of new and restructured projects as well as the vacation of renovated or used spaces. The share of new / restructured developments

decreased slightly but remained at a high level compared to previous years. Deliveries scheduled for before or during 2025 represent more than 1 million square metres, of which over 700,000 square metres will supply the market in 2024 and over 250,000 square metres in 2025.

Premium rents remain on an upward trend in the Parisian central business district with narrowing disparities between the Parisian districts. They are up slightly in peripheral areas where the quality and accessibility of the supply are differentiating factors such as in Boulogne-Billancourt or Neuilly / Levallois. Support measures remain on the rise, with an average level of 26% in the Paris region.

In 2023, office starts in the Paris region fell by 54% compared to 2022, reflecting the unfavourable conditions of the financial markets. In addition, Nexity's housing starts in the Paris region amounted to nearly 15,000 square metres in 2023, *i.e.* a market share of 5% ⁽³⁾.

1) Source: Immostat.

2) Source: Knight Franck.

3) Source: CAPEM.

1.7.1.2 Competition

Nexity's model incorporates all of its business expertise, from design to operation.

Some groups now combine commercial real estate development and property management (such as BNP Real Estate, Vinci Immobilier and Crédit Agricole Immobilier). Others are also developing coworking or "managed office" offers on behalf of users (Bouygues or Icade, for example). In general, several segments stood out, with integrated/multi-product offers, more targeted strategies on the vertical value chain or specific approaches targeting premium or low-carbon assets. However, faced with the real estate crisis, the majority of players are reviewing their strategy and adapting their business models.

The plans for the roll-out of regional developments, the ongoing intensification of new refurbishment/transformation activities, synergies between development and operating services, the rise of nomadic work, diversification of working methods and the consolidation of its expertise in wood-frame construction are all expected to strengthen Nexity's competitive positioning in the commercial real estate market.

1.7.2 Description of activities

In France, the Commercial Real Estate division is made up of various teams each offering different yet necessary skills.

Since the market is concentrated in the Paris region and the major French metropolitan areas, the Commercial Real Estate employees are based at the head office in Paris. Regional establishments in Lille, Lyon, Bordeaux and Marseille help provide a hands-on approach to local business development, particularly regarding the development of wood-frame office buildings and logistics, activity, higher education and hospitality projects. To help find clients and obtain permits, the Commercial Real Estate division also draws on synergies with the Residential Real Estate division's regional subsidiaries, which benefit from a wider network across France.

An increasing number of projects are being developed jointly with other Group subsidiaries (residential development, retail, Nexity Entreprises), enabling the formulation of a comprehensive offer. The Group develops a number of projects jointly with other real estate developers or major construction companies. The Group may decide to co-develop projects as part of a marketing strategy to increase its chances of being selected for a project, or as part of a risk-sharing effort.

1.7.2.1 Products

Nexity is a leading player on France's commercial real estate development market. It deals mainly with office space, especially in the Paris region and other major metropolitan areas such as Lyon, Marseille, Bordeaux, Lille, Toulouse and Rennes. The Group also handles business premises and, to a lesser extent, develops retail premises offer.

At this stage, the Group has the following main product lines:

- **The timber-framed office building:** a pioneer since 2015 and the leading operator of wood-frame office buildings in France, Nexity is developing both ambitious and large-scale projects in the Paris and other regions;
- **Refurbished office buildings:** the combined desire to preserve the existing portfolio in major cities, but also to achieve environmental sobriety, led the Group to accelerate the development of the refurbishment product. Since 2015, a dedicated team in Paris has been involved in complex restructuring and refurbishment projects in the Paris region, which will be rolled out to other major French cities, boosted by recent regulatory incentive measures;
- **Reversible office buildings:** urban change, demographic pressure in large cities, environmental and health crises, and the shortage of housing lead to thinking about the reversibility of buildings as a sustainable solution to change the destination of buildings in the short, medium or long term. This product is based on a flexible design of the buildings and on a standardised regulatory framework which allows it to ensure flexibility in uses of the building over time; and
- **The energy-efficient "Essentiel" office building:** to fight even more effectively against global warming, Nexity is developing for the first time in France an office product like no other, offering an unrivalled level of environmental performance and comfort. It is based on a disruptive and frugal concept, which eliminates the need for heating, air conditioning and mechanical ventilation, in favour of natural ventilation, by controlling primary parameters of the indoor air such as temperature, humidity and CO₂. It also offers a high amount natural light and volumes above current standards.

In addition to the main lines mentioned above, Nexity is diversifying by offering products:

- In the hotel sector: in 2023, the teams delivered a 191-room Sheraton hotel in Bordeaux along with a conference centre. They are also working on several residential hotel projects in Paris and the surrounding areas;
- In the logistics sector: more than 30,000 square metres of industrial and small logistics spaces were created for AEW's Logistis fund, a partnership project that will end in 2024 with the delivery of the last phase; and
- In the higher education sector: in Lyon, an 8,000 square metres higher education campus is under construction

1.7.2.2 Clients

The Group's commercial real estate projects are mostly pre-sold and are carried out mainly on behalf of two types of clients:

- Large private or institutional investors, French or foreign, seeking to derive rental income from commercial real estate and ultimately profit from capital gains on their real estate assets; and

1.7.2.3 Progress of a project

The Group mainly uses the following methods of intervention:

- Off-plan sales contracts (*Vente en l'état futur d'achèvement*, VEFA): the Group sells both a building as well as the land on which that building will be constructed to its client;
- The property development contract (CPI): the investor already owns the land or the existing building; the Group's involvement is the project design and the construction of the building on this land or the major refurbishment of the existing building; and
- Delegated Project Ownership (DPM) consulting services remunerated by fees.

Most of the projects undertaken by Nexity are pre-sold, before it purchases the land involved.

The Group may also carry out transactions:

and will be occupied by Galileo, world leader in the field of education.

Lastly, Nexity is supplementing its offer with the development of shops on the ground floor of buildings and co-working spaces incorporating changes in consumer habits and new ways of working.

Combined with its Individual and Commercial service offerings, the Group can offer its clients a comprehensive response to current changes in use, which makes it a real competitive advantage (see Section 1.8.2 "Description of activities" of this chapter).

- End-user businesses having buildings constructed to meet their own space requirements.

Thanks to the wide range of investors active in the French investment market, Nexity is not generally dependent on one or more clients.

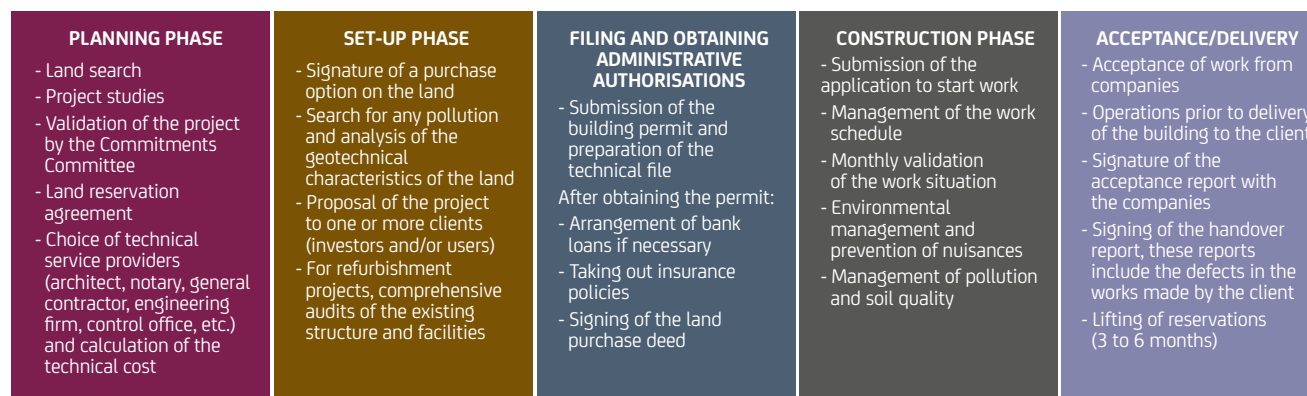
- "In white": transactions in which Nexity acquires land and starts construction on a building even before it has an investor client and a future tenant; and
- "In grey" transactions in which Nexity has only a tenant but not yet an investor client.

The Group's practice is to make the acquisition of land subject to obtaining final administrative authorisations. In the context of certain calls for tenders, the Group may nevertheless be required to acquire land before the filing of permit applications.

To complete its projects, the Group generally awards separate work contracts by trade, assigning different parts of the job to companies specialising in different building trades, in order to ensure cost efficiency and the quality of the work.

A project's technical specifications or the need to hedge work costs may also lead Nexity to award a single work contract (one building contractor is assigned the entire project).

The average project life cycle for a VEFA project is generally between three and six years and includes the following phases:



Projects undertaken under CPI agreements have the same overall features except that the Group does not have to purchase the land on which the building will be built, which already belongs to its client.

The Group does not have any exclusivity policies with specific subcontractors or suppliers. However, it forges

Project financing

The breakdown of costs by type varies considerably from one project to another. In general, construction makes up more than half of VEFA costs and more than two thirds of CPI costs.

The financing of projects depends on the timing of payments from clients. For VEFA or CPI projects, after making a down payment upon signing the contract (generally equal to 10-20% of the project's price), clients settle the remainder either by instalments as the project progresses or, more rarely as a lump sum upon delivery.

Warranties given by the Group

As part of its Commercial Real Estate Development business, the Group provides the following guarantees:

- Financial completion guarantees: similar to those provided for by the regulations on off-plan sales applicable to Residential Real Estate Development;
- Completion warranties, ten-year and proper operation warranties: see Section 1.11 "Legal and regulatory environment" of this chapter and Chapter 2, Section 2.1.2.3 "Insurance" of this Universal registration document; and

special relationships with certain suppliers and subcontractors that satisfy its qualitative and financial criteria and the Group approaches them regularly for bids.

For developments undertaken outside of France, the framework outlined above is adapted locally as needed, in particular from a legal standpoint.

In the event that the client pays the full price (excluding the initial down payment) upon delivery of the asset, the Group finances the project through bank loans, which are specifically set up for the project. This bank financing is secured by assigning the bank the proceeds from the first demand guarantee required as a general rule from the client to ensure payment of the purchase price, and by the Group ceding to the bank the receivables to which the Group is entitled under its contract with the client (cession Dailly).

On the other hand, when the client pays the price on the basis of periodic instalments based on project progress, the establishment of bank loans is generally not necessary.

- Rental guarantees: guarantee for the investor of the receipt of rental income on the real estate asset acquired from the Group for a limited period of time or, where applicable, a reduction in the sales price for an equivalent amount.

1.7.3 2023 Performance

1.7.3.1 Business activity

With the market at a cyclical low, marked by higher interest rates and changes in usage for commercial real estate (according to CBRE, investment in France was down 56% in 2023), as forecast, Nexity recorded a low volume of new orders in 2023 (€39 million).

In 2023, the Group delivered 12 developments totalling over 100,000 square metres, including the following iconic developments:

- Deloitte University: 23,385-square-metre low-carbon business park standing on 14.7 hectares of land in a natural setting;

- Aqueduc business park: Nearly 40,000 square metres of office space developed in Gentilly; and
- Facette development: 5,200 square metres of office space at the heart of the Belvédère development in Bordeaux, Nexity's new regional head office.

These developments bring total deliveries over the past five years to nearly 700,000 square metres, including almost 200,000 square metres of logistics facilities, warehouses and business parks and over 50,000 square metres of higher education facilities, reflecting continuing diversity in the new business written by the Group.

1.7.3.2 Results

At the end of 2023, revenue amounted to €459 million and operating profit stood at €41 million, indicators driven, as

in 2022, by the contribution of the La Garenne-Colombes Eco-campus which is 75% completed.

<i>(in millions of euros)</i>	2022	2023	Change
Revenue	380	459	+21%
Operating profit	45	41	-9%
Margin (as % of revenue)	11.9%	8.9%	-300 bps

1.7.3.3 Outlook

15 developments in progress at year-end 2023, totalling more than 200,000 square metres and ~€350 million, including the following:

- Green business park in La Garenne-Colombes: 95,000-square-metre project scheduled for delivery in Q2 and Q4 2024, contributing €250 million to secure 2024 revenue;
- Carré Invalides (Paris): Renovation of the 15,400-square-metre former headquarters of the Greater Paris regional council;
- Confluence business park (Lyon): Mixed development incorporating a 15,000-square-metre higher education campus;

- Reiwa: New construction of Nexity's future head office, totalling around 25,000 square metres, in Saint-Ouen (Seine-Saint-Denis).

While the market for off-plan sales remained buoyant outside the Paris region, the Group continued to capitalise on its integrated expertise and positioning to step up its role supporting institutional clients with urban regeneration projects under delegated project ownership and CPI development contracts.

The backlog stood at €349 million at year-end 2023.

1.8 SERVICES

In 2023, Nexity's Services business served both Individual and Commercial clients and was broken down into three distinct models:

- **Property management:** property management for individuals and property management for companies;
- **Serviced properties:** management of student residences and coworking spaces;
- **Distribution:** marketing of new housing in ownership division or through a bank branches network.

After announcing on 21 December 2023 that it had entered into exclusive negotiations, and following the lifting of the conditions precedent and the consultation with the employee representative bodies, which unanimously issued a favourable opinion, Nexity finalised on 2 April 2024 the sale of 100% of its Services to Individuals business to Bridgepoint, a major European player in alternative asset management. This transaction is accompanied by a strategic partnership for a period of six years, renewable for

four years, aimed at perpetuating and amplifying existing synergies with Nexity's property development activities. It is also the means for the property management activities, which employ 3,100 people (condominium managing agent services, rental management, real estate transactions and insurance brokerage), to continue and accelerate their development. (see Section 5.5.2 "Recent developments" of this Universal registration document).

1.8.1 Market environment and competitive landscape

1.8.1.1 Market environment

A description of the macro-trends supporting the Group's markets is presented in Section 1.3 "Market Environment" of this chapter.

Property Management for individuals

The real estate property management market includes rental management for owners, condominium managing agent services and property sales and lettings activities.

The real estate services market is highly fragmented. The sector has around 6,000 property management firms (2022)⁽¹⁾, down since 2013, due in particular to the concentration of the market around large franchise networks. At the same time, the number of employees is constantly increasing (46,000 in 2022⁽²⁾). A figure that,

given the sharp slowdown in the real estate markets, should undoubtedly change. Indeed, in 2023, faced with the sharp drop in sales volumes, 887 real estate agencies declared themselves unable to make payments or in safeguard proceedings, close to the record of 2009⁽³⁾.

The top seven networks account for a market share of nearly 35% in condominium management and rental management, with Nexity in third place. Independent local players represent just over 60% in these two markets.

1)Source: Xerfi: "The new challenges facing property managers by 2025". November 2022.

2)Source: Xerfi: "The new challenges facing property managers by 2025". November 2022.

3)Source: Altares.

Property management for companies

The traditional core activities of property managers, i.e. rental, technical and accounting management, are supplemented by numerous ancillary missions such as tax advice, energy audits and recommendations, technical management solutions, construction assistance, selection of suppliers, service platforms for occupants, etc. Over recent years, the sector has had to cope with pressure on prices, a fall in demand, and the end of the annuity income model following the long-term drop in interest rates. The paradigm shift induced by the higher-quality expectations of occupants now offers opportunities for property managers who are able to rise to the challenges of “smart & green building” and deal with energy, consumption,

comfort and security issues particularly through efficient data management. The increased broadening of the service offering comprises a variety of technical building management solutions, dashboards and a data room to track performance, as well as smart objects and services tailored to occupants. These structural changes have modified the landscape by unleashing the market's hitherto limited growth potential. Since the start of the health crisis, property management has played a strategic role by bringing more flexibility and security to the working spaces by proposing new digital tools to meet the expectations of user clients.

Student residences

The student residences market is very dynamic, with an occupancy rate in excess of 90%, despite the decrease in the number of students enrolled in higher education this year (-1.1%)⁽¹⁾. The trend for moving out remains strong (leaving the family home), and rental pressure on studios / one-room apartments has further increased in most student cities between 2021 and 2023 (the number of studios available has fallen by 10% per year since 2021)⁽²⁾. Lastly, sustained growth continues in the number of international students in higher education (+2.6% for the 2022-2023 year)⁽³⁾.

Today, the student real estate market appears to be affected by four trends:

- Ongoing real estate development: between 2019 and 2023, the portfolio increased by an average of 50 residences each year, corresponding to an average annual growth rate of 4.8%⁽⁴⁾. With the exception of the PACA and Bourgogne Franche-Comté regions, all other metropolitan areas recorded increases in their number of residences;

- International clientele: this creates direct demand, due to the mandatory move away from the parents' home and to specific needs in terms of access to housing;
- The popularity of student residences with investors is strong. More than 90% of them want to focus on this type of asset over the next five years⁽⁵⁾; and
- The diversification of student products, residences and hybrid concepts attracting an increasingly diverse clientele, opening up to co-living.

It should also be noted that the following trends have been confirmed:

- Changes in students' accommodation expectations and needs and in terms of the customer experience, flexibility, practicality, security and services;
- Need for conviviality with other residents; and
- The search for a turnkey offer and greater centrality for the residence (closer to the city centre, or close to transport links for better accessibility to campus, for example).

Coworking spaces

In 2023, the coworking market continued to grow with an increase of just over 10% in the number of spaces⁽⁶⁾.

The upgrading of coworking centres is confirmed, with fewer shared open plan spaces and an offer that tends to be more similar to the corporate hotel sector with a certain increase in prices. We are also observing a change in market concentration with the consolidation or merger of players.

Over recent years, the traditional office real estate model and the organisation of work have taken a radical turn, driven by open space concepts, flexibility and working from home, in an increasingly digitised and connected environment. In addition, occupational well-being is a

major concern for numerous companies, as employees seek a better work/life balance. In response, companies have adapted their workspaces and are offering more digital services. Localisation is also a key area of focus with the search for greater centrality.

As a result, offices are offering flexible facilities that make the most of the space they have and which lend themselves to collaboration, whilst maintaining agility and health & safety. These last few years, the most innovative changes involved the instruction of “flex offices”, adaptable modular spaces, places for concentration, coworking spaces, recreational areas, and the design of dedicated service areas.

1) Source: MENESR - DGESIP - DGRI- SIES, mainland France + DROM.

2) Source: “Stat'ici de Bien'ici”. Second quarter 2023.

3) Source: “The student residences market by 2025”. December 2023.

4) Source: “The student residences market by 2025”. December 2023.

5) Source: “The French real estate markets - 2023 review”. Knight Frank.

6) Source: Ubiqdata 2023.

The development of occupant service packages and company concierge services are arousing appetites. Through a variety of players – including digital players, independent specialists (like To Do Today and Sodexo), high-end players, and facility management groups like Vinci Facilities – strategies are beginning to overlap and the landscape is taking shape. Overall, in terms of services to occupants, there are multiple strengths, and the growing

Distribution activities

The distribution market, especially the rental property investment market, consists of many players, developers and platforms through which to make contact with developers, subsidiaries of banking groups, or asset management firms.

1.8.1.2 Competition

Property management

The property management sector has changed significantly in recent years, between strong digitisation, the development of new business lines related to the main activities, but also increasing numbers of acquisitions and/or mergers. The top five players in this sector are Foncia (Emeria group), Citya Immobilier (Arche group), Nexity, Immo de France and Square Habitat.

The various brands in the sector are also seeking to differentiate themselves, to develop related activities (wealth management consulting, asset management, insurance brokerage, energy renovation, real estate diagnostics, etc.) and to become service intermediaries like Foncia or Citya. Foncia has also positioned itself on a strategy of international expansion.

Property management for companies

This sector has around 15 operators in France with a surface area under management of more than 2 million square metres. Nexity is the sector leader in France with 20 million square metres under management. Only three players exceed 10 million square metres: BNP Paribas Real Estate with 17.5 million square metres, and Esset PM (Foncia) with 14 million square metres under

Student residences

The Group is the leader in the private student residence management sector in France, with a market share of more than 10% (in number of residences), ahead of the Réside Études groups (Les Estudines), the brands of the Action

hybridisation of the various sectors (offices, hotels, retail) is changing the competitive landscape and generating strategies for collaboration and partnerships.

Thus, faced with this growing demand for flexibility and tailor-made services, some players have positioned themselves in the managed office market. All-inclusive service offerings with flexible commitments.

Today, faced with the increase in interest rates, the difficulty in obtaining a home loan and a certain wait-and-see attitude from individual investors, the volume of transactions in real estate investment products has experienced a noticeable slowdown, in particular weakening start-ups positioned in turnkey investment real estate. It should be noted that the development of investment in fractional real estate, a variety of financial products with very low entry costs and promising fairly high returns are attracting a much wider target of investors.

The top five real estate agencies in France (ORPI, Century 21 France, Laforêt Immobilier, Stéphane Plaza and Guy Hoquet l'Immobilier) operate more than 4,000 real estate agencies between them ⁽¹⁾.

The many start-ups that entered this sector a few years ago, such as Matera, Bellman, and Les Agences de Papa, have been severely weakened by the sharp slowdown in the real estate market.

The development of the energy renovation market both in terms of real estate assets (brokerage and management) and buildings (condominium management) was a key trend in 2023, given the regulatory pressure. Some leading property managers have forged partnerships with companies specialising in energy renovation (renovation service providers, financing, etc.) and have devised offers and solutions.

management ⁽²⁾. Unlike in the Residential Real Estate segment, the number of operators able to meet the requirements of major investors in terms of management and reporting is limited. The increase in the size of the assets managed by the leading operators (in particular Nexity, BNP Real Estate PM, Adyal, Septime, Telmma, CBRE PM and Foncia) acts as a barrier to potential newcomers.

Logement group, the associations Fac Habitat and ARPEJ, and the residences of the Sergic group (Twenty Campus), those of the UXCO group and its eponymous residences, and those of the Valority group (Les Belles Années) ⁽³⁾.

1) Sources: real estate agency websites.

2) Source: Xerfi.

3) Source: Xerfi report: "Next-generation student residences", December 2021. "The student residences market by 2025". December 2023.

The number of student residences is constantly growing to make up for France's shortfall in terms of student housing. It is increasing at an average annual rate of around 50 residences. Launches come from new residences, but also increasingly from converted old offices, and even commercial buildings.

We have observed a significant development in co-living spaces, a hybrid of furnished housing with services and shared spaces, intended for a target market of young professionals, people in transition, nomadic workers or start-up creators.

Today, it is difficult to identify the number of co-living residences because there is an increase in the range of

Coworking spaces

In 2023, the supply of flexible offices continued to grow. The properties of major coworking players in France now exceeds one million square metres (1,082,398 square metres), spread over 3,591 identified spaces. Almost 105,000 additional square metres were opened in 2023 ⁽¹⁾.

The managed office continues its rise alongside coworking. With 290,000 square metres listed, this specific product recorded growth of 46% in one year. Paris alone has 593 managed offices spread over 403 addresses ⁽²⁾.

Distribution activities

The players in the division of ownership market are pure marketing agents (such as I Plus – Consultim group, Fidex, etc.), as well as real estate developers who market part of their production through this model. Nexity, with its subsidiary PERL, is the leader in the bare ownership investment market. Over the past 20 years, PERL has developed more than 360 real estate programs in around 170 municipalities and has forged partnerships with more than 90 institutional landlords. In 2023, PERL marketed a total of nearly 230 programmes in France.

The marketing networks market, particularly in the rental investment sector, has grown significantly in recent years. It is a highly competitive market in which players have

services and spaces offered by the most recent student residences, particularly among leading brands. Residences that offer a level of service that is similar to the so-called co-living spaces.

As such, initiatives are developing hybrid products intended for student customers but which will also attract business tourists, travellers, active seniors depending on their location and the concept on offer (e.g. the Privolodges Hub).

We are also seeing increasing numbers of hoteliers offering hybrid hotel residences to young professionals, marketed as co-living spaces with greater flexibility in terms of stay (e.g. Cowool from HPC Capital).

Among the operators of coworking spaces, four players share more than 50% of the existing square metres. The IWG Group (with its Regus, Spaces and Signature brands) owns 133 sites in France for a total surface area in excess of 205,000 square metres, WeWork manages 17 spaces in the Paris region totalling over 130,000 square metres, Nexity (through the Morning brand) manages 43 spaces in the Paris region totalling more than 105,000 square metres, and Buro Club manages 123 spaces for a total surface area of 90,000 square metres ⁽³⁾.

become wealth management advisors and continue to enrich their service offerings (e.g. subsidiary of banking networks: BNP, Crédit Mutuel, Société Générale and private players: PureInvest, Equance, Cerenicimo, etc.).

The generation of digital players positioned on turnkey investment in leasebacks (Mastéos, Immocitiz), having grown steadily in recent years, has suffered a significant setback since the slowdown in the real estate market.

More recently, there has been a proliferation of players dedicated to fractional real estate investment with various solutions and offers, where investment amounts start at a few hundred euros with operations posting returns of more than 6% (e.g.: Bricks, Tantiem, Homunity, Streall, etc.).

1.8.2 Description of activities

1.8.2.1 Property Management activities

Property Management for Individuals

Nexity's Property management for individuals incorporates the following main business lines:

- Condominium managing agent services: management of the real estate portfolio entrusted by the condominium owners: operation of facilities, collective equipment,

maintenance of the common areas of the building, management and control of co-ownership expenses and both regulatory and safety monitoring. Nexity is systematically the first condominium managing agent for the buildings delivered by the Group;

1)Source: Ubiqdata 2023.

2)Source: Ubiqdata 2023.

3)Source: Ubiqdata 2023.

- **Rental management:** responsible, under an agreement, for the real estate portfolio of a private investor in order to enhance it, secure its rental income and optimise its investment: selection of tenants, signature of leases, surety commitments and subscription of the necessary rental guarantees, recovery of rents and expenses, declaration of unpaid rent claims, preparation of periodic management reports, repayments of funds, assistance with the lessor's annual income statement and regulatory monitoring and implementation of changes in the management mandate;
- **Rental:** responsibility for all procedures for leasing a property: visits, drafting of the lease, inventory of fixtures and administrative management; and
- **Transactions:** responsibility for all aspects of property sales and acquisitions: property viewings, advertisements and communication between sellers and buyers, compliance with all regulatory requirements of a technical, legal or administrative nature, drafting of provisional sales agreements and following the sale through to completion.

In accordance with its commitments to eco-renovation, the Group supports all of its clients with energy renovation or asset refurbishment issues as part of its missions as a

Property Management for companies

Nexity Entreprises supports investors, institutions, companies and public/parapublic bodies to optimise the management and development of their premises and real estate assets by offering them a range of adapted real estate services.

On behalf of these clients, the property manager performs both rental management and condominium managing agent services. It may also carry out management tasks for the Association Syndicale Libre (ASL) or Association Foncière Urbaine Libre (AFUL), e.g. managing common facilities, and managing groups or associations of Inter-Company Restaurants (RIE).

Property management for companies encompasses the following activities:

- Rental and administrative management: through its Nexity Property Management and Accessite subsidiaries, the Group offers the rental and technical management of premises, as well as accounting and legal management (leases, expenses, rents and arrears, client/owner/tenant relations, representation of the principal, accounting and tax management, monitoring of disputes and claims, management of client accounts).

In addition to acting as an agent on behalf of third parties, property management is being transformed and digitised to support the new expectations of tenants and property owners, in a real estate sector strongly focused on an experience-based economy centred around people and the environment. The property manager increasingly acts as an advisor to clients on asset optimisation and the marketing of services or goods;

condominium managing agent and rental property manager with strong expertise in the field and a unique offer that it has been developing for several years.

Additionally, Nexity helps its clients determine which financing solutions are best suited to improving their property's thermal performance. To do this, the Group is looking for innovative solutions to finance and guarantee the energy costs of condominiums by working on the deployment of energy performance contracts.

In addition, in line with its property management activities, Nexity offers an exclusive range of insurance solutions for its individual customers and investors, in particular the multi-risk building guarantee for condominium buildings and the unpaid rent guarantee for lessors.

The health crisis has accelerated the use of digital channels for the signing of leases, agreements and notarial deeds. The Private Client Space (EPC) is a service platform for all clients with 100% paperless payment methods and documents. The client can also contact the agency's employees and suppliers. Each has access to real-time information on the operations underway at the buildings managed by the Group.

Internationally, the Group is present in Belgium, where it is one of the main property managers in Brussels.

- Management of services essential to the full operation of the real estate asset and monitoring specific projects through digital tools: monitoring and management of asset maintenance and upkeep, contract and supplier management, budget management, regulatory and environmental management;
- Project management in project ownership (project ownership assistance) or in project management (delegated project ownership): analysis, advice and proposal for portfolio valuation work, preparation of PPAs and technical descriptions, arrangement and monitoring of projects;
- Control of consumption and certifications: support for the tertiary decree, support and implementation of ESG policy, support for the SRI certification of funds, energy audit and energy management, rental expenses guarantees, project ownership, commissioning, support for improving the environmental performance of assets through the monitoring and management of the carbon footprint; and
- Management and valuation of retail parks, marketing consulting: through its subsidiary Accessite, an expert in retail, Nexity is involved in all matters relating to retail assets, from the design, marketing, definition of communication and coordination policies to the implementation of restructuring plans and day-to-day management of retail spaces.

Its clients are mainly French and foreign investors (insurance companies, banks, pension funds, public or parapublic corporations, asset managers and international investment funds), major consumers and public or parapublic bodies (public industrial and commercial undertakings, public land management institutions, etc.).

1.8.2.2 Serviced property activities

Student residences

With the Studéa brand, Nexity offers solutions to meet the specific accommodation requirements of students and recent graduates whilst managing residences and providing rental income to investor-owners under long-term leases. It must therefore ensure that the residences are fully occupied by providing a good standard of service to tenant occupiers.

Nexity's serviced residences were created to meet the needs of students who must live in a city, either temporarily or on a long-term basis. These modern, furnished residences make daily life easier for clients, allowing them to live and work comfortably in apartments conveniently located close to campuses in France's leading university cities.

The Group now commits to a ten-year term for each new residence under a commercial lease, in accordance with the provisions of the Pinel Act. The Group thus leases each property for 10 years from an investor-owner, who receives guaranteed rental income over this entire period; it then

becomes a lessor, sub-letting the furnished property to a tenant found by the Group. However, residences that became operational before the implementation of the Pinel Act are not affected; their nine-year lease terms remain valid. Driven by the increasing demand for housing for the younger population, Studéa student residences are a tailored and long-term solution to a pressing societal issue in France.

All the units within these student serviced residences are furnished flats (from studios to two-bedroom flats) close to city centres and/or educational institutions, offering services similar to those provided in hotels (reception, housekeeping, breakfast, household linen and crockery rental and social events), laundry, common and relaxation areas. These residences are also intended for young professionals.

The Group also operates outside of France, with three student residences in Geneva and Lausanne.

Flexible working spaces

The transformation of office real estate uses is accelerating demand for flexibility. To meet this growing demand, the Group offers a range of tailor-made services to individual and commercial clients to bring the work environment to life and make it attractive:

- **Coworking spaces in Paris and its suburbs**, thanks to its subsidiary Morning: offices designed to adapt to new ways of working, converted spaces housing closed offices or open space. Through its BYM offer, Morning offers support to clients in the bespoke fit-out of their head offices in independent buildings, under a white label;
- **Living spaces for active communities**, thanks to its subsidiary Hiptown: all essential services in office buildings (reception, shared offices, concierge, catering, events, etc.);

- **Coworking and comeeting spaces à la carte**: concept of a coworking café available to rent (by the hour, day, month), for both self-employed and remote working employees;
- **Private working spaces to rent on request** at affordable prices, located in Paris and the Paris region; and
- **Expertise in interior design**: refurbishment of all or part of a real estate asset, support for tenants when they take on the lease or to limit vacancy, technical and conceptual repositioning of office buildings in line with user expectations.

The Group, through its Morning subsidiary, has also developed the specialist brokerage platform for flexible offices, Ubiq, enabling each client to find a response to their working space requirements.

1.8.2.3 Distribution activities

Through its distribution business activities, Nexity offers new homes to its individual and institutional investor clients:

- In **ownership division**, through its PERL subsidiary: acquisition of the bare ownership of an asset and sale at the same time to a social landlord, which ensures the management and maintenance of the asset during the entire usufruct period (between 15 and 20 years). PERL offers its clients a secure investment through a range of personalised services and handles all stages of the investment; and
- In **marketing via a bank branch network**, thanks to its subsidiary iSelection, which selects and offers residential real estate rental products to its individual and investor clients:
 - new furnished apartments in serviced residences, eligible for leaseback status,
 - bare housing under tax regimes specific to rental investments, and
 - bare ownership investments, as part of the Malraux scheme.

Its distribution network is based on a partnership agreement signed with regional banks in the Caisse d'Épargne network, Banque Populaire branches and a number of independent asset management advisors. iSelection distributes products on behalf of third-party real

estate developers but also acts as a direct operator. In the latter case, iSelection makes bulk purchases of full or partial developments and sells the units within these developments individually.

1.8.3 2023 Performance

1.8.3.1 Results

Services revenue was €872 million at year-end 2023, down very slightly and once again driven by Managed Real Estate (Serviced Properties):

<i>(in millions of euros)</i>	2022	2023	Change
Revenue	938	872	-7%
o/w: Property Management*	382	385	+1%
o/w: Serviced Properties	217	270	+25%
o/w: Distribution	340	217	-36%
Current operating profit	92	73	-21%
<i>Margin (as % of revenue)</i>	<i>9.8%</i>	<i>8.3%</i>	<i>-150 bps</i>

* Indicators of property management activities, scope in the process of being sold to Bridgepoint: 2023 revenue: €305 million (€304 million in 2022); 2023 Operating profit: €27 million (€27 million in 2022).

Revenue from Property Management (Property Management for Individuals and Property Management for Companies) grew slightly, up 1% to €385 million, confirming the resilience of the condominium and rental management businesses, with a portfolio of nearly 825,000 units under management at year-end 2023 and significant contracts renewed or signed, an example being Nexity Property Management's successful bid to manage over 4,000 sites on behalf of the Orange group. Meanwhile, rental intermediation-related business lines (sales and lettings) were affected in 2023 by the rise in interest rates and very tight supply in the rental market.

The **Serviced Properties business** (serviced residences for students, coworking spaces) posted €270 million in revenue (up 25%), driven in particular by the strong growth momentum of the portfolio of coworking businesses

(16 new sites and an increase of nearly 24,000 square metres under management), as well as occupancy rates, which remained high at end-December for both coworking spaces (96% ⁽¹⁾) and student residences (97%).

Lastly, as expected, revenue from **Distribution activities** (down 36%) reflected the downturn in the new home market. It should however be noted that reservation volumes decreased less than did the individual investor market, and that the market share for distribution activities grew by two points (totalling 10.3%).

Operating profit for the Services business totalled €73 million at year-end 2023, down 21%, mainly due to lower profitability in the Distribution business, reflecting the downturns in the new home and brokerage markets. Excluding Distribution, profit grew by 8%.

1.8.3.2 Outlook

After announcing at end-October that it had initiated a process to seek out strategic and financial partnerships in its management and distribution businesses, Nexity announced on 21 December that it had entered into exclusive negotiations with a view to selling 100% of its Real Estate Services to Individuals activities to Bridgepoint, a European leader in alternative asset management, based on an enterprise value of €440 million. This transaction, expected to be finalised in the first half of the year, involves the launch of a long-term ⁽²⁾ strategic partnership aimed at

amplifying existing synergies with Nexity's businesses and securing their long-term future. The agencies will continue to assist with the pre-deliveries of our new buildings and provide condominium management services, we will offer dedicated rental management services to our individual investors, we will be the preferred developer for land banking and real estate projects (such as extensions to existing buildings through additional storeys), and we will have access to the client base to promote our range of services and solutions.

1) Occupancy rate at mature sites (open for more than 12 months)

2) Six-year partnership renewable for an additional 4-year period

1.9 CROSS-FUNCTIONAL CLIENTS

1.9.1 Institutional clients

With a view to best serving the interests of its private institutional investor clients, Nexity designs products tailored to their expectations and offers them customisable partnership solutions:

- **Bulk sales of products** that meet the investment criteria of institutional clients: the Group offers assets that meet both localisation criteria, throughout France, in various prime or up-and-coming sectors, and with high environmental quality requirements, in all segments of residential real estate-apartment housing, senior residences, students, co-living or commercial spaces;
- **Establishment of partnerships** to develop the respective activities of Nexity and its investor clients: to this end, the Group invests in joint ventures with a view to generating opportunities for all its subsidiaries. To this end, the Group entered into a partnership with the Carrefour Group in 2023 through the creation of a land banking company that aims to upgrade 76 Carrefour sites. This long-term agreement will enable Carrefour and Nexity to develop mixed-use projects with high environmental performance, incorporating housing, serviced residences, shops, offices and/or hotels;
- **Implementation of land banking solutions** with dedicated institutional investors: they enable the Group to diversify its sources of financing while pursuing its development plan with a controlled land bank strategy and limited risk-taking;
- **Support in the management of real estate assets:** day-to-day management of buildings, improving the return on assets, support for the lessor/lessee relationship, reduction of vacancies, reduction of expenses, improvement of collection, reduction of work budgets and completion deadlines, optimisation of rental values; and
- **Maintaining the energy performance of real estate portfolios:** in response to the new commitments to reduce the final energy consumption of buildings, Nexity provides its clients with all the expertise of the service platform as well as that of its partners to collect energy data.

Nexity is also continuing its involvement in social housing and inclusive housing, in conjunction with social housing operators and public and private investors, to develop the stock of affordable housing (social, intermediate or free) and to facilitate residential pathways for all (from managed residences specialising in the reception of vulnerable groups to gradual home ownership).

With the aim of helping and supporting its customers grow savings that will enable them in the future to be able to invest again in their own real estate projects, in 2023 Nexity rolled out the first real estate savings distribution platform for all budgets and all investor profiles. 100% digital, Pierre Papier Immo offers a diversified range of real estate savings solutions, ranging from real estate investment companies (SCPIs) to life insurance and passbook savings accounts. To roll out this offer, Nexity has selected high-performance and exemplary environmental products from recognised partners:

- Nexity Life - L'Assurance Vie by Nexity, is the first policy co-designed by Nexity and Suravenir (Crédit Mutuel Arkéa's life insurance, retirement and personal protection insurance specialist). This unique policy is flexible and personalised according to your investor profile. It offers, from a payment of €100, two euro-denominated funds and 12 predominantly real estate unit-linked funds;
- The Nexity passbook savings account, co-designed with CFCAL (Crédit Mutuel Arkéa group) will enable them to grow their savings without taking any risk: preferential rate, guaranteed funds, accessible from €100 and uncapped. A passbook savings account designed to help you save money and benefit from a purchase bonus on the future acquisition of a new property, of up to €20,000; and
- Traditional or tax-exempt SCPIs: SCPIs selected by Nexity, to benefit from the advantages of traditional rental investment without its constraints. Asset management companies take care of everything: research, checks, management and resale. Nexity has chosen the most attractive products in terms of yield, diversification and tax exemption to complement its range of investments in stone.

1.9.2 Local authority clients

In 2022, Nexity strengthened its positioning with local authorities through the creation of Nexity Transformation des Territoires, a new entity resulting from the merger of the Group's two historical development subsidiaries, Villes et Projets and Foncier Conseil.

From the construction of the Athletes' Village for the olympic games in Paris to the construction of next-generation single-family houses, this subsidiary offers each region, in dense, peri-urban or rural areas, an adapted solution based on innovation and environmental excellence.

With around 170 employees spread across Paris, the Paris region and regional agencies, and thanks to its range of products, Nexity Transformation des Territoires can quickly adapt to changes in the uses and needs of local authorities. From the design phase to construction and daily use, the Group offers solutions to develop worthy projects that meet societal, social and environmental challenges:

- **Creation of a low-carbon region:** reduction of the building's energy footprint, development of innovative and low-carbon neighbourhoods, zero carbon neighbourhoods, reintroduction of nature into the city, expertise in wood-frame construction and low-carbon materials;
- **Creation of an inclusive city:** housing for all, thanks to an inclusive and participatory project design, as well as general interest projects: design and weaving mixed-use neighbourhoods, social housing, solidarity housing, home ownership solutions (affordable financing, real estate fund, etc.);
- **Creation of an appealing region:** support and advice in regional strategy, urban planning, revitalisation of city outskirts by breathing new life into them, project ownership assistance, operation of tertiary spaces; and
- **Regional enhancement:** reconstruction of the city on its own, thanks to redevelopment and restructuring projects: conversion of former brownfield sites into new neighbourhoods (decontamination, restoring nature, etc.), redevelopment of entrances to cities to connect them to their regions, refurbishment and energy renovation, etc.

Through its Nexity Transformation des Territoires, the Group positions itself as both a developer and designer, thereby generating a medium- and long-term construction portfolio for all its development subsidiaries in Residential and Commercial Real Estate. Whether it is the decontamination and redevelopment of a former industrial site, the development of a business park, major development projects or the construction of a group of single-family

houses, the teams' experience and know-how makes it possible to offer local authorities 360-degree support, from pre-operational thinking to actual delivery.

As creators of mixed-use real estate projects, the subsidiaries of Nexity Transformation des Territoires provide their regional development expertise to local authorities by reinventing neighbourhoods and creating city extensions that guarantee a lasting balance between housing, economic activities, services and living spaces.

Nexity is also committed to a societally and environmentally responsible approach and uses innovative and efficient products and services to create sustainable areas. As part of its mission to provide advice on the development of urban spaces to local authorities and major landowners, Nexity Transformation des Territoires offers concrete solutions with ecological and sustainable objectives adapted to the needs and specificities of each region through ISO 14 001 certification since 2004, Ecoquartier and HQE Aménagement certifications and, since this year, BBQA Quartier in development projects.

Its innovative and proactive approach to sustainable development meets the requirements of local authorities in a holistic way by prioritising "Life Together" (energy efficiency, biodiversity, nature in the city, alternative and carbon-free methods of transport, well-being, quality of life, social connections, etc.).

At the end of 2022, Nexity Transformation des Territoires was strengthened following the acquisition of a majority stake in operator/developer Angelotti, which operates mainly in the Occitanie region (see Section 1.1 "Nexity's history" of this chapter).

At the end of 2023, still seeking innovation and building on its local presence throughout France, Nexity Transformation des Territoires actively participated in the creation of Nexity Solaire, which helps public and private owners to develop and transform their land with photovoltaic projects whilst reducing the Group's environmental impact in the interests of moving towards carbon neutrality.

1.10 INVESTMENTS, INNOVATION AND INTELLECTUAL PROPERTY

1.10.1 Investments

Aside from the financing of purchases specific to the operating cycles of its development activities (Residential Real Estate and Commercial Real Estate) and its urban regeneration business (Villes & Projets), which mainly consist of inventory components and work in progress held for sale (land, development and construction works, etc.), the Group carries out a variety of different types of investment:

- Day-to-day operating investments for its activities (fitting out, IT, furniture, maintenance and renovation of managed serviced residences, development of coworking spaces, etc.);

- External growth investments with the aim of developing the Group's business by way of acquisitions of companies, equity interests, business goodwill or contributions; and
- Investments that are more financial in nature, through acquisitions of non-controlling interests (in particular by the investment business).

For more details on purchases specific to the operating cycles of its real estate development and urban regeneration activities (including land acquisitions), as well as on the non-controlling interests acquired by the investment activities, please refer to Sections 1.6.2 and 1.7.2 "Description of activities" and 1.9 "Cross-functional clients" in this chapter.

Operating investments in 2023 totalled €56 million net for the Group as a whole (€68 million in 2022 and €54 million in 2021), including €15 million for the fitting out of coworking spaces, €5 million for the renovation of student residences, and the remainder pertaining to IT investments (€25 million) and other subsidiary investments.

External growth investments over the last three years are presented below.

In 2021, the Group made no significant acquisitions, but sold the Century 21 real estate franchise network and 45% of the Ægide-Domitys group.

1.10.2 Innovation

For several years, Nexity's transformations have been accompanied by an innovation policy, which involves all of the Group's subsidiaries and employees and is structured around three main areas: the dissemination and stimulation of innovation at all Group levels, the incubation of new real estate businesses and investment as a strategic tool.

In a health context involving increased home working, the Innovation Department has supported new ways of facilitating remote work meetings and the use of innovative and differentiating tools to reconsider the evolution of Nexity's business lines.

Incubator for new real estate business lines

The real estate business lines must reinvent themselves in response to technological, societal and environmental revolutions. In this context, Nexity's strength lies in the collective intelligence of its employees, mobilised through a range of actions implemented:

- The Group regularly incubates new offers and innovative subsidiaries, some of which lead to a capital-intensive partnership with project leaders (for example, Hiptown, in which Nexity is the majority partner but whose management holds shares in the company or in Nexity Solaire);

Strategic investments

In addition to partnerships, Nexity regularly invests in young innovative companies, *via* direct funds, acquiring majority or minority stakes.

Acquiring equity stakes in companies, often initially non-controlling interests with a view to taking further control in the future, is used as an accelerator for

In October 2022, Nexity took control (55% of the capital) of the Angelotti group, the regional leader in real estate development in Occitanie. The acquisition price was €75.6 million. In the same year, Nexity also acquired several property management contract portfolios and firms in France for a purchase price of €7 million.

In 2023, the Group acquired property management contract portfolios and firms for a purchase price of €8.4 million. In addition, Nexity entered into exclusive negotiations in December 2023 to sell its Services to Individuals activities to Bridgepoint for an enterprise value of €440 million. The transaction was completed on 2 April 2024. Lastly, together with Carrefour, the Group created a land banking joint venture (80% owned by Carrefour and 20% by Nexity) for €39 million (expected revenue from this partnership will be more than €2 billion).

The teams dedicated to innovation are tasked with:

- **Disseminating and coordinating innovation** with all employees and supporting operational staff in their innovation initiatives; and
 - Ensuring the **continual watch** for decision-makers and Group entities: attendance at major events, participation in the work of sector players.
- To enable its employees to train in intrapreneurship, Nexity provides them with many tools and methods: building a business plan, pitch, design thinking; and finally;
 - The Group has an active policy of partnerships with external start-ups, in a wide range of sectors ranging from modular construction to the installation of renewable energy production units combining wind and photovoltaic energy.

innovation and guarantees an alignment of interests over the medium- and long-term. The Innovation Department thus contributes to building strategic alliances with agile players, by identifying key building blocks, evaluating synergies such as "transformation shortcuts" and setting up a pact aligning interests.

In 2024, Nexity renewed its partnership with Morning on the “accelerator”, a start-up acceleration vehicle, with the *Ville de demain* programme at STATION F and with the WebSchool Factory. In addition to recruitment initiatives

with schools, Nexity works with several of them on hackathons, studies and challenges. This is notably the case with several Master’s degrees courses at the Sorbonne, Leonardo da Vinci University, etc.

1.10.3 Intellectual property

The intellectual property rights of the Group and its subsidiaries mainly consist of brands, domain names, designs and models.

The Nexity brand and its logos, style guide and associated Internet domain names are constantly monitored to protect them from any fraudulent usage that could damage the Group’s image and reputation.

The Group’s activities are either covered by the Nexity brand or by their own specific brands.

For example:

- iSelection and PERL work with various developers and therefore continue to operate under their own brands; and
- Certain real estate developers such as Edouard Denis, Primosud and Angelotti use their own brands because of the specific nature of their business and their strong brand identity in their markets.

Furthermore, the Group continues to regularly add new brands to its portfolio to promote certain “flagship” products and services, such as the Héritage brand, which focuses on urban regeneration products.

The Group owns or holds the rights to use all of its brands. All the intellectual property rights of the Group and its subsidiaries are protected in France and, when their business so requires, internationally.

The Group’s Legal Department centralises and coordinates the management of the intellectual property rights portfolio of the Group and its subsidiaries. It is assisted by specialised firms that provide regular updates and monitoring. It is also in charge of putting into action the necessary procedures and avenues of legal recourse should a third party breach the intellectual property rights of the Group and its subsidiaries.

1.11 LEGAL AND REGULATORY ENVIRONMENT

1.11.1 Regulations promoting real estate purchases

For more than 20 years, the Group’s new housing development and property development business has benefited from several tax measures such as:

- The Pinel (rental investment), Censi-Bouvard (investment in serviced residences) and *Loueur en meublé non professionnel* (LMNP) schemes allow clients to deduct their rental expenses or benefit from a tax reduction calculated on the amount of the investment;

- The PTZ interest-free loan scheme, aiming to support the construction of new homes and boost social home ownership by facilitating access to ownership for low-income households;
- Reduced-rate VAT in ANRU urban regeneration zones and QPV priority urban planning districts; and
- The Malraux scheme for rental investments in the renovation of historic buildings.

1.11.2 Regulations applicable to Nexity

With the exception of the VEFA model described in Section 1.2.1 “A leader in all segments of the real estate chain / a low-capital-intensive flow model” of this chapter, there is no specific regulatory status in France governing the Residential Real Estate or Commercial Real Estate business carried out by the Group. However, in operating its business, the Group is required to comply with numerous regulations

in the areas of urban planning (ALUR, Pinel, Mandon, Macron, Maptam, ELAN, etc.), the environment, sales law, liability applicable to all involved in the construction process (proper operation and 10-year warranties), the “Hoguet law” for intermediation activities, and condominium law.

1.12 MATERIAL CONTRACTS

Nexity considers the contracts it signs to be material when they have a significant weighting in the Group's business activity with one sole counterparty, as well as those that could have reputational importance given their visibility in the event of poor execution or late delivery.

Partnership agreements with institutional clients, both public and private

CDC Habitat

Since the signature in October 2018 of the partnership with CDC Habitat, the CDC Group has signed 9,957 net reservations of intermediate, social and free housing ("contractual affordable" housing (LLAC) at 10% to 15% below market rents) in programmes developed by Nexity.

in'li

In October 2018, Nexity entered into a five-year framework agreement with in'li (Action Logement group) for the construction of 1,000 intermediate housing rental units per year in the Paris region.

Since 2018, in'li has signed 2,130 net reservations of intermediate, social and free housing in programmes developed by Nexity.

VEFA off-plan sales contract for the Eco-campus in La Garenne-Colombes with Swiss Life Asset Managers France

Nexity and Swiss Life Asset Managers France have completed the VEFA off-plan sales contract for the Engie Eco-campus, located right next to the new Grand Paris station "Nanterre La Folie" in La Garenne-Colombes (Hauts-de-Seine). This project to develop 94,000 square metres, demonstrates the commitment of Nexity, Swiss Life Asset Managers and Engie to the energy and environmental

transition, given the high ambitions in terms of energy and environmental performance. The project also anticipates new uses and places a major focus on nature in the city. This project represents revenue of one billion euros, and will be delivered in 2024. At 31 December 2023, approximately 75% of the project had been completed.

Partnership between Société de Livraison des Ouvrages Olympiques (Solideo) and the consortium comprising Nexity, Eiffage, CDC Habitat, EDF and Groupama to build sector E of the Athletes' Village in Saint-Ouen-sur-Seine for the olympic games in Paris in 2024

All building permits for sector E were obtained in 2020. This will cover over 56,000 square metres of floor area in a diverse programme of around 525 housing units, an office building, a crèche, and business and retail units which should accommodate just over 2,500 athletes and para-athletes in the summer of 2024 and, from 2025, local residents. The projected revenue for Nexity is approximately €100 million, taking into account the percentage of ownership in the consortium (37%).

This project will be exemplary, notably in terms of being a sustainable city, and the consortium will bring together

more than 50 companies from all over France as part of a low-carbon initiative. Eiffage Construction is proposing a cost-efficient construction method combining wood and low-carbon concrete which will reduce the project's carbon footprint by 75% compared to the London Games.

The draft construction plan was made available to PARIS 2024 on 1 March 2024, in the context of the organisation and hosting of the Olympic and Paralympic games. Reversibility work will be carried out subsequently (in 2025) to include future residents and users in the construction plans at their end destination.

Carrefour and Nexity join forces for the redevelopment of 76 Carrefour sites in France

On 6 July 2023, Nexity announced that it had partnered with Carrefour as part of the Carrefour 2026 strategic plan and the project to upgrade its real estate portfolio in France.

This long-term partnership will make it possible to develop mixed-use projects with high environmental performance, incorporating housing, serviced residences, shops, offices and/or hotels.

- 40 city centre sites will be completely refurbished, with the reintegration of a food retail space.
- The 36 other sites, on the outskirts of cities or in commercial areas, concern existing car park, which will be partly reallocated to urban projects.

The 76 sites represent approximately 800,000 square metres; their development should result in the creation of 12,000 homes, 120,000 square metres of shops, 10,000 square metres of offices and activities and 17,000 square metres of hotels.

This partnership is fully in line with the strategic plans of the two groups:

For Carrefour, it is part of the Carrefour 2026 strategic plan and the project to upgrade its real estate portfolio in France:

- Continue the integration of Carrefour shopping centres in redesigned neighbourhoods in close consultation with elected officials and local authorities;
- Develop projects that are tailored to their environment by integrating a mix of uses on already artificialised land; and
- Support the ecological urban transition by creating new green spaces and promoting soft local mobility.

For Nexity, this project, which is aligned with its desire to accelerate the focus on urban regeneration, is an opportunity to implement a transformative and exemplary approach, and to rise to the challenges of combating urban sprawl and supporting the energy transition.

Each site will be the subject of a specific urban diversity programme, defined in line with the needs and expectations of each local authority, and will be developed as part of a dedicated vehicle, for the most part majority owned by Nexity.

Partnership with Mirabaud Asset Management to develop land banking transactions

At the end of 2023, Nexity signed a partnership agreement with Mirabaud AM, a subsidiary of the Swiss banking and financial group of the same name, to develop the use of the land banking solution offered by Mirabaud to outsource up to 90% of the carry risk.

The land banking solution offered by Mirabaud AM will cover large-scale asset refurbishment, transformation and / or restructuring projects, predominantly residential, and will enable Nexity to outsource up to 90% of the carry risk for an investment budget of up to €200 million over five years.

In November 2023, Carrefour and Nexity announced the creation of “Villes et Commerces”, the property joint-venture for the contribution by Carrefour of an initial lot of 69 sites. This is a key step forward in the execution of the long-term partnership between the two groups. The company is 80% owned by Carrefour and 20% by Nexity.

By providing for land banking of up to 90% of the value, and deconsolidation for Nexity during the land banking phase, this financial solution represents for Nexity:

- The possibility of preserving its “asset-light” model on urban regeneration, with a transfer of risk to the partner until the final administrative authorisations have been obtained and our pre-sales target levels have been achieved; and then
- Value sharing on the real estate development project.

Projects for which the option has been exercised by Nexity may, on a case-by-case basis, be jointly developed with Mirabaud AM, *via* a company majority owned by Nexity.



Risk

factors

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Nexity operates in a continuously changing environment and, like all companies in its sector, is inevitably exposed to risks whose occurrence could have material impacts. To ensure its continued development and the achievement of its objectives, the Group ensures that it identifies and manages its risk exposure in the regions where it operates and in its different areas of activity: development and completion of real estate projects; and real estate services.

Nexity's risk management approach applies to the entire Group, parent company and subsidiaries, and is under the responsibility of Executive Management. It encompasses a range of resources, behaviours, procedures and actions to manage the Company's main risks.

2.1 RISK MANAGEMENT AND INTERNAL CONTROL

2.1.1 Objectives and general principles

Nexity's internal control is based on the COSO II framework (Committee of Sponsoring Organisations of the Treadway Commission) and on the reference framework of the French Financial Markets Authority (*Autorité des marchés financiers* - AMF). It is structured around five dimensions: control environment, risk assessment, control activities, information and communication, assessment and management. This ensures a consistent and uniform approach across the Group and facilitates compliance with the French Financial Security Act (known as LSF – *Loi de sécurité financière*).

Key principles of risk management

Risk management refers to a permanent set of arrangements that enable Executive Management and Nexity's managers to identify, assess and contain any risks that could lead to a material adverse impact on the Company's ability to achieve its objectives, its staff, assets, environment or reputation. Risk management forms an integral part of all Group processes (business lines and support functions) and informs decision-making.

In particular, risk management aims to:

- Safeguard decision-making and the Group's strategic, operational and support processes in order to facilitate the achievement of objectives;
- Create and protect the Group's value, assets and reputation by identifying and analysing the main threats and opportunities; and
- Rally the Group's employees around a shared vision of the main risks and make them aware of the issues and risks relating to their activities.

Risk management is based on parallel approaches that are intended to feed off each other:

- The mapping of major risks, which identifies the main concerns of the Group's executives that could affect the achievement of the Group's objectives. The results of this approach are presented in Section 2.2 "Specific risk factors and their management" of this chapter;

- The mapping of operational risks, fed by the internal control system, which is based on an analysis of risks by operational processes, led by the Risk Department and the network of risk and compliance officers. More information on this approach is provided in Section 2.1.2.1 "Risk management organisation" of this chapter.
- The mapping of corruption and influence peddling risks, coordinated by the Compliance Department, is updated annually according to a methodology that combines interviews with executives and an assessment campaign by means of questionnaires. Further information is provided in Section 2.1.6.2 "Prevention of corruption and influence peddling" of this chapter.
- The mapping of CSR risks, coordinated by the CSR Department, is presented in Chapter 3, Section 3.1.2 "The Group's CSR risks and main opportunities, duty of care"
- The mapping of risks related to the duty of care is presented in Chapter 3, Section 3.1.2 "The Group's CSR risks and main opportunities, duty of care"

Key principles of internal control

The Group's internal control system is defined by Executive Management and implemented by all employees. It complements the risk management system, since it serves to identify and analyse risks while playing an active role in addressing them, in particular through the implementation of controls. Internal control helps control all activities, the efficiency of its operations and efficient use of its resources. It thus allows the Group to appropriately assess material risks, whether strategic, operational, financial, employee or compliance-related.

More specifically, the system aims to ensure:

- Compliance with applicable laws and regulations;
- The application of instructions and guidelines set by Executive Management;
- The proper functioning of the Group's internal processes; and
- The reliability of financial and accounting disclosures.

The risk management and internal control system therefore plays an essential role in the execution and management of the Group's activities, since it makes it possible to:

- Know and anticipate: ensure regular monitoring of the Group's significant risks, recognise and monitor the environments in which the Group operates and anticipate changes in the nature or intensity of these risks;
- Organise: ensure that the main risks identified are effectively taken into account by the Group at the most appropriate level;
- Process: ensure that the resources in place are effective to best control the risks identified, in line with the Group's values and strategy; and
- Raise awareness and inform: the implementation of a coordinated risk management system is based on raising employee awareness of risk management. It includes risk communication to various stakeholders.

Risk appetite and risk culture

The control environment, vital to the internal control system, proper risk management and the application of procedures, is also based on behaviours, actions, organisation and employees. The smooth running of Nexity's organisation is based on, among other factors, compliance with the clear principles of action and behaviour that frame its activities and its development:

- Strict application of Group-wide rules, particularly in terms of undertaking projects;
- Knowledge of and compliance with the Group's code of conduct, the principles of which are included in the codes of conduct of companies majority-owned by the Group (See Section 2.1.6 "Business ethics and compliance" of this chapter;

- Transparency and loyalty of employees towards their line managers at the operational level and at the central functional departmental level (divisions and the holding company); and
- Responsibility of the executives of operating entities in communicating the above principles to their teams using the most appropriate means.

In order to prevent and effectively manage its risks, Nexity adopts a moderate risk appetite policy leading it to limit and control acquisitions of high-risk land assets, manage its real estate development operations within a prudential framework, ensure its commitments are highly diversified, and avoid speculative activities and those with high fixed costs.

The Group also aims to ensure that it conducts its business activities at all times in compliance with the legal requirements applicable to its various business lines and with the rules on business ethics. As such, it has set up appropriate training for its employees (see Section 2.1.6 "Business ethics and compliance" of this chapter.

Overall, the Group considers that its executives and employees demonstrate a shared culture of risk management and works continuously to reinforce it. Risk analysis is integrated into the Company's various processes: governance, operational and support processes. Measures to support the continuous improvement of risk management are regularly implemented, in particular by raising the awareness of employees and involving them in the deployment of control systems.

2.1.2 General organisation and governance

2.1.2.1 Risk management organisation

Risk coordination departments

The **Risk Department** is responsible for optimising the coordination of the overall risk management system within Nexity. This is a cross-functional department that contributes to Nexity's performance through its advice and expertise, ensuring the Group's safety through preventive actions and appropriate controls. The Risk Department comprises the following four teams:

- the Risk and Internal Control team, which maintains the risk framework and coordinates the internal control processes for the entire Group;
- the Insurance Department, which oversees the insurance arrangements for the Group's portfolio and assets;
- the Prevention and Safety Department, whose task is to control the impacts of the Group's activities on the health and safety of its employees, subcontractors and clients; and
- the Archiving team, which defines and implements the Group's archiving policy in conjunction with all business lines.

The **Compliance Department** within the Legal Department, which develops and implements the Group's compliance programme. It has the necessary expertise and independence to define and implement the rules and procedures to prevent the risks of corruption and influence peddling, money laundering and the financing of terrorism. It also ensures compliance with the legal obligations pertaining to transparency in public life. Lastly, in close coordination with the Risk Department, the Corporate Social Responsibility (CSR) Department and other support departments, it ensures the deployment of the duty of care plan.

The **CSR Department**, in charge of deploying the Group's CSR strategy, including the Climate and Biodiversity strategy, manages the mapping of CSR risks.

The **centralised functional departments**, who are responsible for areas of expertise such as finance, legal affairs, human resources and information systems, in collaboration with the Group's subsidiaries and operational departments.

Network of risk and compliance officers (RCO)

The **RCO network** was created four years ago at the instigation of Executive Management and the Audit and Accounts Committee. Led by the Risk and the Compliance Departments, this network is both the anchor of the corporate culture and the link in the cross-functional vision of risk management and compliance. The RCO network covers all Group subsidiaries and cross-functional departments (Holding) and has a key role, structured around three main missions:

- It is the relay in its subsidiary/organisation of the various information and awareness actions of the operational staff on the prevention and control of the Group's main risks;
- It ensures that operational controls are carried out and documented correctly. With the support of the Risk Department, it contributes to the continuous improvement of existing procedures (processes, control

activities, identification of operational risks, etc.) within its subsidiary. He or she leads and supervises the self-assessment process within its scope of intervention; and

- It alerts the Risk and Compliance Departments in the event of internal control or compliance failures or in the event of an incident.

Independent bodies

The **Internal Audit Department**, which reports to Executive Management, works with subsidiaries and cross-functional departments to check and assess employees' knowledge and the proper application of the risk management and internal control arrangements in place. It is the third line of defence and is independent.

Its duties are defined on the basis of a provisional audit plan, which is approved by Executive Management and submitted to the Audit and Accounts Committee. This audit plan is prepared taking into account the risks following from the risk mapping. It is based on a series of recurring audits supplemented by audits on specific topics determined according to the Group's priorities.

Regular audits are performed in accordance with a work programme based on the documentation describing the risk management and internal control arrangements and preliminary interviews with management of the Group or the audited entity. The recommendations issued at the end of the internal audit assignments and the remediation plans are attached to the Group risk mapping. The progress of the audit plan and the summary of recommendations are regularly monitored by the Group's Executive Management and presented quarterly to the Audit and Accounts Committee.

The Group's **Compliance Officer** is responsible for the processing and monitoring of alerts relating to ethical issues and situations that might give rise to conflicts of interest or risks to the Company. She performs her duties with complete independence and reports directly to Nexity's Executive Management.

2.1.2.2 Governance

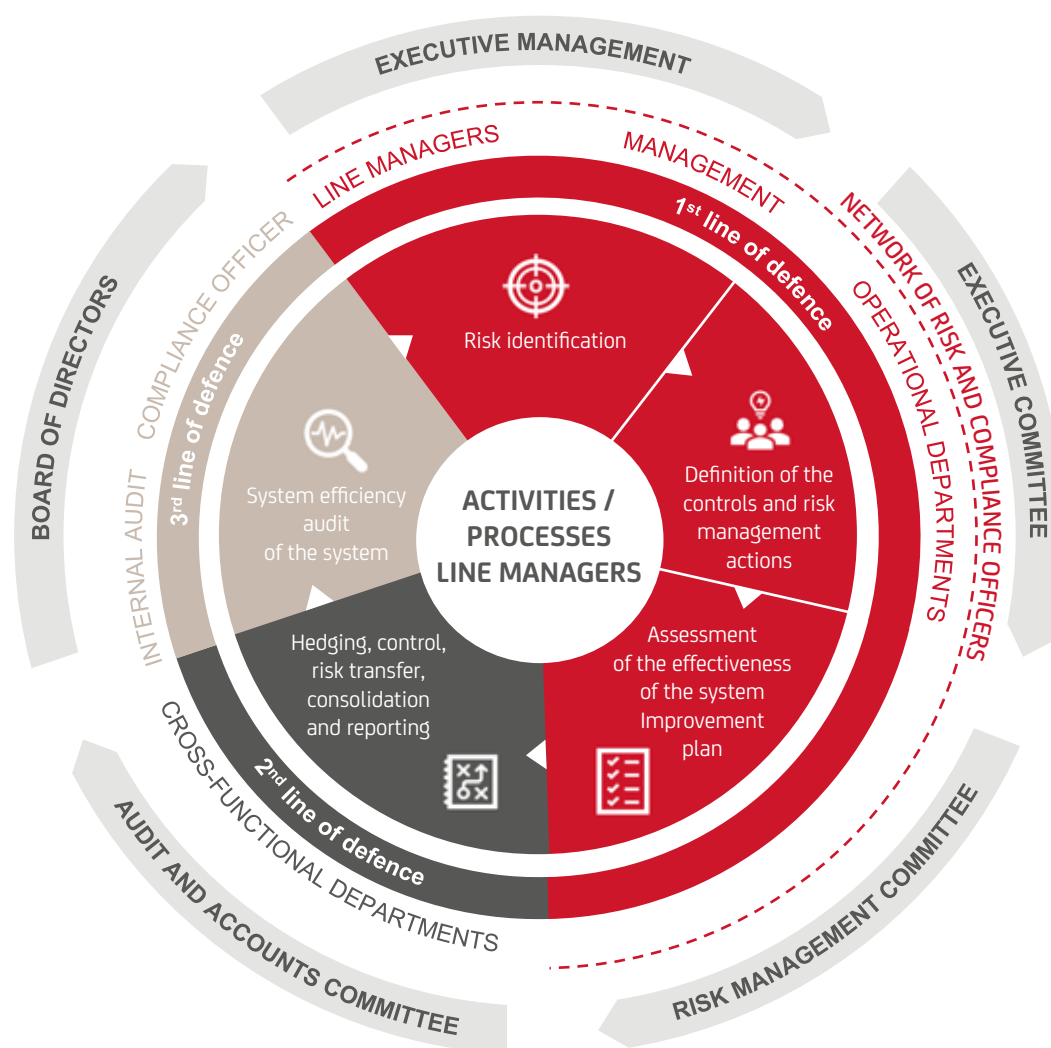
Three lines of defence

The risk control system implemented by Nexity is based on the three lines of defence illustrated above (in accordance with the model defined by the French Institute of Audit and Internal Control (*Institut Français de l'Audit et du Contrôle Internes* – IFACI) and is under the supervision of Executive Management. Under this model, the roles and responsibilities of operational management, cross-functional departments and internal audit are defined.

The first line of defence corresponds to the risk management and control measures implemented by employees and managers within the operating entities and coordinated by the risk and compliance officers within the subsidiaries.

The second line of defence corresponds to the various functions that contribute to monitoring risk control and compliance. This involves the Risk, Legal, Finance, Compliance and Information Systems Departments, as well as other functional teams responsible for areas of expertise.

The third line of defence covers the effectiveness and consistency of the first two lines of defence and consists of internal audit, reporting to Executive Management, for overall assurance, and the Compliance Officer, whose role is to ensure the proper application of the rules of ethics.



Risk management bodies

Risk management is therefore everybody's concern, from the employees to the governance bodies. This system, managed at central level by Executive Management with the support of the Risk Department, is continuously monitored in order to ensure that it is relevant to and adequate for the Group's objectives and challenges.

The main bodies involved in internal control and risk management are:

- The Board of Directors;
- The Audit and Accounts Committee;
- The Executive Management;
- The Executive Committee; and
- The Risk Management Committee.

The objective of the **Risk Management Committee** is to ensure the effectiveness of the risk management system in place within the Group. It meets every quarter and may be asked to issue an opinion on the main Group risk policies.

It is a body that monitors and approves the action plans relating to the Group's material risks.

This Committee is led by the Chief Risk Officer and chaired by the Deputy CEO and Group company officer. The Committee is also composed of the Group Company Secretary in charge of Finance, the Head of Group Operations and Transformation, the Legal Director and DPO (Data Protection Officer), the Chief Compliance Officer, the Chief Ethics Officer, the Chief Information Systems Officer, Head of Information Systems Security and the Chief Internal Audit Officer. The Group's Human Resources Director, CSR Director and Deputy CFO are permanent members of the Committee, as are the CFOs of the Development, Services to individuals and Services to companies divisions.

Committee participants are particularly concerned with:

- Promoting end-to-end risk management in the value chain: risk analysis, prevention, monitoring of action plans, transfer to insurance, internal control;
- Supporting Nexity's development and transformation by encouraging calculated risk taking;

- Strengthening and promoting the dissemination of a shared risk management culture, encouraging innovation and Nexity's development;
- Supporting subsidiaries and cross-functional departments in identifying risks and implementing action plans, notably by putting in place a standardised risk identification and assessment methodology appropriate for Nexity; and
- Giving management at all levels a consolidated view of risks and of the related control measures.

Risk communication

With the creation of the network of risk and compliance officers and the deployment of the internal control and risk management system, each subsidiary is responsible for monitoring and evaluating its system.

The Risk Department develops and coordinates the self-assessment campaigns conducted by each of the officers within its entity, focused on the main risks and key control activities identified in the operational processes.

For each subsidiary, this assessment is associated with a letter of commitment signed by the executive. This letter provides an overview of the past year on risk management, the results of the self-assessment campaign and the priority areas for improvement. It also aims to commit the manager of the entity to lead the risk management process within his entity.

The Risk Department then consolidates all the results of the self-assessment campaign in the subsidiaries and cross-functional departments and analyses the data. An overall report is then shared with the governing bodies, in particular the Risk Management Committee and the Audit and Accounts Committee.

At the same time, the mapping of the Group's major risks is updated at least once a year, at the end of the year, by the Chief Risk Officer and presented to the Risk Management Committee, Executive Management and the Audit and Accounts Committee, at the specific risk management meeting held at the beginning of each year.

Executive Management also ensures that information is correctly and regularly reported to the governing bodies.

2.1.3 Risks and internal control

The Risk Management and Internal Control team works to disseminate the risk culture within the Nexity group and to share best practices with a view to continuously improving operational processes: business lines, cross-functional departments and risk governance. On a daily basis, the team responds to the requests it receives, and promotes collaboration and cooperation with all risk management players. It also manages the network of risk and compliance officers.

The Risk Management and Internal Control team is responsible for the definition and regular updating of a risk analysis methodology to ensure alignment with current best practices and with a view to continuous improvement. This methodology, which is shared internally, serves as the basis for drawing up the Group's risk mapping.

The year 2023 was mainly marked by the deployment of a risk management tool. The publisher, selected following a bidding process in 2022, supported the Risk Department in the customisation of the tool to adapt the standard functionalities to the existing system and in the transfer of data from 2020 onwards which concerns processes, major and operational risk guidelines, control guidelines, action plans and annual assessments. The external audit recommendations were also followed.

2.1.3.1 Major risk management system

The mapping of major risks identifies the risks to which the Group is exposed according to the concerns of the executive team. Company risk identification and assessment interviews are systematically conducted once a year with the Group's executives. An additional update may be carried out during the year if current events so require. In 2023, the mapping of major risks was reviewed in June, in view of the macroeconomic context, and then again in December.

During these discussions, the impact, likelihood of occurrence and level of risk control are assessed:

- The impact level (I) is determined on the basis of four levels ranging from "Low" to "Very High". Impact is materialised according to its type; financial, legal, reputational, personal health and safety;

- Likelihood (V) is also determined according to four levels, from "Rare" to "Certain"; and
- The four levels of control (N) range from "Absent" to "Very satisfactory". Risk management takes into account the control actions implemented to limit the impact and likelihood of the risk occurring, as well as external factors over which Nexity has limited control.

The results of the updated mapping of major risks at 31 December 2023 are presented in Section 2.2 "Specific risk factors and their management" of this chapter, and only the 15 risk factors specific to Nexity are detailed in Section 2.2.2. "Description of the specific risk factors" of this chapter.

2.1.3.2 Operational risk management and internal control system

The operational risk management system is based on the mapping of the Group's processes. For each process, modelling of the key steps is carried out. Key risks and controls are associated with each stage, thus informing the operational risk and control framework.

Since 2020, the system has been gradually rolled out to all Group activities and business lines, and is the subject of an annual self-assessment campaign led by the risk and compliance officers, coordinated by the Risk and Internal Control team. The action plans defined as part of the system are monitored, enhanced and effective.

In 2023, the self-assessment campaign was carried out using the newly-deployed risk management tool commissioned with the RCOs. Risk profiles by subsidiary and major support department, as well as the monitoring of action plans are now available in the tool. The results and summaries are presented to the Audit and Accounts Committee, the Risk Management Committee and during the annual report to the network of Risk Officers.

The Risk Department continued to follow its roadmap for all the support actions requested from the business lines and maintained the permanent control system for site safety issues.

2.1.3.3 Fraud prevention system

The Group's overall policy aims to reinforce the prevention and control measures against this type of risk. The fraud prevention system is based on an organisation, procedures and tools, regular awareness-raising and communication, and monitoring of attempted and proven cases of fraud.

On the one hand, procedures are applicable to cash and cash flow management, in order to ensure the security thereof and reduce the risks of fraud including signatures with banks, daily reconciliation of bank movements with accounting entries, and the separation of duties between the Accounting and the Cash Management teams.

On the other hand, attempted and proven cases of fraud are reported to the risk and internal control team through the various channels made available to employees, clients and prospects / individuals. Depending on the situation, cybersecurity, the ROC network, the cash management teams, the Internal Audit Department, the Insurance Department, the Legal Department, and potentially the Human Resources Department may be called upon to carry out investigations and define an appropriate action plan. The Group has also taken out an insurance policy to cover incidents of a fraudulent nature - combined Cyber Risk / Fraud policy - see Section 2.1.5 "Insurance - litigation" of this chapter.

Lastly, various awareness-raising actions are regularly carried out, in particular the deployment of a Group-wide training course to raise employee awareness, in particular for staff in finance and related functions, of the various types of fraud with which the Group is confronted: fraud

against the Chairman, supplier fraud, phishing. *Ad hoc* communications on a variety of fraud issues are regularly circulated. The Risk and Compliance Officers are also systematically involved in these communications and disseminate the information within their entities.

A Fraud Prevention Committee, grouping together the main heads of the Group's cross-functional departments meets quarterly to discuss cases of fraud encountered by Nexity, new methods developed by fraudsters and measures to be taken in terms of detection and response.

Because fraudsters are developing increasingly complex strategies and using cybercrime techniques, the cybersecurity teams have worked over the years to develop and strengthen a dedicated system. The solutions implemented are bearing fruit and employees are increasingly adopting good habits, thanks to various awareness-raising and training actions. Cybersecurity monitoring is in place, with a company that analyses the use of the brand on the Internet and social media and reports alerts that are then handled by the monthly Cybersecurity Monitoring Committee, led by the Risks and Cybersecurity Department; every month, it brings together the Legal Department, the Marketing and Digital Department and the Communications and Brand Department.

In spite of the prevention and awareness-raising initiatives, as well as the priority given to fraud prevention, Nexity cannot completely eliminate this risk of fraud.

2.1.4 Prevention and Safety

The Prevention and Safety Team (DPS) is involved in managing the risks to which the Group's activities expose its employees, suppliers and clients in terms of health and safety.

The DPS supports the Human Resources Departments of each entity in updating the Single Occupational Risk Assessment Documents. Together with the Work Environment Department, it is putting in place the tools required to manage the permanent risks affecting the health and safety of employees.

It supports the establishment of collaborative platforms on health and safety aspects, enabling the harmonisation of the quality of returns and the establishment of a risk monitoring policy linked to the strategies of each client. Through visits to buildings, construction sites and documentary analyses, the team measures any deviations from regulations and establishes an action plan to be monitored over time. This procedure makes it possible to assist operational staff and recommend emergency measures. Depending on the nature of the events, the DPS team travels to the site and implement long-term corrective and preventive measures.

The digitisation of the serious incident reporting form simplifies the reporting of this information. In the event of serious incidents at the construction sites or managed sites, the concerned employee logs on to the intranet and enters all the information of which he/she is aware regarding the location, circumstances and the parties involved in the serious incident. A message is then automatically sent to the people who need to be notified of the situation. A meeting is then promptly organised to analyse the circumstances and initiate the first required measures or even to decide whether a local or Group crisis unit should be set up. Following this, the Risk Department periodically monitors the progress of any action plans.

The DPS conducts numerous site safety visits every year. All the residential and commercial development subsidiaries are visited. An overall diagnosis is made from the point of view of the management of the co-activity as well as a macro-analysis of the internal processes of the companies involved. At the end, an action plan is drawn up and monitored. The objective is to maintain a good level of control of risks related to safety at construction sites.

On the strength of the findings drawn up by the DPS and in order to best support the subsidiaries on safety issues, the Risk Department initiated in the second half of 2022 the permanent control system dedicated to improving the prevention of risky situations at construction sites. This system concerns all ongoing projects of all the Group's

development subsidiaries. It is intended to be rolled out periodically, at least twice a year, with the support of the network of Risk and Compliance officers from the Development business and the technical directors of the subsidiaries.

The DPS also continued to carry out its regular missions concerning:

- The organisation of training sessions on health and safety for Group employees;
- Prevention of occupational risks to which employees are exposed, with particular attention to road risk prevention;
- Analysis of the compliance of assets with regulations by activity (residential, tertiary, public buildings, high-rise buildings, environmentally-sensitive buildings);
- The missions of security agent in high-rise buildings and single security department in ERP consortia (44);
- Supervision of the verification of electrical and fire hazards, as well as means of evacuating people from Nexity agencies and premises; and
- Raising awareness of prevention and safety through interventions within all the Management Committees of the Group's Real Estate Development subsidiaries and with the Risk and Compliance Officers.

2.1.5 Insurance - litigation

2.1.5.1 Policy with respect to insurance

The Insurance Department is tasked with protecting the Group's portfolio and assets, ensuring compliance with legal obligations, contractual commitments with regard to clients and insurers/partners and ensuring that insurance cover is constant, and adapting it if necessary. It verifies that the current insurance policies provide optimal coverage of risks in accordance with the strategy of transferring risks to the insurance market, validated by Executive Management. Insurable risks are identified taking particular account of information relating to legal disputes

as reported by the Legal Departments. Whenever possible and appropriate, it arranges Group insurance policies that cover all subsidiaries and at the same time supports Nexity's business lines with insurance-related issues. The main objectives of the Insurance Department are to ensure the sustainability of risk coverage, to negotiate the best possible pricing, and to develop an ongoing relationship with brokers both in terms of underwriting and claims management.

2.1.5.2 Legally mandatory insurance

Building damage insurance (*Dommages-Ouvrage*) and additional cover

In accordance with the regulations applicable in France to the Residential and Commercial Real Estate business activities described in Chapter 1, Sections 1.6.2 and 1.7.2 "Description of the activities" of this Universal registration document, Group companies take out mandatory insurance policies as required by the Law of 4 January 1978 to cover both the building under construction (*Dommages-Ouvrage*, equivalent to building damage insurance) and liability at the level of the project owner (*Constructeur Non Réalisateur*, or CNR, equivalent to site insurance for property developers), as well as supplemental ten-year contractor's liability insurance (*Contrat Collectif de*

Responsabilité Décennale, or CCRD). Other insurance taken out covers the proper operation guarantee (*garantie de bon fonctionnement*), consequential damage and, where deemed necessary, damage to existing property and contingent damages. The insurance company used for the Residential Real Estate business is SMABTP. An annual rate review is carried out for the *Dommages-Ouvrage*, CNR and CCRD insurance policies. To further improve risk management, training is provided internally to operational staff in order to raise awareness much as possible and develop a culture of prevention. Rigorous monitoring of claims is carried out in order to limit risk exposure and reduce excess claims.

Ten-year project owner's guarantee insurance (Assurance décennale Maîtrise d'oeuvre)

Group companies that serve as project managers are covered by specific project owner's ten-year guarantee insurance policies. This type of insurance covers payment for repairs required to address defects arising over a ten-year warranty period in a building for which the Company is responsible as a project manager on the basis of a presumption established under Articles 1792 *et seq.* of the French Civil Code.

Ten-year site developer's guarantee insurance (Assurance décennale Aménageurs-Lotisseurs)

Group companies acting as *aménageurs-lotisseurs* (a separately defined group of site developers in France, who assemble sites, subdivide them into building plots and provide the necessary infrastructure) each take out a *Globale Aménageur* (site developer's all-risks) policy with SMABTP, including cover for the ten-year warranty they are required to provide by law (Articles 1792 *et seq.* of the French Civil Code) in the event of building defects arising after delivery.

Liability insurance for property management and brokerage activities

In accordance with the law of 2 January 1970, known as the "Hoguet law", a Group policy exists to cover the subsidiaries involved in this activity. The amounts of cover taken out are in line with the activity carried out.

2.1.5.3 Insurance not required by law

Construction site insurance

A construction site all-risk policy (*Tous Risques Chantier*, or TRC) providing protection against risks incurred during construction projects is taken out for each project without exception. Liability insurance for environmental damage may also be taken out to cover site clean-up risks if deemed necessary by risk analysis.

Liability insurance

Liability insurance taken out by the Group covers the following areas:

- **Professional civil liability:** each Group company is covered by civil liability insurance covering its operating and professional civil liability. For example, the developer's civil liability *vis-à-vis* third parties or the civil liability activity arising from the project management activity. It being understood that the amounts covered are negotiated in line with the Group's activities;
- **The civil liability of company officers:** this insurance mainly covers the liability of the executives, it being understood that convictions resulting from a criminal risk remain *intuitu personae* for which only the executive will be liable;

- **Employee relations:** a policy has been taken out to cover labour-management relations, providing professional liability coverage for Group companies, their executives and employees acting in the performance of their duties following any violation of rules relating to labour-management relations.

"Cyber Risk/Fraud" insurance

A combined "Cyber Risk/Fraud" policy has been taken out for guarantees usually issued on the market.

Other insurance coverage

The Group also has the following insurance programmes in place:

- An insurance programme covering civil liability and damage to the Group's motor vehicles and employees' personal vehicles used for business purposes;
- An insurance programme covering owner or lessee civil liability and damage for operating premises and property related to construction projects; and
- An insurance policy covering the risks of employees undertaking business trips abroad.

2.1.5.4 Legal and arbitration proceedings

The Group endeavours to prevent disputes and litigation by putting in place framework contracts, regularly issuing legal information and delivering targeted training to employees appropriate to the business areas in which they work. Similarly, the Group works with specialist lawyers who regularly work on its affairs, thus ensuring that they have detailed knowledge of the Group. Lastly, the Group has put in place an after-sales department which seeks to amicably settle conflicts (see Section 2.1.5 "Insurance - litigation" of this chapter).

The Group's Legal Department, in conjunction with the Managing Directors and legal heads of the Group's various divisions, continuously monitor and report on litigation and disputes. Summary monitoring reports are produced regularly and no less than once a year. The status of key ongoing litigation that could have a significant legal and

financial impact on the Group is formally presented to the Group's Executive Management every year.

The Group is also involved in a number of litigation proceedings arising in the normal course of its business. Most disputes and litigation are covered by the Group's insurance policies and provisioned for at least the amount of any insurance excess.

There are many disputes, but the individual amount of each one is not very significant at the Group level. These disputes often take a long time to resolve, due to their technical nature and the time required to seek expert opinions. The sometimes high claims of the opposing parties are analysed by the Group's lawyers who, in the light of their risk analysis, help Nexity to set up reasonable provisions for litigation.

There are no other government, legal or arbitration proceedings – including any pending or threatened proceedings of which the Group is aware – which are likely

to have, or which have had within the last 12 months, a material impact on the Group's financial position or profitability.

2.1.6 Business ethics and compliance

2.1.6.1 Relations with stakeholders

Business ethics is a major concern within the Group. It is a key driver of trust in relations with stakeholders and a key source of economic performance. The Group's executives attach particular importance to compliance with laws and regulations, whether national or international, as well as the Group's internal rules and regulations. The adoption by the Group's employees of irreproachable conduct in the performance of their professional duties is fundamental

(see Section 2.1.1 "Objectives and general principles" of this chapter.

The Group's compliance programme includes several prevention and control systems: prevention of corruption and influence peddling, combating money laundering and the financing of terrorism, representation of interests, duty of care, combating tax evasion, and data protection.

2.1.6.2 Prevention of corruption and influence peddling

Law 2016-1691 of 9 December 2016, known as the "Sapin II" Act, provides for the implementation of measures to identify and address risks of corruption and influence peddling. These measures are incorporated within the specific compliance system.

Code of Conduct

The Code of Conduct, updated and published in January 2018, presents the rules in force and describes the behaviours prohibited by the Group. As such, it deals with matters relating to the Group's internal functioning (protection and respect for persons, the Group's assets, the Group's image, reliability and accuracy of information, due regard to confidentiality) as well as relationships with its partners and third parties (management of conflicts of interest, gifts and invitations, sponsorship actions and political activities, etc.). Each employee must confirm that they have read the code of conduct and that they undertake to comply with its provisions. In the event of non-compliance with these provisions, the employee is liable to disciplinary action. The Group has made the code of conduct available to employees on its intranet site, and for its partners, on its website. In addition, the code of conduct has already been translated into English, Polish and Portuguese for foreign subsidiaries. The companies included in the Group's UES are gradually adopting the Code of Conduct.

Training

As part of the training plan, an awareness-raising exercise was launched in 2021. Intended for all Group employees and carried out remotely, it aimed to present the challenges of preventing corruption and influence peddling for the Group through practical case studies and to stimulate employee vigilance, while reminding them of the whistleblowing mechanisms available. Credit for the training was subject to the successful completion of an assessment quiz. The Group's main executives and Legal Department employees also benefited from specific training in 2022. In 2023, the Group's training module was reviewed and its content updated. A new training campaign will begin in 2024.

Whistleblowing procedure

The whistleblowing procedure provides that any employee or any third party involved, directly or indirectly, in Nexity group's business can alert the Group's Compliance Officer in the event of a proven or potential breach of Law, regulations or the Group's internal rules. The whistleblowing procedure was the subject of an employee information campaign. It is available on the Group's intranet. The whistleblowing procedure recalls the guarantees and rights enjoyed by users (confidentiality, rights of access and rectification, etc.). It also states that the Group is committed to combating retaliation against a user who has reported an issue in good faith (e.g. discriminatory practice, disciplinary measure).

Assessment of the integrity of third parties

The Group has initiated a third-party assessment process, which is based on a specific procedure, tools and support for staff in understanding the issues and tasks entrusted to them. Its deployment, which began with a trial phase, is continuing by taking into account several particularities such as the nature of the third parties at risk and the activity of the subsidiary.

Managing conflicts of interest

To improve the compliance system, the procedure for declaring and managing conflicts of interest requires all managers to detect conflicts of interest among their employees and to assist them in their handling. The procedure for managing conflicts of interest was the subject of an employee information campaign. It is available on the Group's intranet. In addition, the Internal Audit Department may, at the request of the Chief Ethics Officer, verify the existence of conflicts of interest and assess their level of risk. Each year, the Internal Audit Department checks that the conditions granted in connection with sales to employees have been complied with.

Assessment of the measures taken to prevent corruption and influence peddling

The corruption and influence peddling prevention system implemented by Nexity is under ongoing improvement. The

Internal Audit Department may conduct missions to verify the effectiveness of the measures in the system.

2.1.6.3 Anti-Money Laundering and Combating the Financing of Terrorism (AML-CFT)

As part of the regulations on anti-money laundering and combating the financing of terrorism, the Group maintains its compliance system to meet its legal obligations. The Group has a network of employees responsible for reporting

to Tracfin, the intelligence service under the authority of the French Ministry of the Economy, Finance and Industrial and Digital Sovereignty, any suspicions raised by certain transactions.

2.1.6.4 Representation of interests

The Group is included in the directory of representatives of interests of the High Authority for Transparency in Public Life (*Haute Autorité pour la Transparence de la Vie Publique* – HATVP) in respect of lobbying conducted at local or

national level concerning housing, urban and country planning. The HATVP declaration system is constantly monitored in order to respond to changes in regulations.

2.1.6.5 Fight against tax evasion

The Group pays particular attention to ensuring exemplary conduct in matters of taxation in all countries in which it operates (France, Germany, Italy, Poland, Belgium, Portugal and Switzerland). To this end, it complies with its tax obligations (notably the payment of taxes and duties) in

countries in which its operational activities are located. The Group's whistleblowing procedure enables employees in France and abroad to report a breach of the rules of the code of conduct relating to legal or regulatory obligations in terms of taxation.

2.1.6.6 Data protection

For several years, the Group has been committed to compliance with the General Data Protection Regulation (GDPR), notably through:

- Appointing a Data Protection Officer (DPO) and putting in place a network comprised of the officers in each subsidiary/department;
- Keeping data processing registers;
- Raising awareness of the Group's operational teams and support services;
- Putting in place procedures making it possible to ensure the compliance of the Group's projects with the GDPR ("privacy by design" obligation); and

- Putting in place procedures responding to the rights of individuals concerning their personal data and the notification of incidents to CNIL (French Data Protection Authority), an integral part of the Group's Crisis Management Procedure.

A Deputy DPO assists the DPO. It is responsible for the operational implementation of the technical and organisational measures necessary to maintain the Group's compliance with the GDPR. The Group has acquired a SaaS solution to manage its compliance with GDPR for all its entities.

2.1.7 Accounting and financial information

Within the framework of preparing its financial information, the Group is sensitive to the quality of its reported figures, correct consolidation as well as the reliability of budget processes. Nexity considers these risks to be moderate, in view of the processes already in place.

The Group's Finance Department is responsible for producing, analysing and ensuring the reliability of the Group's financial disclosures. In coordination with the Consolidation Department and the Management Control Department, it is tasked in particular with:

- Drawing up, approving and analysing the Group's interim and annual consolidated financial statements and provisional reporting (budget review and multi-year business plan); and
- Defining and monitoring the accounting principles used within the Group.

2.1.7.1 Procedures for preparing and approving the consolidated financial statements

The Group's consolidated financial statements are drawn up in accordance with International Financial Reporting Standards (IFRS). The Consolidation Department establishes a timetable and period-end instructions for the preparation of the interim and parent company financial statements for the divisions' Finance Departments.

The consolidated financial statements are drawn up by the Consolidation Department on the basis of accounting information provided by each operating entity's accounts department.

This information is first approved at operating entity level under the responsibility of the head of each subsidiary before being presented to the Group's Finance Department, accompanied by analysis and comments.

The consolidated financial statements reflect the Group's operational reporting and include proportionately consolidated joint ventures: this method of presentation provides a more accurate measure of the Group's performance in terms of revenue, operating profit, working capital requirement and debt.

In accordance with IFRS 11 Joint arrangements, the Consolidation Department then restates joint ventures in the summarised financial statements using the equity method, but the segment information presented in the consolidated financial statements reflects the Group's operational reporting.

The tax computation is checked by the Group's Tax Department. Detailed monitoring is carried out covering the following specific areas: provisions for contingencies and losses, deferred taxes and off balance sheet commitments.

The parent company consolidated financial statements are audited by the Statutory Auditors, while the interim financial statements are subject to a limited review. The Statutory Auditors share their observations regarding the interim financial statements with the Audit and Accounts Committee and submit a supplementary report on the parent company financial statements to this same Committee, before presenting them to Nexity's Board of Directors.

The Audit and Accounts Committee makes sure the Group has allocated appropriate resources to ensure the quality and reliability of its consolidated financial statements. Nexity's Board of Directors signs off the consolidated financial statements.

The Group's Accounting Department uses equivalent procedures to sign off Nexity's Parent Company financial statements.

2.1.7.2 Budget procedures

The budget procedure is the same across all the Group's divisions and their subsidiaries. It involves three key components each year: the initial budget for year Y+1 in November of year Y, followed by two budget reviews, in May and October/November. The initial budget and the reviewed budgets are established using the same process as that used to produce the consolidated financial statements.

When the initial budget is established, the Chief Executive Officer of each of the Group's businesses presents his or her strategy, a multi-year business plan and the projected annual budget together with the latest reviewed budget for the current year to the Group's Executive Management.

Once approved by the Group's Executive Management, the initial budget, established by the Finance Department based on the budget proposals put forward by the various divisions, is presented to Nexity's Board of Directors. It is then used to set quantitative and qualitative targets for the heads of operating entities, which serve as the basis for assessing their performance.

Financial reporting

The Group's divisions have management control systems suited to their businesses.

Performance against budget is tracked *via* a report prepared monthly or quarterly (depending on the business concerned) by the Executive Management of each division, the Finance Department and the Group's Executive Management.

The most significant elements within each division are subject to specific monitoring. These are:

- In real estate development, monitoring of the operating margin and project progress, Residential Real Estate business activity (number of reservations per week), new order intake and promises to buy land in Commercial Real Estate; and
- In Services, the portfolio of units and tertiary space under management within the property management business and the occupancy rate for serviced residences.

Based on this information, the Management Control Department then prepares a monthly summary for the Group's Executive Management.

Communication of financial results

The Annual Financial Report (included in the Universal registration document) is drawn up jointly by the Finance Department and the Legal Department and submitted to Executive Management, then to the Audit and Accounts Committee before being signed off by the Board of Directors.

Drafts of press releases related to the financial statements and quarterly business activity are drawn up by the Finance Department and approved by Executive Management before being submitted to the Audit and Accounts Committee and finally signed off by the Board of Directors.

2.2 SPECIFIC RISK FACTORS AND THEIR MANAGEMENT

In the unprecedented context of 2023, Nexity is demonstrating its ability to transform itself to withstand the real estate crisis and the tightening of regulations. The Group is continuing the implementation of existing action plans with close monitoring by governance. The Group's

strategy is refined with strong and structuring decisions for the coming year. The key points of the updated mapping of major risks at 31 December 2023 mainly relate to strategic risks and risks related to the business lines and relations with third parties.

2.2.1 Summary of major risks

This is a transcription of the mapping of the Group's major risks broken down into seven risk categories.

The major risks, identified by a green dot, are set out in Chapter 3 "Non-financial performance statement" of this Universal registration document.

Mapping of Nexity's major risks

Category	Risk	CSR	Risk factor	Residual criticality	Level of control
STRATEGY (see Section 2.2.2.1)	Disruption of the business model			Moderate	Satisfactory
	Business volatility		✓	Very high	Satisfactory
	Unfavourable changes to taxation or regulations applicable to real estate		✓	High	Can be improved
	Shortcomings in the management of major partnerships		✓	High	Satisfactory
	Failure to achieve the Group's strategic climate and biodiversity objectives	●	✓	Moderate	Satisfactory
	Shortcomings in reputational crisis management			Low	Very Satisfactory
	Difficulty in the management and control of subsidiaries		✓	High	Satisfactory
	Non-alignment of information systems with the Group's development challenges		✓	High	Can be improved
INFORMATION SYSTEM see Section 2.2.2.2)	Extended unavailability of the IS due to a cyberattack and the exploitation of a security failure		✓	High	Can be improved
	IS obsolescence			High	Satisfactory
	Shortcomings in the management of authorisations and accesses			Very high	Can be improved
HUMAN RESOURCES (see Section 2.2.2.3)	Mismatching between skills and changes in the Group's business lines	●	✓	Moderate	Very Satisfactory
	Significant increase in staff turnover	●		Moderate	Satisfactory
	Extended unavailability of a key skill/person			Moderate	Can be improved
BUSINESS LINES (see Section 2.2.2.4)	Scarcity of land eligible for transactions		✓	High	Very Satisfactory
	Lack of cost control on a project		✓	Very high	Satisfactory
	Severe incidents at construction sites	●	✓	Moderate	Satisfactory
	Increased time to market on supply for sale		✓	Moderate	Very Satisfactory
RELATIONS WITH THIRD PARTIES (see Section 2.2.2.4)	Lack of quality of products/services	●	✓	Very high	Satisfactory
	Failure of key supplier/partner		✓	Very high	Can be improved
COMPLIANCE (see Section 2.2.2.5)	Non-compliance	●		Moderate	Satisfactory
FINANCIAL (see Section 2.2.2.5)	Liquidity risk		✓	Moderate	Satisfactory
	External fraud			High	Satisfactory

Additional risks not currently known to Nexity may also adversely affect its business and financial performance. Any of these risks could cause significant differences with the forward-looking information released to the market and filed by the Group with the AMF.

2.2.2 Description of specific risk factors

This section details the 15 specific risk factors to which Nexity is exposed, identified in Nexity's major risk mapping (see table above), as well as the control actions implemented to limit the impacts and their likelihood of occurrence.

2.2.2.1 Strategic risks

Six specific risks are detailed in this section. Two of the six risk factors changed significantly during 2023: the volatility of the activity and the unfavourable evolution of the taxation and regulations applicable to real estate. Risks with low or moderate residual criticality and without a CSR impact are not described.

STRATEGIC RISKS / BUSINESS VOLATILITY

IMPACT Very high	LIKELIHOOD Likely	RESIDUAL CRITICALITY Very high	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
In 2023, Nexity's activities were to an unprecedented combination of factors that generated both a supply crisis and a demand crisis: • Tightening of conditions for access to credit, decline in the purchasing power of individuals and investor reluctance; and • Hesitancy from local authorities to build, scarcity of land opportunities with the "Objectif ZAN⁽¹⁾" of the French Climate and Resilience law and growing defiance against urban densification. Residential real estate is now operating in a highly stressed market. Failure to take this new situation into account could have an impact on business activity as a whole and have consequences on the Group's financial position and results.		Nexity is confronting this crisis with a strategy of transforming its model to reduce its exposure, in particular through: • Diversification of its customers and products: the weight of bulk sales in the client mix will continue over time, taking advantage of the latest government measures and the new zoning of the territory which works in Nexity's favour; and • The establishment of strategic and financial partnerships to further grow the business lines. Since 2022, Nexity has focused its reservations towards bulk sales and demonstrated more selectivity in its commercial launches. This has enabled it to maintain small unsold inventories in 2023 and to secure its supply for sale. At the same time, Nexity is continuing and accelerating its strategy described in chapter 1, section 1.4 "Strategy" of this Universal registration document.	

1) ZAN: Net Zero Artificialisation

**STRATEGIC RISKS /
UNFAVOURABLE CHANGES TO TAXATION OR REGULATIONS APPLICABLE TO REAL ESTATE**

IMPACT High	LIKELIHOOD Likely	RESIDUAL CRITICALITY High	LEVEL OF CONTROL Can be improved
Risk description		Risk management	
Changes in taxation and regulations applicable to real estate, such as the introduction of new taxes for individuals, changes in environmental regulations making them more restrictive or the disappearance of tax incentives could have an adverse impact on Nexity's commercial activities and results. In 2023, the result of the housing Conseil National de la Refondation (CNR) was disappointing and resulted in a housing policy that is unfavourable to the sector with cautious institutional and private investors. In early October 2023, the French government revised the country's zoning map, reclassifying more than 150 municipalities as supply-constrained areas (A/Abis/B1), meaning they are now eligible for the "Pinel" scheme, intermediate rental housing (LLI) and the 2024 PTZ interest-free loan scheme, and in some cases raising rent ceilings, which in turn improves rental yields. However, given the rise in interest rates throughout 2023, first-time buyers have restricted access to home loans.		Since 2022, the Group's management has taken into account the impacts of these changes in its strategy. On the one hand, the client base has been diversified through long-term partnerships with social housing operators and large private and institutional investors, who are less sensitive to tax incentives. Nexity has also developed a bulk sales approach, in which it is a pioneer; and from summer 2022 accelerated this further to secure the disposal of the supply for sale, while extending it to intermediate housing. Bulk sales represented 67% of reservations in 2023, compared to 54% in 2022. At the end of 2023, 81% of the supply for sale is in areas under tension and is, therefore, eligible for intermediate rental housing (LLI).	

**STRATEGIC RISKS /
SHORTCOMINGS IN THE MANAGEMENT OF MAJOR PARTNERSHIPS**

IMPACT Very high	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY High	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
In the absence of centralised monitoring and management, coordination difficulties could arise with all operational players within the Group and in the subsidiaries that interact with these partners. Non-aligned approaches relating to the partner could be implemented. The consequences could be: - On the one hand, of a financial nature: penalties arising from non-compliance with a contractual clause; delays at construction sites; or delays in the marketing of projects; and - And on the other hand of a reputational nature: deterioration of relations with strategic partners following a malfunction in the context of a joint venture project or operation.		Agreements with partners require close monitoring and coordination with all stakeholders within the operational entities and subsidiaries. Over the past few years, the Group has strengthened the centralisation of information, notably with a department dedicated to Key Account clients, the implementation of Key Account Managers (KAM) and the deployment of a CRM (Customer Relationship Management) system for optimised monitoring of partner relationships. Nexity's expertise was recently demonstrated through the partnership with Carrefour, enabling Nexity to further strengthen its position as a leader in sustainable cities.	

**STRATEGIC RISKS /
FAILURE TO ACHIEVE THE GROUP'S STRATEGIC CLIMATE AND BIODIVERSITY OBJECTIVES**

IMPACT High	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY Moderate	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
All of these factors could increase project costs and have an adverse impact on Nexity's results, including: • The resurgence of climatic hazards such as heat waves, or the risk of flooding or drought; combined with the degradation of terrestrial environments and the scarcity of resources (materials and energy), environmental changes could be detrimental to the implementation of Nexity's projects and operations; • Regulations in favour of protecting the environment and against global warming, such as the ER 2020 environmental regulation and the Climate and Resilience Act, which could generate additional costs; • Changes in customer expectations and those of civil society, which could lead to a decrease in market share if they are not taken into account; and • The gradual consideration of climate performance by investors, which will impact financing costs. The absence of a clear strategy could hinder the Group's ability to develop and innovate and thus lead to a loss of productivity and a slowdown in its growth. Nexity has adopted an ambitious environmental strategy, and failure to achieve the objectives that the Group has set for itself could have repercussions on the Group's reputation and impact its credibility with banks, investors and clients, thereby challenging its environmental transition leadership positions in the markets in which it operates.		All of the actions in favour of the environment are described in detail in Chapter 3, Section 3.2 "Meeting the environmental challenge" of this Universal registration document. Faced with the risks of climate change, and environmental damage in general, Nexity intends to provide solutions in terms of mitigating and adapting to climate change, but also in terms of re-establishing links between humans and the rest of the living world by reintegrating nature into the city and using resources in a meaningful way. For several years, Nexity has been implementing an ambitious environmental strategy to help combat climate change and mitigate these risks. This environmental strategy and its management are based on: • Dedicated governance and strong climate-related commitments: the Group's carbon trajectory was certified 1.5°-aligned by the SBTi in 2023; • Strong commitments in terms of biodiversity, described in Chapter 3, Section 3.2.3 "Preserving biodiversity and promoting nature in the city" of this Universal registration document; • Regular monitoring of the objectives set using the tools and processes put in place for this purpose; • Inclusion of CSR criteria in the remuneration of company officers; and • Training and awareness-raising actions for employees and executives.	

**STRATEGIC RISKS /
DIFFICULTY IN THE MANAGEMENT AND CONTROL OF SUBSIDIARIES**

IMPACT Very high	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY High	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
Nexity acquires companies or significant stakes in companies, enabling it to develop its activities and improve its offerings. The organisation of the Group's Development business (€3.4 billion in revenue in 2023) is based on a strategy of permanent local establishments, with subsidiaries and real estate agencies run independently by professionals who are generally local. The management autonomy granted to the acquired subsidiaries and the structuring of teams on the basis of a decentralised model could cause issues when consolidating and managing new companies. The divergence in subsidiary strategy, lack of synergy between teams and a failure to comply with Group rules, for instance in terms of undertaking projects, could result in consequences for the civil and criminal liability of executives as well as the Company's financial position in the event of abuse or the non-fulfilment of commitments.		The Group develops its strategy by division and organises the synergies to be deployed to achieve its objectives. At operational level, the business lines are organised and led by business specifiers; and all Group rules such as those relating to the organisation of the Commitments Committees are distributed within the subsidiaries and their application monitored. Nexity has implemented prevention and control actions to encourage subsidiaries - recently acquired in full or through equity investments - to align their practices with those of the Group. This is to limit the risk of strategic divergence. The Strategy and Development Department structures the convergence plan for the subsidiaries concerned in terms of finance, human resources, legal, communication, IT, purchasing, real estate, risks and CSR. Meetings of governance bodies are held regularly and according to current events with these subsidiaries, in particular to monitor the progress of the convergence plans and to arbitrate where necessary. With regard to international subsidiaries, the action plan to wind up the management activity has been completed.	

**STRATEGIC RISKS /
NON-ALIGNMENT OF INFORMATION SYSTEMS WITH THE GROUP'S DEVELOPMENT CHALLENGES**

IMPACT Very high	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY High	LEVEL OF CONTROL Can be improved
Risk description		Risk management	
The non-alignment of information systems with the strategic objectives of a company is one of the main contributors to project failure. It is essential to understand the Group's key challenges, and then to examine the projects to ensure their congruence. However, the success of Nexity's transformation relies on the objectives of service digitisation, better knowledge of its clients, and constant improvement in terms of employee performance. And all this involves the modernisation of its information system, the selection of high-performance, sustainable tools that are capable of effectively exploiting all available data and information. Not only must the strategies chosen in terms of information systems be serve the Group's strategic objectives, but above all, budgetary use must remain consistent. Failure to direct IT investments to non-strategic projects could have multiple consequences: negative financial impacts, deterioration of reputation, or even loss of efficiency.		In general, Nexity applies its strategy to its projects and choice of tools through the governance and project management bodies, which bring together the business lines and IT project managers. The key element in managing this risk is the presence of the Group's Chief Information Systems Officer within the Executive Committee, who thus ensures the alignment of the information systems with the Group's development challenges. In 2023, a transformation action plan and streamlining measures were implemented on projects to support the Group's strategy.	

2.2.2.2 Risks related to the information system (IS)

The risks of prolonged unavailability of the IS due to a cyberattack or security breach, obsolescence and inadequate management of authorisations and access belonging to the “Information System” family are dealt with as a whole. Indeed, they are closely linked in terms of

impacts and control measures to cover the three areas, namely security failure, continuity and obsolescence. The average residual criticality of these three risks is considered high.

RISKS RELATED TO IS /

EXTENDED UNAVAILABILITY OF THE IS DUE TO A CYBERATTACK AND THE EXPLOITATION OF A SECURITY FAILURE

IMPACT Very high	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY High	LEVEL OF CONTROL Can be improved
Risk description		Risk management	
A study⁽¹⁾ conducted among 1,200 companies in 14 countries and published in January 2024 indicates that 85% of companies were targeted by ransomware in 2023, compared to 76% in 2022. The amount of ransoms demanded has almost doubled since end-December 2022, from \$812,380 to \$1.54 million at the end of the first half of 2023. In 2024, artificial intelligence (AI) could help cybercriminals produce sophisticated “deep fakes” and launch major fake news campaigns. In addition, the Gartner report⁽²⁾ classifies the risk of critical infrastructure security breaches as very high. Indeed, it is one of the top 5 emerging risks in Europe, excluding the United Kingdom. One of the main components of this risk is the state-sponsored cyber attack. This is a sophisticated type of attack aimed at creating panic and causing economic damage in retaliation for the foreign policy of other countries. Attacks like these may have different consequences than for-profit attacks. The resourcefulness of hackers and their ingenuity to exploit vulnerabilities pose a significant risk to any company, including the Nexity group. The absence of a strategy for improving and modernising the information systems could expose the Group to the emergence of exploitable security failures and to negative impacts with knock-on effects: blocking of certain flows (flows of management IS to accounting IS), unauthorised access to data and even leakage of sensitive data, holding of multiple incompatible positions, etc. At the same time, in the absence of a Group continuity strategy, Nexity could be faced with an extended interruption (beyond one week) of an information system essential to the execution of a critical and unidentified business process, or of an obsolete system for which an emergency solution has not yet been put in place. Furthermore, the evolution of Nexity, the diversification of its activities and its workforce have required the gradual construction of a complex information system. At the end of 2023, the Group had nearly 8,200 employees, all requiring account access and management.		Over the past few years, Nexity has initiated several strategic projects with a view to strengthening information system risk control and the resilience of the Group's operations. In particular, Nexity has implemented a solid cybersecurity system that reinforces its resilience and responsiveness. The cybersecurity system, which undergoes constant improvement, is based on the following key points: • The cybersecurity strategy is shared and reviewed regularly with the interested parties, steered by the Information Systems Security Manager (RSSI) and audited annually; • Solutions to combat the main threats have been put in place: protection against malware, logical access control, detection capability; • A SOC (Security Operational Centre) has been deployed on a constantly changing scope; and • A cybersecurity awareness course including tests in real-life conditions and a system to combat phishing have been deployed. Nexity is also working to modernise its information systems: • Continued renovation of business and cross-functional applications, in particular migration of the Finance IS and overhaul of residential real estate applications; • Gradual transition of cloud infrastructure (IaaS) towards managed cloud solutions (SaaS/PaaS); and • Establishment of service centres: operation, network, development, outsourcing, office support.	

1)Blue study on cyber threats published on 11 January 2024.

2)Gartner report published on 12 December 2023 on emerging risks in Q4 2023.

2.2.2.3 Human resources (HR) risks

Only the risk of skills mismatch to changes in the Group's business lines is discussed in this section. This risk and the management actions are specific to Nexity's organisation. The risk of a significant increase in staff turnover is presented in Chapter 3, Section 3.6 "Summary table of CSR indicators" of this Universal registration document.

RISKS RELATED TO HUMAN RESOURCES MANAGEMENT / MISMATCH BETWEEN SKILLS AND CHANGES IN THE GROUP'S BUSINESS LINES

IMPACT High	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY Moderate	LEVEL OF CONTROL Very satisfactory
Risk description		Risk management	
In line with the development of the real estate business on the one hand and the rate of staff turnover which remained high in 2023 on the other, Nexity could find itself in a position of mismatch between the availability of human resources and its needs, particularly with regard to certain activities that require specific skills to implement the corporate strategy. In the absence of a solid human resources strategy in terms of appeal, loyalty, continuous training and the management of employment and careers, Nexity, a company with a strong human capital, could lack skills that are vital for its development and for maintaining its leadership positions in the markets where it operates.		Faced with these risks, Nexity must continuously adapt its HR strategy to the changing business model. The success of this strategy is based in particular on: • The employability of staff in line with new services, uses of tools and products marketed; • The ability to attract sought-after new talent and retain existing talent by offering them career development prospects; • Continuous investment in employee training. In 2023, concrete actions were continued or introduced in this regard. By way of illustration: • The roll-out of the new positioning of our employer brand; • The renewal of our Qualiopi certification, testament to the quality of training provided by La Cité (internal training organisation); • Inclusion: the launch of an action plan to recruit and retain senior employees, as well as actions to promote the employment of employees with disabilities; • Work-life balance: launch of communication and awareness-raising actions during QLW week and well-being month. To learn more about all the actions implemented during 2023, please refer to Chapter 3, Section 3.4 "Developing human capital" of this Universal registration document.	

2.2.2.4 Risks related to the business lines and relations with third parties

All the risks related to the business lines and relations with third parties identified in the Group's mapping of major risks are considered as specific risk factors and are described in detail in this section.

RISKS RELATED TO THE BUSINESS LINES / SCARCITY OF LAND ELIGIBLE FOR TRANSACTIONS

IMPACT Very high	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY High	LEVEL OF CONTROL Very satisfactory
Risk description		Risk management	
Nexity's business activity is linked to its capacity to manage buildable land and perform operations compatible, in terms of location and price, with the needs and financing capacity of its clients. The scarcity of buildable land, either due to inadequate supply or to strong competition from developers on the same land, puts upward pressure on land prices. Moreover, any constraints, such as a delay in obtaining building permits, change in governance at local authorities, variable land pricing policies depending on local authorities, add further complexity to the capacity to secure land. Growing constraints on land take, as well as the suspension of certain ongoing real estate programmes and the review of building permits in certain municipalities, are likely to increase the uncertainty regarding the management of land at a cost that is compatible with Nexity's profitability requirements. A lack of control over the topics mentioned above could have an impact on Nexity's ability to offer products that meet the expectations and financial capacity of its customers, and more generally, have consequences on the Group's business, financial position and results. However, in 2023, the likelihood of this risk is limited by the cyclical decline in demand.		To control this risk, Nexity: • Has accelerated the focus of urban regeneration, which uses a transformative and exemplary approach, while addressing the challenges of the energy transition and combating urban sprawl; and • Has structured its development business line, rolled out both within the development subsidiaries and to the developers at Nexity Transformation des Territoires, to improve sourcing by relying on its expertise and know-how. In 2023, this resulted in a strategic partnership with Carrefour to upgrade 76 sites with the creation of the "Villes et Commerces" property venture corresponding to the country's first large-scale urban regeneration operation with high environmental performance.	

RISKS RELATED TO THE BUSINESS LINES / LACK OF COST CONTROL ON A PROJECT

IMPACT Very high	LIKELIHOOD Likely	RESIDUAL CRITICALITY Very high	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
The transformation of the model is reflected in new market conditions (higher construction costs and a 20%-25% decline in purchasing power for clients) and a change in real estate standards in terms of energy renovation. In addition, Nexity is increasingly developing its real estate projects with social housing operators and institutional investors, who have standardised requirements in terms of quality of finishes and the level of equipment in their homes. The VEFA off-plan sales contract model generates a delay of two to three years between making the financial arrangements, the launch of marketing and delivery. In the current context, this is leading companies to renegotiate prices to cope with cash shortages. This negatively impacts the profitability of Nexity's operations; construction costs representing half of the cost price of a project for the Group; and/or the quality of construction which could generate a reputational risk		This issue is an ongoing concern for Nexity, which has already: • Optimised centralised purchases with the establishment of a dedicated structure within the Construction Department, which lists materials and services for new homes aimed at optimising cost, quality and deadlines; • Secured the approval of suppliers of products with high-stake low-carbon products (heat pumps, low-carbon concrete, wood, bricks, insulation); • Rolled out measurement tools and best practices in subsidiaries to better control costs and deadlines from the design stage; • Deployed its bidding platform; and • Improved its control over its backlog. Nexity continues to calibrate all projects by reworking the cost price to offer affordable and low-carbon projects, especially for local authority clients, private institutional investors and social housing operators. This is mainly reflected in the work on the ranges, the improvement of innovative construction methods and the signing of a strategic partnership with TopHat, the English leader in off-site construction based on industrialised processes focused on the use of low-carbon materials. Nexity wants to stay ahead in terms of decarbonisation by being a driving force in this area.	

RISKS RELATED TO THE BUSINESS LINES / SERIOUS INCIDENTS AT CONSTRUCTION SITES

IMPACT High	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY Moderate	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
According to health insurance⁽¹⁾, while the building and public works sector accounts for only 7% of the working population, it accounts for more than 20% of workplace accidents and occupational illnesses. The OPPBTP annual report⁽²⁾ - Organisme Professionnel de Prévention du Bâtiment et des Travaux Publics - announced that the year 2022 had been marked by an increase in the number of serious and fatal accidents at construction sites. As a reminder, the health and safety coordination business line faces the challenge of recruiting and maintaining expertise in the context of a shortage in qualified labour. Preventive actions are a major issue for all industry players and especially for the Group, which managed more than 500 projects in 2023, all subsidiaries combined.		Nexity, a leader in real estate development, resolutely supports its employees and journeymen working on its construction sites to ensure better protection and prevent safety risks. Thanks to its actions, the likelihood of this risk is limited. The Safety and Prevention Department (DPS) conducts numerous site safety visits every year, all over the country. All the residential and commercial development subsidiaries are visited. A global audit is carried out on the management of joint activities and the internal processes of the companies involved. At the end, an action plan is drawn up and monitored. The DPS supports development subsidiaries in the improvement of the reception phase of equipment and facilities contributing to the fire safety of large residential real estate complexes. Throughout the year, it also provides training to the operational teams: project owners, project managers, planners and site managers. The Risk Department coordinates, with the support of the network of risk and compliance officers and the technical directors of the subsidiaries, a permanent control system dedicated to improving the prevention of risky situations at construction sites. Should an incident occur, the subsidiaries have a serious incident reporting platform at their disposal which promptly triggers the organisation of a crisis unit with the appropriate players to manage the situation and control the impacts.	

1) Key figures for health insurance at 22 March 2023.

2) OPPBTP 2022 Annual report.

RISKS RELATED TO THE BUSINESS LINES / INCREASED TIME TO MARKET ON SUPPLY FOR SALE

IMPACT High	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY Moderate	LEVEL OF CONTROL Very satisfactory
Risk description		Risk management	
In view of the context of the real estate crisis, the trends of 2022 are confirmed with sales to individuals which have dropped significantly, notably including a decline in new home reservations as well as an extended time to market. Indeed, according to the French Federation of Real Estate Developers (FPI) ⁽¹⁾, sales on the French real estate market in 2023 decreased by 33% compared to 2022, and by 52% for Q4. In addition, the extension of time to market was confirmed in 2023 with an average of 21.5 months in Q4 2023 - compared to 13 months in Q4 2022. For Nexity, this represents a new challenge for 2023: with a 15.4% market share in sales of new homes in 2023, exposure to this risk is even greater. In fact, for certain projects, when marketing is sufficiently advanced, the subsidiary acquires the land. The context means that it sometimes has to deal with reservation cancellations, often due to failure to secure the loan. In this case, the subsidiary is then left with the land and no guarantee of end buyers. This situation would have a negative impact on cash flow and could lead to higher than anticipated costs, even more so if it happens more than once.		Nexity has very quickly set up an action plan to contain the effects of this risk at various levels: - Marketing phase: strengthening of the upstream monitoring of the acquisition to secure the commercial launch with a pre-sale rate set at 60% internally, but in reality reaching almost 75% at end December 2023; - Sales and marketing actions: sales offers on inventories for which delivery of the units is less than six months away; and - Continued bulk sales to ensure stock flow. This action plan works well because Nexity's average time to market is shorter than that of the market (around 7 months at the end of December 2023).	

1) FPI presentation at the press conference of 15 February 2024.

RISKS RELATED TO RELATIONS WITH THIRD PARTIES / LACK OF QUALITY OF PRODUCTS/SERVICES

IMPACT Very high	LIKELIHOOD Likely	RESIDUAL CRITICALITY Very high	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
Given the diversity of its clients and partners and their large number, the Group is exposed to a significant risk of image and reputation, particularly in the event of failure in the implementation and/or quality of the products and services offered. Starting in 2020, construction sites have slowed down, mainly due to the health crisis, which has had an impact on work schedules, supplies and the costs of raw materials. While the State's massive support measures for companies helped to significantly reduce the number of insolvencies during the health crisis, the year 2023 was marked by numerous receiverships and liquidations. In addition, in 2023, bulk sales represented 67% of reservations, increasing the share of institutional investors. The latter have a level of requirement that impacts the expected quality of products and services. Nexity must therefore ensure it steps up if it is to limit its exposure to this risk.		The efforts made by the Group in 2023 have helped to reduce the time taken to lift reservations and improve customer satisfaction, meaning that grievances are properly handled and followed up. Customer satisfaction is an integral part of the Group's corporate purpose and a strategic issue for Nexity. The steps taken to improve customer satisfaction have borne fruit as Nexity has climbed up to third place in the Client Relations Ranking in 2024 (compiled by HCG/Les Echos), after entering the top 5 for the first time in 2023. The strong momentum in the delivery and after-sales service processes continues with: • The strengthening of the management of service providers to reduce the number of delivery reservations and accelerate the lifting of post-delivery reservations; • The inclusion of bulk sales in the declaration and monitoring tool for delivery reservations, having made it available to individual clients in 2023; • Improvements in the delivery quality process focused on customer satisfaction with enhanced communication and support; and • Changes to the after-sales service and the implementation of a new tool for monitoring complaints.	

RISKS RELATED TO RELATIONS WITH THIRD PARTIES / FAILURE OF KEY SUPPLIER OR PARTNER

IMPACT High	LIKELIHOOD Certain	RESIDUAL CRITICALITY Very high	LEVEL OF CONTROL Can be improved
Risk description		Risk management	
The Group coordinates the work of a multitude of suppliers and service providers, both in its real estate development activities (design, structural work and finishing work) and in its services activities. The smooth running of construction sites relies on the good health of its service providers and suppliers. The failure of a supplier has always been a concern for Nexity, insofar as SMEs/VSEs represent a significant proportion of its partner suppliers. For example, the leading supplier in Residential real estate construction accounted for €45 million of expenses, representing 3% of total costs, while the top ten suppliers accounted for a total of €128 million, representing 10% of total costs. It is also necessary to consider the fact that when Nexity contracts with the major construction companies and groups, they solicit SMEs/VSEs for more than 50% of the amount of the contracts signed with them, at the rate of around 15 companies per transaction initiated. Indirectly, therefore, Nexity also becomes dependent on said SMEs/VSEs. In the event of a supplier's default in an operation, finding a company capable of meeting its needs, with the same costs, deadlines and quality of service, represents a real challenge for Nexity in order to meet budget commitments and delivery schedules. However, according to the study conducted by Altares⁽¹⁾ and published in early 2024, well beyond the post-Covid "catch-ups", the failures related to the ultra-tense economic climate are accelerating: 57,729 failures in 2023, of which 16,820 in the fourth quarter. The construction sector accounts for 24% of bankruptcies and now has more than 14,000 defaults, including nearly 11,000 in building activities alone. Nexity's real estate development activity is impacted accordingly.		The Purchasing Department is working to strengthen its panel of suppliers by region in order to secure business visibility and their ability to respond to the various types of products. To this end, it regularly produces market analyses and keeps an eye on management and monitoring indicators such as the dependency ratio and changes in revenue. Supplier performance monitoring is also in place for the top 150 suppliers working for Nexity, and the subsidiaries are alerted if necessary. It also guides the subsidiaries on practices related to purchasing policies and bidding rules. Nexity is also continuing its efforts to select suppliers through prior checks, verifications within the context of the Group's purchasing policies, the contract procedure and regulations related to the assessment of third parties. Legal support is also in place for subsidiaries on the measures to be taken in the event of a company failing on an ongoing project. Training on this topic was also rolled out in 2023 and will continue in 2024.	

1) Business failure and safeguard review in France - Q4 and 2023 review.

2.2.2.5 Compliance and financial risks

In this category, liquidity risk is the Group's only major risk to be treated as a risk factor. The other two risks remain significant concerns for the Group, but as they are generic risks, they are not covered in this section. The risk of "Non-compliance" is discussed in Section 2.1.6 "Business ethics and compliance" of this chapter and the risk of "External fraud" is covered in Section 2.1.3.3 "Fraud prevention system".

FINANCIAL RISKS / LIQUIDITY RISK

IMPACT High	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY Moderate	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
The terms of the Group's financing typically include events of default that may result in the early repayment of amounts due. In certain cases, they also include a cross-default clause, which stipulates that in the event that a member of the Group fails to make timely payment of any amount in respect of any debt that is certain and due and for which payment is demanded above a certain threshold, could also trigger the early repayment of amounts borrowed. If all these clauses were to be activated, the amount of debt to be repaid would be in the region of €800 million (out of a total gross debt of €1.6 billion). If the Group did not have sufficient financial resources, it would be exposed to a liquidity risk to meet its contractual commitments, its debt maturities and the financing of its development plan. This could significantly impact business continuity, give rise to the risk of penalties and tarnish the Company's image. In addition, in the context of off-plan sales (VEFA sales), the law requires the developer to provide the buyer with a guarantee in the form of a financial completion guarantee (GFA) to hedge the risk of default on its part. These guarantees are issued as part of a commitment line of €3.1 billion at 31 December 2023.		The operational management of liquidity and financing is under the responsibility of the Financing and Cash Management Department. The Group's financial structure provides it with visibility regarding the availability of its liquidity, which amounted to approximately €1.5 billion at the end of December 2023 (including €630 million in undrawn credit facilities). In the event of a financial crisis, the Group's liquidity could theoretically be compromised, inflows could fall and certain loans could become due. However, 60% of the Group's gross debt is on fixed rates or hedged. As a result, the Group is reasonably exposed to the risk of an increase in financial expenses.	



Non-financial performance report

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3.1 CSR, AT THE HEART OF NEXITY GROUP'S BUSINESS

Nexity intends to provide concrete responses to the following challenges: access to housing, adaptation to climate change, preservation of nature, new consumption patterns. Faced with these major societal and environmental challenges, Nexity's CSR (Corporate Social Responsibility) strategy aims to provide innovative solutions, products and services with a common goal: living better together.

Aware of the urgency of the changes at stake, in 2020, with its various business lines from development to services, Nexity began a collegial approach to drive its CSR strategy forward. In line with the Company's commitment to be useful to society through its activities, by contributing to climate, economic and social resilience, the CSR strategy is evolving by taking into account the expectations of the Group's stakeholders (employees, clients, shareholders, investors, analysts, local authorities, civil society, *etc.*).

Lastly, the coming into maturity of the Company's activity as a global real estate operator and the evolution of the Group's risk analysis have accelerated the specific action plans required to manage them.

In 2021, Nexity's corporate purpose "Life Together" was incorporated into the company's Articles of Association.

This corporate purpose is at the heart of the Group's action. Carried out by its employees and shared with its partners, it is reflected in five commitments:

- Create places that foster connection through services and innovation;
- Strive to really know our clients;
- Act in unison to tackle environmental challenges;
- Work with our partners to further social solidarity; and
- Harness our common culture for everyone's benefit.

A manifesto of the corporate purpose was also published and distributed, it details how "Life Together" brings together, engages and inspires the Nexity community.

The climate and biodiversity-related ambitions set out in the Group's CSR strategy were enhanced in early 2022. The level of these ambitions was voted on by shareholders by way of a "Say on Climate and Biodiversity" at the 2022 Shareholders' Meeting.

3.1.1 Strategy, CSR governance and main strategic CSR objectives

3.1.1.1 The Group's CSR strategy

The CSR strategy feeds into the Group's value creation by promoting new solutions, innovative products or services, developed with a very active ecosystem of partners (incubators, start-ups, manufacturers, associations, *etc.*). Indeed, the Group is convinced that, given the importance of current social and environmental challenges, partnership solutions are essential to accelerate Nexity's business performance in order to develop efficient solutions. Lastly, for the sake of consistency and a global perspective of its civic commitment to the climate, Nexity has aligned its strategy with the United Nations Sustainable Development Goals.

The CSR strategy is based on three areas supported by three cross-functional issues:

- **Meeting the environmental challenge**

Mitigation and adaptation to climate change, the preservation of biodiversity, and the responsible use of resources are all challenges to which Nexity responds through its products and services;

- **Making cities inclusive and supportive**

The concept of inclusive cities has been part of Nexity's DNA since its inception, through its social housing programmes, its ranges of low-cost housing, its activity in neighbourhoods undergoing urban regeneration, and the activities of the Nexity Foundation and Nexity Non Profit; and

- **Developing human capital**

The key to Nexity's success is its human capital. In this context, the Group must remain appealing, but also develop its talents and encourage the engagement of its employees. It also promotes inclusion and equal opportunities.

In addition to these three areas, a set of three cross-cutting issues feeds into the Group's CSR strategy:

- **Promoting open and responsible governance**

The Group has set up an open governance, attentive to stakeholders. The success and reputation of Nexity and all of its subsidiaries and equity investments are based not only on the quality of its products and services, but also on the trust that the Group inspires in its clients, shareholders, private or public partners and its employees;

- **Improving client satisfaction and having a responsible supplier relationship**

Nexity keeps a close eye on client satisfaction. This involves a range of quality products and services. In addition, the Group has adopted a responsible purchasing policy and ensures that it has a balanced relationship with its suppliers; and

- **Anticipating changes in uses through innovation**

Through a strategy of monitoring and innovation, Nexity anticipates the expectations and changing uses of its clients.

3.1.1.2 The Group's main strategic CSR objectives

CSR AREAS OF FOCUS	COMMITMENT	OBJECTIVE	2021	2022	2023	PROGRESS
Meeting the environmental challenge     	Reducing our carbon footprint	Reducing by 47%, in terms of absolute value, emissions related to administrative sites and vehicles (Scopes 1 and 2) by 2030 compared to 2019 ⁽¹⁾ 	+15%	+1%	+36%	
		Reducing by 42% CO ₂ emissions per square metre delivered (Scope 3 development) by 2030 compared to 2019 	-2%	-5%	-5%	
		Have approved energy renovation works for 10,000 condominium units between 2022 and 2025 	3,504	1,971	2,351	
		Manage 3,500,000 sq.m. of low-carbon assets	2,687,000 sq.m	3,284,000 sq.m	3,348,000 sq.m	
		Raise awareness among 100% of employees about the Climate Fresk	6%	18%	45%	
	Promoting biodiversity and nature in the city	Have 100% of residential projects delivered with planted areas	92%	93%	98%	
		Have 100% of office projects delivered with planted areas	100%	100%	100%	
Making the city inclusive and supportive   	Promoting affordable housing	% of housing reservations intended for means-tested households	43%	50%	61%	
	Committing to housing the most vulnerable with Nexity Non Profit	Provide shelter for more than 4,000 people by 2026 (cumulative)	1,310	1,645	1,921	
	Promoting solidarity actions with the Nexity Foundation	Support equal opportunities projects (donations in euros)	€311,000	€385,530	€531,700	
		Support projects to combat poverty (donations in euros)	€370,000	€426,000	€148,000	
		Support projects for integration through sport (donations in euros)	N/A	€31,000	€227,000	

 Objective achieved
  Objective almost achieved
  Objective moderately achieved
  Objective partially achieved
  Objective not initiated

 indicator verified by Mazars, an independent third party (ITP) with a moderate level of assurance.

(1) Scopes 1 and 2 represent 0.6% of the Group's total scope 1, 2 and 3 emissions in 2023.

NON-FINANCIAL PERFORMANCE

CSR, at the heart of Nexity group's business

3

CSR AREAS OF FOCUS	COMMITMENT	OBJECTIVE	2021	2022	2023	PROGRESS
Developing our human capital    	Strengthen the attractiveness of the company	At least 80% of employees are permanent shareholders	80%	80%	63%	
		Hire work-linked training students for 5% of the workforce by 2024	6%	7%	5%	
	Promote inclusion and equal opportunities	Have at least 40% of women on the Executive Committee	54%	44%	35%	
		Have at least 40% women in the Club 1797	38%	39%	41%	
	Develop the talents and commitment of employees	Increase the number of training hours per employee 	15.5 hours	13.9 hours	11 hours	
Cross-cutting issues    	Improving client satisfaction	Annual improvement in the average client satisfaction rate (CSAT) across the entire Residential Real Estate client experience 	+1.6 points	+9.1 points	+1 point	
	Responsible governance	Improve the level of training for employees exposed to risks of corruption and influence peddling by 2025	85% of company officers and top management and 69% of Group employees trained in the prevention of corruption and influence peddling	Overhaul of the training material planned for 2023	Training continued in 2024	

 Objective achieved
  Objective almost achieved
  Objective moderately achieved
  Objective partially achieved
  Objective not initiated
 indicator verified by Mazars, an independent third party (ITP) with a moderate level of assurance.
 (1) Scopes 1 and 2 represent 0.6% of the Group's total scope 1, 2 and 3 emissions in 2023.

3.1.1.3 Materiality of CSR issues

In 2015, Nexity carried out its first materiality analysis, updated in 2019, to classify CSR issues by comparing the importance for stakeholders with the impact on the Group's activity.

In 2022, Nexity updated this simple materiality analysis and carried out its first double materiality analysis. As part of this exercise, 27 CSR issues were identified on the basis of a diagnosis of the sector and Nexity's activities, and divided into five categories (environment, business lines, societal, social and governance).

A consultation with Nexity's stakeholders was carried out: employees, customers, suppliers, financial partners, professional associations, NGOs, academic partners, Nexity's Stakeholders Committee, Executive Committee members, Steering Committee with representatives of the Group's main entities. In total, more than 1,000 people expressed their opinions, through individual interviews and surveys (sent to all of the Group's 8,000 employees and more than 3,000 individual clients).

The simple and double materiality results confirm Nexity's strategic priorities.

Simple materiality analysis

The simple materiality analysis cross-references the importance of the issues for stakeholders with the impact of these issues on the Group's business. The simple materiality matrix was published in the 2022 Universal registration document.

Double materiality analysis

In 2022, Nexity wanted to supplement its simple materiality analysis with a double materiality analysis. The principle of double materiality establishes a distinction between the Company's impacts on the environment and society, and impacts of environmental and societal issues on the Company and its ability to create value. In accordance with the EFRAG⁽¹⁾ recommendations, Nexity has classified its 27 CSR issues according to the two perspectives of double materiality:

- The impact perspective: reflects Nexity's impacts on people, society and the environment, both positive and negative, actual or potential, and related to its direct activities as well as its upstream and downstream value chain; and
- The financial perspective: reflects the risks and opportunities associated with these CSR issues that may have a positive or negative impact on Nexity's business model, development, performance and position in the short, medium or long term.

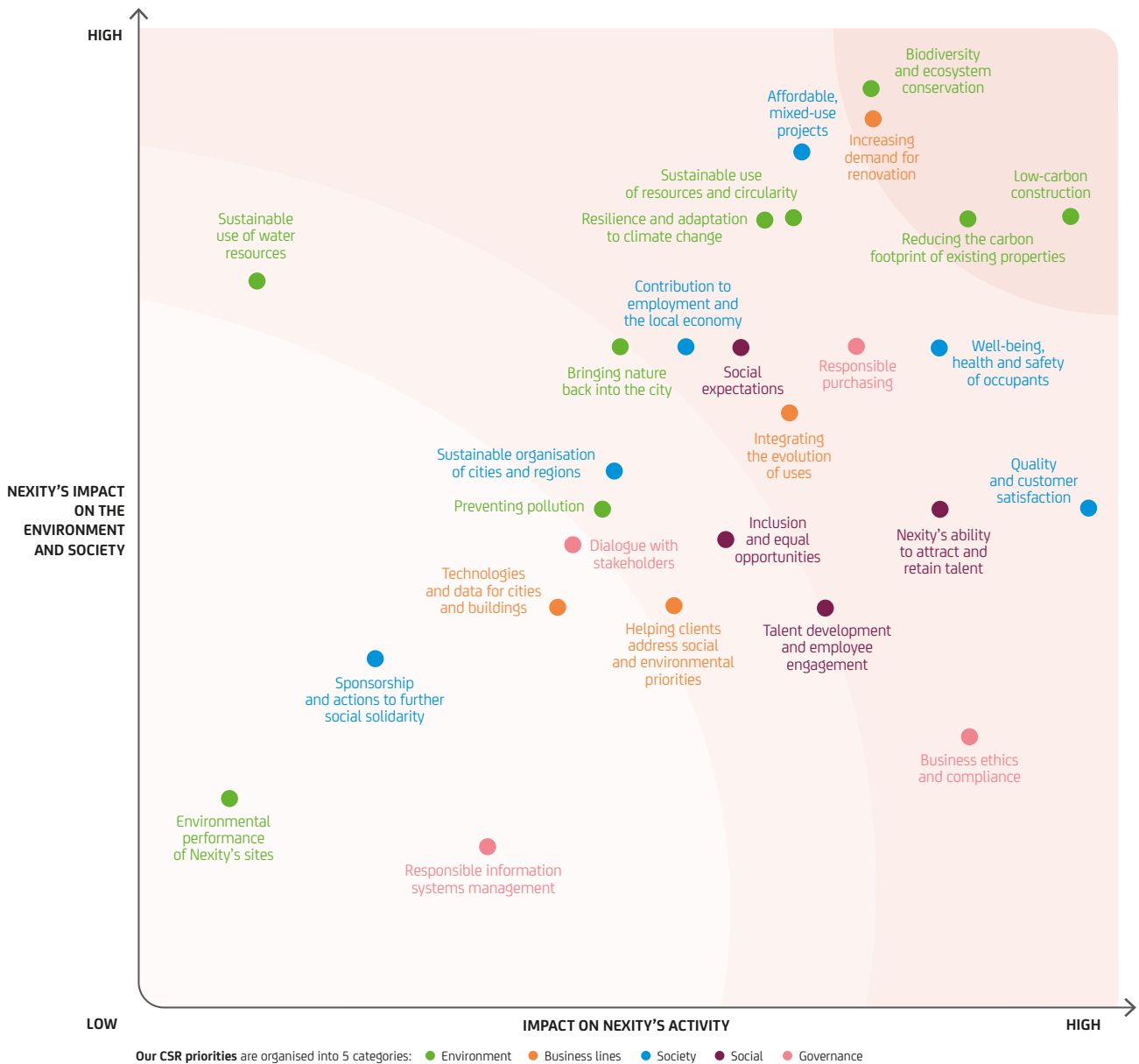
The assessment of the impact materiality was based on the results of the 2022 stakeholder consultation and in particular on the assessment of Nexity's impacts on the environment and society by external stakeholders and experts consulted. This consultation was supplemented by a cross-analysis of several sectoral impact benchmarks⁽²⁾, academic studies and media controversies (sectoral or related to Nexity).

The assessment of financial materiality is also based on the assessment of the risks and opportunities represented by the CSR issues for Nexity, resulting from discussions with the Executive Committee and representatives of the various Group departments and the analysis of the Group's risk mapping.

Nexity's double materiality presents results aligned with the simple materiality analysis, with 15 priority issues, including 4 of particularly high priority (biodiversity preservation, increased refurbishment, accessibility and diversity of projects and decarbonisation of construction). Several issues within this prism are of greater importance than those arising from the simple materiality analysis: adaptation to climate change, use of resources and circularity, biodiversity, accessibility and diversity of projects and responsible purchasing.

1) EFRAG: European Financial Reporting Advisory Group

2) In particular: GRI G4 Construction and Real Estate standard; Real Estate Impact Analysis Tool from UNEP-FI, ENCORE tool (Exploring Natural Capital Opportunities, Risks and Exposure) from UNEP.

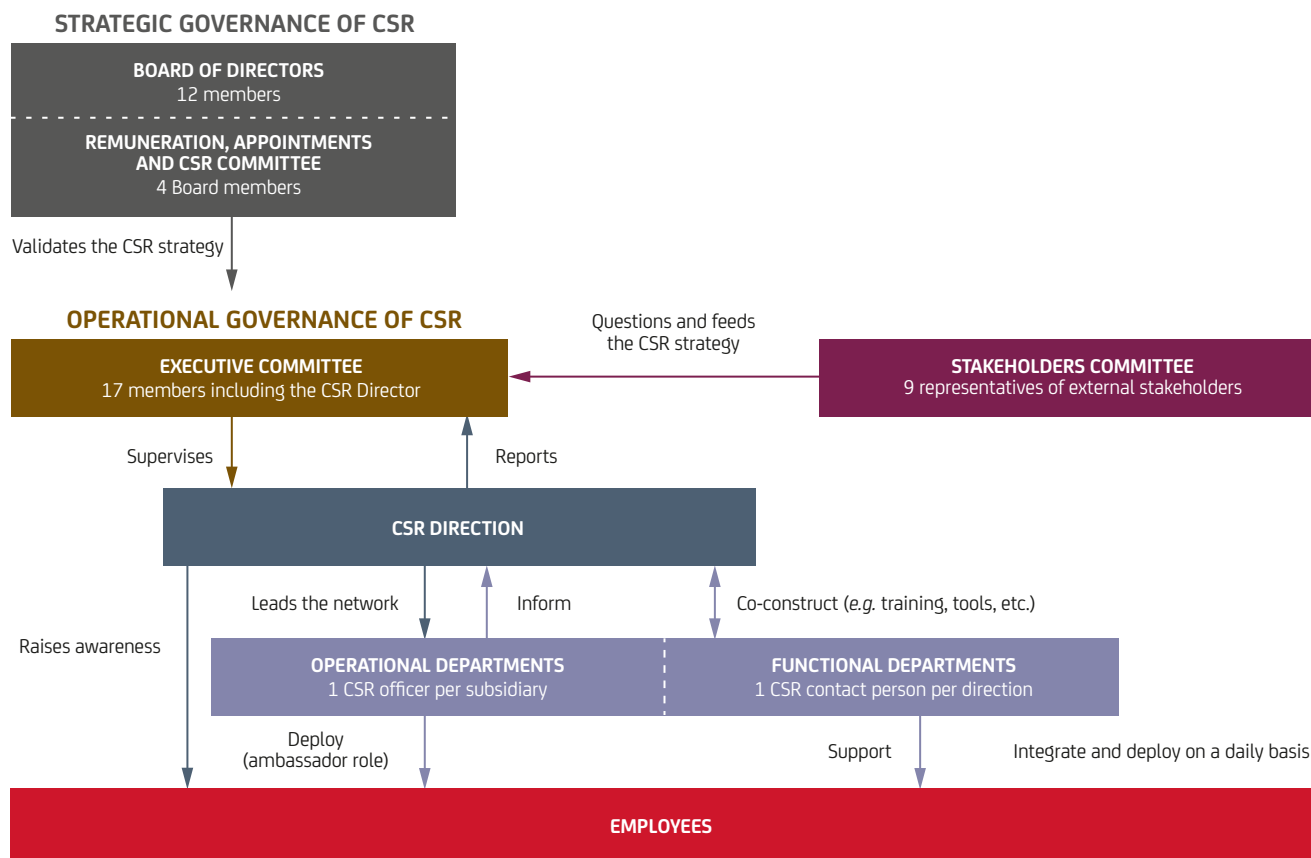


This exercise has enabled the Group to prepare for changes in European regulations relating to non-financial reporting ("CSRD" or Corporate Sustainability Reporting Directive) and to incorporate from 2022 onwards the recommendations of the various international CSR standards in terms of materiality analysis.

Work to link these elements to the latest CSRD texts was carried out at the end of 2022 and in early 2023, in order to prepare for the Group's implementation of the CSRD from fiscal year 2024.

3.1.1.4 CSR governance

CSR is embedded in the processes and bodies that design and implement the Group's strategy at Board, management and operational level.



Figures at 31 December 2023

CSR governance is structured around four bodies and a dedicated department:

The Board of Directors and its Remuneration, Appointments and CSR Committee

The Board of Directors has a strategic CSR governance role and includes a Remuneration, Appointments and CSR Committee. The latter reviews the Group's CSR strategy at least once a year and provides the Board of Directors with an opinion on the Statement of non-financial performance.

The Executive Committee

The CSR strategy is at the heart of the discussions of the Executive Committee, which provides operational governance. In this context, it manages the Group's environmental strategy (climate and biodiversity) and coordinates the action of the various departments and business lines involved. The CSR Director is a member of the Executive Committee.

The Stakeholders Committee

The purpose of the Stakeholders Committee, which was renewed in 2023, is to feed the Group's strategic thinking, identify emerging issues and monitor the execution of the Group's corporate purpose (see Section 3.1.1.5 "Dialogue with stakeholders" of this chapter).

The CSR Department

The CSR Department, created in 2008, defines and implements the Group's CSR strategy based on various governance bodies. The roles of the CSR Department are:

- Proposing and helping to implement the Group's CSR strategy;
- Performance management and consolidation;
- Coordination and support of subsidiaries in the operational integration of CSR in the business lines;
- Dialogue with stakeholders;
- Employee awareness-raising and training to make CSR a performance driver; and
- Monitoring.

These roles result in a contribution to various governing bodies and a range of services available to all Nexity entities. In addition, in order to provide a collective dynamic to the Group's business lines on a daily basis, a network of contacts (members of the Management Committee of each subsidiary) led by the CSR Department was created in 2021.

To facilitate the dissemination of CSR objectives within the Group, the Group's executive remuneration policy includes CSR criteria.

Thus, 25% of the variable remuneration of company officers and 10% of the variable remuneration of members of the Executive Committee and Club 1797 comprising the Group's main managers, for the 2023 fiscal year, are based

on the achievement of CSR objectives: carbon performance (annual objective of outperformance of the development activity compared to the ER 2020) and the percentage of women in governing bodies. (see Chapter 4, Section 4.4.1 "Remuneration of Nexity's company officers in respect of or during the 2023 fiscal year (*ex-post*)" of this Universal registration document).

3.1.1.5 Dialogue with stakeholders

In a context of major transitions (environmental, societal, digital), where uses are changing, Nexity wants more than ever to listen to its stakeholders and considers that it has a corporate social responsibility to take action above and beyond what its economic activity produces and to prove its usefulness. While the Group interacts with this ecosystem through many channels, a specific framework was created in 2018 with a first Stakeholders Committee, an advisory and proposal body, in a dialogue that is both constructive and adversarial.

In 2021, work to redesign the Committee was launched for a first meeting under the new format in 2022.

This committee meets twice a year to discuss cross-functional or specific topics depending on the requests and interests of the members, as well as the current trends observed in the world in which Nexity operates. The objective is to increase understanding of its ecosystem in order to explore solutions and feed the Group's strategic thinking on societal commitment.

The members of the Stakeholders Committee have been selected to ensure the combination of different perspectives and expertise from the entire Nexity value chain. It is composed of 9 external members and meets in the presence of Executive Management and Executive Committee members:

STAKEHOLDERS COMMITTEE

Nexity's executive Committee (Composed of Executive Management, business lines and cross-functional departments).	Dominique Gauzin-Müller ARCHITECTS Architect and academic specialist in ecological architecture and expert in frugal construction.
Catherine Guerniou SUPPLIERS Committed entrepreneur, CSR leader of the Fédération Française du Bâtiment and member of the Convention des Entreprises pour le Climat.	Sonia Lavadinho URBAN PLANNERS Anthropologist and urban geographer, Founding Director of Cabinet Bfluid, expert in mobility and relational cities.
Xavier Lépine FINANCE PLAYERS Responsible investment expert at Rothschild & Co, specialising in the real estate sector.	Soumia Belaidi-Malinbaum NEXITY DIRECTORS Vice-Chairwoman of Business Development at Keyrus, member of the Board of Directors of Nexity, expert in entrepreneurship in the technology.
Philippe Moati INDIVIDUAL CLIENTS Economist and co-founder of ObSoCo, expert on the retail sector as well as on consumer behaviour.	Daniela Sanna DEVELOPMENT PLAYERS Head of the Urban and Communities Planning Department at ADEME, within the Adaptation, Development and Low-Carbon Trajectories Division.
Adam Poupard YOUTH Student of the Ecole Polytechnique and member of the Pour un "Réveil Écologique" collective, committed to the greater integration of climate issues in higher education and businesses.	Anne Vignot LOCAL COUNCILLORS Mayor of Besançon and Chairwoman of Grand Besançon Métropole, expert in public policies for ecological transition and social justice.

The aims of this Committee are to:

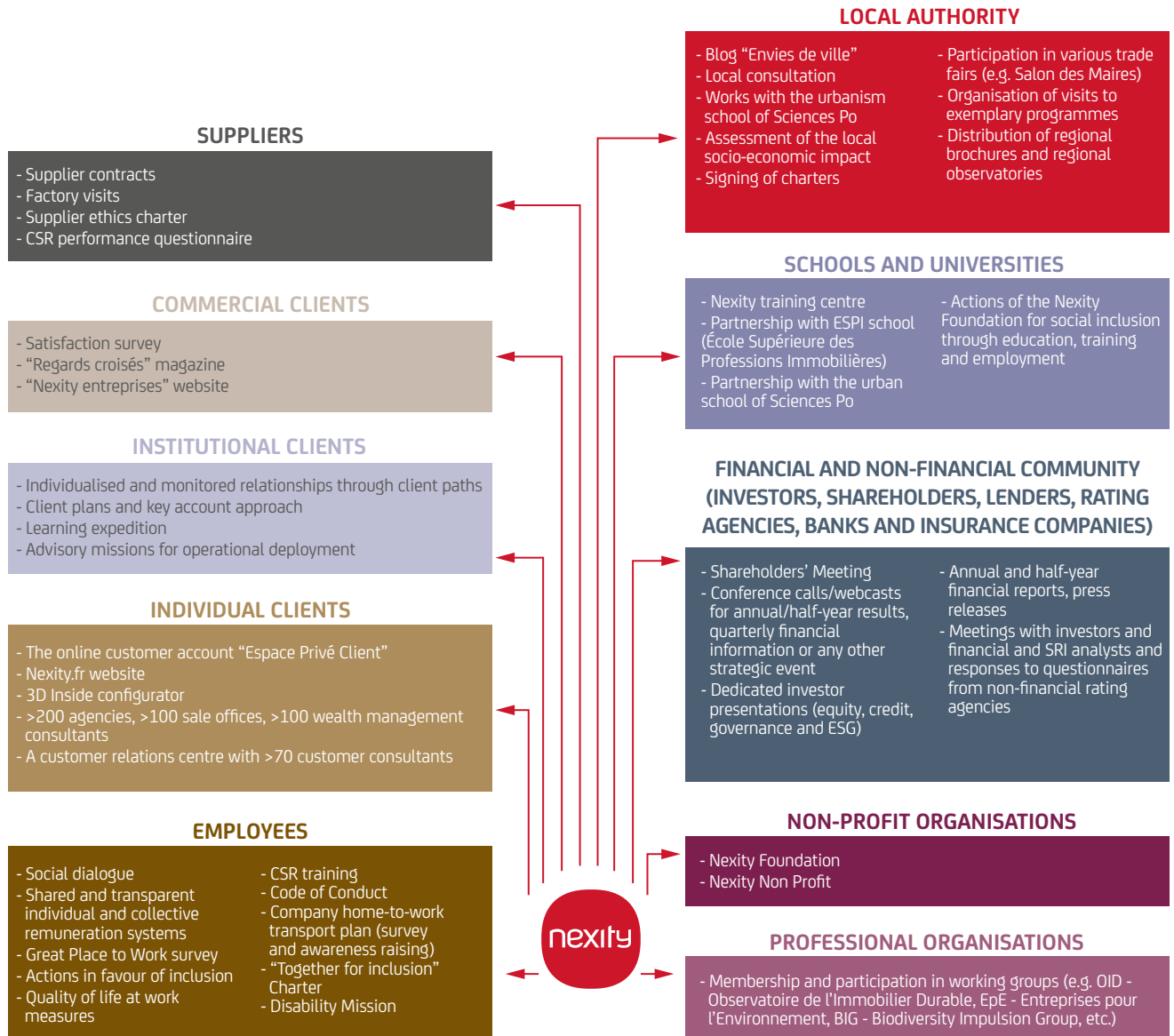
- Provide an advisory opinion on strategic issues, paying particular attention to the consistency of Nexity's positioning with its social and environmental commitments;
- Identify and analyse the emerging challenges of the sector and the structural changes on which Nexity should take a position; and
- Monitor, challenge and fuel the implementation of Nexity's corporate purpose, in particular the key actions applied to achieve the social and environmental objectives, the performance indicators chosen and the product impact.

In 2023, the two meetings focused on two issues related to the environmental transition: the Committee examined the issues related to biodiversity for Nexity, as well as the questions raised by adaptation to climate change, also a major challenge for the Group's activities.

Dialogue tools between Nexity and its stakeholders

The Group's stakeholders can be presented in accordance with the following categories. Dialogue tools help the Group remain attentive to the needs of its stakeholders and demonstrate how they are being addressed.

Stakeholders and dialogue tools



3.1.1.6 Non-financial performance recognised by rating agencies

The Group is regularly assessed by non-financial rating agencies.

Real estate agencies	2021 rating	2022 rating	2023 rating	2022-2023 change	Comments
MSCI ⁽¹⁾	AA	AA	AA	=	Nexity is one of the top 13% of companies in its sector. (Rating ranging from CCC to AAA)
Gaïa Research ⁽²⁾	67/100	73/100	69/100	↓	In 2022, the agency conducted a historic overhaul of its ratings framework, which has led to a revision of the scores over the last three years. (Score ranging from 0 to 100)
Moody's ⁽³⁾	60/100	60/100	Awaiting publication of the 2023 assessment.		In 2022, Nexity maintained its "Advanced" level, ranking 10 th out of 97 European companies in the Financial Services - Real Estate sector. (Score ranging from 0 to 100)
ISS ESG ⁽⁴⁾	C	C-	C-	=	This rating places the Group in the top 20% of companies in its sector. (Rating from D- to A+)
Sustainalytics ⁽⁵⁾	16.8/100	16.5/100	Awaiting publication of the 2023 assessment.	↑	Exposure to ESG risks is considered low. (Score ranging from 0 to 100: reversed interpretation scale: 0 being a negligible level of risk and 100 a severe risk)
CDP ⁽⁶⁾	Climate change : B	Climate change : B	Climate change: A-	↑	In 2023, Nexity improved from a B rating to A- (ratings range from D- to A)
Humpact - Social ⁽⁷⁾	5/5	5/5	Awaiting publication of the 2023 assessment.		In 2022, Nexity maintained the maximum score of 5/5 as it did in 2021. (Scores range from 0 to 5)
Bloomberg Gender-Equality Index (GEI) ⁽⁸⁾	Present	Present	Awaiting publication of the 2023 assessment.		Nexity appears in the Bloomberg Gender-Equality Index for the 5th consecutive year. In 2022, the Group was one of 484 global companies, of which 14 are French
Customer Relations Awards Les Echos - HCG ⁽⁹⁾	7 th	5 th	3 rd	↑	Nexity has climbed from 5 th to 3 rd place in the ranking (top 200)

1) U.S. agency providing decision-making tools and services for the global investor community.

2) Rating agency of the Ethifinance group, specialising in rating the ESG performance of listed European companies (small & midcaps).

3) Global integrated risk assessment company that conducts ESG assessments and offers ESG tools.

4) International rating agency whose solutions enable investors to develop and integrate responsible investment policies and practices.

5) A global leader in the CSR assessment of companies.

6) An international non-profit organisation that analyses the environmental impact of companies.

7) Non-financial rating agency that assesses the impact of French listed companies on social issues.

8) Index that monitors the performance of public companies that have committed to disclosing their efforts to support gender equality through policy development, representation and transparency.

9) Annual ranking of the best performing companies in terms of customer relations.

3.1.2 The Group's CSR risks and main opportunities, duty of care

In 2022, Nexity updated the level of criticality and impact of its CSR risk mapping following the update of the Group's risk mapping by the Risk Department. The risk assessment is based on the methodology developed by the latter.

3.1.2.1 Table of the Group's CSR risks

Category	Risk	Group risk	Residual criticality	Level of control
STRATEGY				
	Failure to achieve the Group's strategic climate and biodiversity objectives	YES	Moderate	Satisfactory
	Risks related to climate change	NO	Very high	Satisfactory
HUMAN RESOURCES				
	Mismatching between skills and changes in the Group's business lines	YES	Moderate	Highly satisfactory
	Turnover	YES	Moderate	Satisfactory
BUSINESS LINE				
	Difficulty accessing housing	NO	Very high	Satisfactory
	Severe incidents at construction sites	YES	Moderate	Satisfactory
RELATIONS WITH THIRD PARTIES				
	Non-compliance with environmental, social and societal requirements by suppliers	NO	High	Can be improved
	Lack of quality of products/services	YES	Very high	Satisfactory
COMPLIANCE				
	Non-compliance	YES	Moderate	Satisfactory

3.1.2.2 Description of CSR risks, their management and related opportunities

STRATEGIC RISKS / NON-ACHIEVEMENT OF THE GROUP'S CLIMATE AND BIODIVERSITY STRATEGIC OBJECTIVES ⁽¹⁾

IMPACT High	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY Moderate	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
This risk and its control measures at Group level are described in Chapter 2, Section 2.2.2 “Description of specific risk factors” of this Universal registration document			
Opportunity: Environmental performance as a point of differentiation • Better control of environmental risks and their financial impacts • Improve trust and reputation thanks to Nexity's actions to anticipate these issues			

STRATEGIC RISKS / RISKS RELATED TO CLIMATE CHANGE

IMPACT Very high	LIKELIHOOD Certain	RESIDUAL CRITICALITY Very high	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
The building sector accounts for 23% of greenhouse gas (GHG) emissions and almost half of the country's energy consumption ⁽²⁾. It is subject to physical risks and transition risks related to climate change. The various components of these risks are taken into account in the overall assessment of the Group's climate risk. The following are taken into account: current and future regulations (<i>e.g.</i> French ER 2020, EU Taxonomy Regulation, TCFD, CSRD, <i>etc.</i>), technological developments, new market expectations (low-carbon products and services), reputational or litigation risks (<i>e.g.</i> duty of care), risks of extreme or long-term climatic events (impact on the progress of construction, availability of land or wood resources, <i>etc.</i>), and the resilience and comfort of its buildings.		In order to address the risks related to climate change, Nexity has set itself a carbon trajectory for 2030, certified in 2021 by the Science Based Target initiative (SBTi) as being aligned with the Paris agreement (well below 2°C). This ambitious trajectory concerns both the real estate development activity (Scope 3) but also the emissions related to the Group's administrative sites and vehicles (Scopes 1 and 2). In 2022, the Group raised its goals and in 2023, its carbon trajectory was certified 1.5°C-aligned by the SBTi. In addition, the Group is strengthening its offer with the development of a wide range of low-carbon products and services and restructuring with a focus on low-carbon construction at controlled costs and incorporating the challenges associated with adapting to climate risks. These elements are described in detail in Section 3.2.2 “Acting for the climate: an ambitious climate strategy for a low-carbon and resilient city” of this chapter.	
Opportunity: Carbon performance as a point of differentiation			
• Increased interest in the Group's products and services and market share gains. • Anticipation and adaptation to climate change. • Competitive advantage in responses to calls for tenders.			

1) Risk present in the Group's major risk matrix in Section 2.2.1 "Summary of major risks" of this Universal registration document.

2) French Ministry of Ecological Transition - Construction and environmental performance of buildings (14 October 2022)

RISKS RELATED TO HUMAN RESOURCES MANAGEMENT / MISMATCH OF SKILLS TO CHANGES IN THE GROUP'S BUSINESS LINES ⁽¹⁾

IMPACT High	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY Moderate	LEVEL OF CONTROL Very satisfactory
Risk description		Risk management	
This risk and the actions to control it at Group level are described in Chapter 2, Section 2.2.2.3 "Human Resources (HR) risks" of this Universal registration document.			
Opportunity: Human capital enhancement • Development of employees’ skills to support Company performance. • Employee satisfaction and differentiation and competitive advantage in a stressed market. • Support for innovation and value creation in products and services. • Better operational control.			

RISKS RELATED TO HUMAN RESOURCES MANAGEMENT / SIGNIFICANT INCREASE IN TURNOVER ⁽²⁾

IMPACT Moderate	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY Moderate	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
This risk and the actions to control it at Group level are described in Chapter 2, Section 2.2.2.3 "Human Resources (HR) risks" of this Universal registration document.			
Opportunity: Attracting and retaining talent			
• Attracting new talent and retaining the Company's existing talent. • Improved employee well-being and satisfaction.			

RISKS RELATED TO THE BUSINESS LINES / DIFFICULTY ACCESSING HOUSING

IMPACT Very high	LIKELIHOOD Certain	RESIDUAL CRITICALITY Very high	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
The difficulty of accessing housing is reflected within the Group by two issues: • A societal issue, difficulty for households to find housing, access to housing for people in precarious situations; and • An economic challenge for Nexity, in the event that its offer does not match its clients' expectations, including social housing operators or first-time buyers.		The Nexity group's long-standing societal commitment to access to housing today involves the activities of Nexity Non Profit and the Nexity Foundation to promote housing for people in difficulty. As the leading partner to social housing operators, the Group has also developed an entire range of products to facilitate housing for all. (see Section 3.3 “Making cities inclusive and supportive” of this chapter).	
Opportunity: Commitment to housing for all			
• Identification of Nexity as a major partner committed to housing for all. • New project opportunities in partnership with landlords and/or local authorities.			

1) Risk present in the Group's major risk matrix in Chapter 2, Section 2.2.1 "Summary of major risks" of this Universal registration document.

2) Risk present in the Group's major risk matrix in Chapter 2, Section 2.2.1 "Summary of major risks" of this Universal registration document.

RISKS RELATED TO THE BUSINESS LINES / SERIOUS INCIDENTS AT CONSTRUCTION SITES ⁽¹⁾

IMPACT High	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY Moderate	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
This risk and the actions to control it at Group level are described in Chapter 2, Section 2.2.2.4 "Risks related to the business lines and relations with third parties" of this Universal registration document.			
Opportunity: Improve awareness of risk prevention at construction sites			
• Maintaining trusting relationships with clients and suppliers. • Better operational control of project management.			

RISKS RELATED TO RELATIONS WITH THIRD PARTIES / NON-COMPLIANCE WITH ENVIRONMENTAL, SOCIAL AND SOCIETAL REQUIREMENTS BY SUPPLIERS

IMPACT High	LIKELIHOOD Certain	RESIDUAL CRITICALITY High	LEVEL OF CONTROL Can be improved
Risk description		Risk management	
Nexity is exposed to risks of harm to the environment, personal health and safety and human rights throughout its supply chain. An incident could result in Nexity being held liable and damage to the Group's image.		In order to limit the risks of CSR incidents in its supply chain, Nexity has implemented a responsible purchasing approach and rolled out its responsibility under the duty of care (see Section 3.5.3 "Strengthening the responsible supplier relationship" of this chapter).	
Opportunity: Strengthening responsible purchasing and supplier relations			
• Contribution of the purchasing process to the CSR strategy and client differentiation. • Competitive advantage in responses to calls for tenders. • Better operational control of the supply chain.			

RISKS RELATED TO RELATIONS WITH THIRD PARTIES / LACK OF QUALITY OF PRODUCTS/SERVICES ⁽²⁾

IMPACT Very high	LIKELIHOOD Likely	RESIDUAL CRITICALITY Very high	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
This risk and the actions to control it at Group level are described in Chapter 2, Section 2.2.2.4 "Risks related to the business lines and relations with third parties" of this Universal registration document.			
Opportunity: Client preference			
Gains in market share, in particular by enabling clients to become brand ambassadors.			

1) Risk present in the Group's major risk matrix in Chapter 2, Section 2.2.1 "Summary of major risks" of this Universal registration document.

2) Risk present in the Group's major risk matrix in Chapter 2, Section 2.2.1 "Summary of major risks" of this Universal registration document.

RISKS RELATED TO COMPLIANCE / NON-COMPLIANCE ⁽¹⁾

IMPACT High	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY Moderate	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
This risk and the actions to control it are described in Chapter 2, Section 2.1.6 “Business ethics and compliance” of this Universal registration document.			
Opportunity: Maintaining trusting relationships with stakeholders			
• Maintaining trusting relationships with its stakeholders thanks to the integrity and irreproachable conduct of employees.			

3.1.2.3 Duty of care

The governance of the duty of care plan is based on two pillars: firstly, the coordination of the knowledge, expertise and resources necessary to maintain the duty of care plan, which is entrusted to the Coordination Committee, created in 2023 and bringing together the directly relevant functional departments (CSR, Human Resources, Construction, Employee Relations, Safety and Prevention and Compliance departments); and secondly, oversight of the duty of care plan, which is carried out by the Compliance Department.

The duty of care risk mapping was updated in 2022.

The following risk description table completes the risk mapping with a view to specifying the mitigation and prevention measures implemented by the Group.

The methodology used to assess these risks is the same as that developed by the Risk Department (see Chapter 2, Section 2.1.3.2 "Operational risk management and internal control" of this Universal registration document).

Risks related to the duty of care

Category	Risk	Group risk	CSR risk	Residual criticality	Level of control
STRATEGY					
	Risks related to climate change	NO	YES	Very high	Satisfactory
HUMAN RESOURCES					
	Risks related to employee working conditions	NO	NO	High	Satisfactory
BUSINESS LINE					
	Severe incidents at construction sites	YES	YES	Moderate	Satisfactory
RELATIONS WITH THIRD PARTIES					
	Lack of quality of products/services	YES	YES	Very high	Satisfactory
	Non-compliance with environmental, social and societal requirements by suppliers	NO	YES	High	Can be improved

Description of the risks and the management and control measures implemented

Four of the five risks related to the duty of care have already been described, either in the Group's major risk matrix (see Chapter 2, Section 2.2.2 "Description of specific risk factors" of this Universal registration document), or in the CSR risk

matrix (Section 3.1.2.2 "Description of CSR risks, their management and related opportunities" of this chapter). They are therefore not detailed below.

1) Risk present in the Group's major risk matrix in Chapter 2, Section 2.2.1 "Summary of major risks" of this Universal registration document.

**RISKS RELATED TO HUMAN RESOURCES MANAGEMENT /
RISKS RELATED TO EMPLOYEE WORKING CONDITIONS**

IMPACT High	LIKELIHOOD Unlikely	RESIDUAL CRITICALITY High	LEVEL OF CONTROL Satisfactory
Risk description		Risk management	
The working conditions of the Group's employees involve risks in terms of their rights (discrimination, harassment, poor quality of social dialogue), their working conditions (imbalance between professional and personal life, etc.), their health as well as their safety.		The Group is present in countries that have ratified the eight ILO core conventions. The workforce is represented by 155 members and alternate members across 8 bodies. Several agreements signed in 2023 are evidence of the healthy social dialogue within the Group. For more information on social dialogue and the agreements signed in 2023, see Section 3.4.3.5 "Additional information - Social dialogue" of this chapter. Risks of discrimination such as those related to gender, disability or social and cultural origins are limited thanks to a policy of inclusion and equal opportunities. This is described in detail in Section 3.4.3 "Promoting inclusion and equal opportunities" of this chapter.	

Procedures for assessing the situation at subsidiaries, subcontractors and suppliers
Assessment and monitoring of Group subsidiaries
Environment

The CSR Department prepares annual reports to monitor the Group's environmental performance. To this end, the CSR Department relies on the entities concerned, the tools deployed and the network of CSR officers, created in 2021, to collect and consolidate data from the subsidiaries. The achievement of objectives relating to environmental issues (carbon footprint, energy renovation, biodiversity) is monitored using numerical indicators. They make it possible to assess the effectiveness of the action plans put in place and the performance of subsidiaries. These indicators are also necessary to define corrective or support actions if necessary.

Health and safety

The Group's health and safety risks are regularly assessed using the single occupational risk assessment document (DUERP or "document unique d'évaluation des risques professionnels" in French). This document is updated at least once a year by each subsidiary concerned.

In addition, a certain number of social indicators presented in Section 3.4 "Developing human capital" of this chapter, reflect the development of health and safety issues within the Group (frequency rate and severity, number of workplace and commuting accidents). Lastly, the Safety and Prevention Department works with Executive Management and operational management to assess the risks posed by the Group's activity and likely to have an impact on the health and safety of employees.

Human rights

Depending on the category of people in question (employees, clients, suppliers, etc.) and the risks they face (discrimination, harassment, abuse of weakness, mistreatment, illegal work, etc.), the various departments concerned (Legal, Human Resources, CSR, Safety and Prevention, etc.) have put in place appropriate assessment procedures as well as monitoring indicators (e.g. proportion of women in top management, site visits, etc.).

Assessment and monitoring of suppliers and subcontractors

The Group has developed a responsible purchasing policy based on the sourcing of environmentally-responsible products and the assessment of suppliers and subcontractors.

The latter aims to identify and manage risks before any contracts are entered into and then monitor them throughout the commercial relationship. It is based on a procedure and specific tools, such as the assessment questionnaire in which suppliers answer questions to assess their policies and actions in terms of environmental protection, personal health and safety, human rights and fundamental freedoms.

Whistleblowing procedure

The Group has an internal whistleblowing system that makes it possible to receive and process alerts regarding potential or proven harm to the environment, personal health and safety, human rights and fundamental freedoms. This system is accessible to all permanent and temporary employees, as well as to external stakeholders.

The system is governed by a procedure that guarantees the confidentiality of data processing and gives the whistleblower the option to remain anonymous. It specifies the reprisals against which the whistleblower is protected. Its last update, which incorporates the recent changes to the French Wasserman Law, took place in 2023 (see Chapter 2, Section 2.1.6 "Business ethics and compliance" of this Universal registration document). The whistleblowing procedure is also included in the Supplier Ethics Charter, which was audited in 2023 and, based on a selection of contracts, determined the signing rate (58%). An improvement plan will be implemented in 2024 to increase this rate, and will be monitored on an annual basis.

Monitoring system for measures implemented

The risks are reassessed annually and are subject to change. The management and control measures implemented are identified with the CSR Department, the Safety and Prevention Department, the Human Resources Department, the Construction Department and subsidiaries to enable the duty of care plan to be updated at least once a year or at the time of the occurrence of events that could have a significant impact on the level of criticality of one or more risks.

3.2 MEETING THE ENVIRONMENTAL CHALLENGE

According to ADEME ⁽¹⁾, in France, the building sector is the second-largest emitter of greenhouse gases after the transport sector, if emissions related to energy consumption alone are considered ⁽²⁾. Added to this is the biodiversity loss, with 75% of terrestrial environments severely degraded, and one million species threatened with extinction worldwide.

Multiple pressures are exerted, such as changes in land use or climate change. In addition, there are regulatory pressures, as well as the expectations of customers and of civil society.

Faced with these risks, real estate must also provide solutions in terms of mitigating and adapting to climate change, but also in terms of re-establishing links between humans and the rest of the living world by reintegrating nature into the city and by using materials in a meaningful way. The environmental strategy thus constituted is managed through objectives for Nexity's real estate development and services businesses. In addition, this strategy includes a platform for employee mobilisation, awareness-raising and training.

3.2.1 Strategic environmental objectives

Objectives	Maturity	2021	2022	2023
Reduce CO ₂ emissions from administrative sites (Scopes 1 and 2) by 47% compared to 2019*	2030	+15%	+1%	+36% ⁽¹⁾
Reduce CO ₂ emissions per square metre delivered (Scope 3 development) by 42% compared to 2019*	2030	-2% ⁽²⁾	-5%	-5% ⁽³⁾
Have 100% of residential projects delivered with planted areas	2023	92%	93%	98%
Have 100% of office projects delivered with planted areas	2023	100%	100%	100%
Have had the energy renovation work approved for 10,000 condominium housing units between 2022 and 2025 ^{(4)*}	2025	3,504	1,971	2,351
Manage 3,500,000 sq.m. of low-carbon assets ⁽⁵⁾	2025	2,687,000	3,284,000	3,348,000

(1) Scopes 1 & 2 represent 0.6% of the Group's total scope 1, 2 and 3 emissions in 2023.

(2) Result recalculated in accordance with ER 2020 environmental regulation methodology.

(3) The consolidation between residential and commercial development is carried out using a weighting of 90% for residential development and 10% for commercial development.

(4) Corresponding to 150 condominiums.

(5) The areas under low-carbon management correspond to the following Property Management missions: support for the Tertiary Decree, support for the implementation of an SRI strategy, environmental certification, management of a guarantee of expenses, commissioning of new buildings, implementation of a renewable energy supply contract, environmental performance monitoring via green committees, deployment of a carbon performance contract.

* Indicator verified by Mazars (independent third party) with a moderate level of assurance.

1) French Environment and Energy Management Agency.

2) The building sector accounts for 25% of greenhouse gas (GHG) emissions (official assessment 1990-2020; Citepa (*Centre technique de référence en matière de pollution atmosphérique et de changement climatique*); 30 June 2021) and nearly half of the nation's energy consumption (43% according to the French Ministry for the Ecological Transition - Construction and environmental performance of buildings).

3.2.2 Acting for the climate: an ambitious strategy for a low-carbon and resilient city

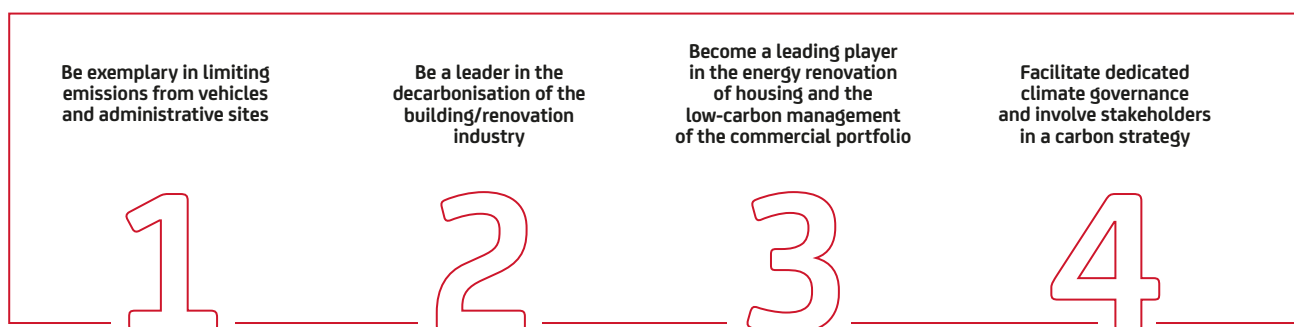
As a global real estate operator, Nexity has a key role to play in driving the ecological transition, particularly in urban areas. While it is neither a materials manufacturer nor a construction company, it is responsible during construction, as a specifier. The evidence of global warming requires profound transformations in the functioning of regions and lifestyles, to move towards more energy efficient and sustainable urban models. Whether they are

extreme temperature waves, urban heat islands, greater environmental constraints or an increase in demographics, Nexity has adapted its environmental strategy to take these factors into account and initiate profound changes in its business lines.

Nexity's ambition is to become the leader in decarbonisation and to be a benchmark in energy efficiency in real estate.

3

ACTING FOR THE CLIMATE AROUND 4 COMMITMENTS



A carbon trajectory and ambitious objectives

In 2020, Nexity set itself a carbon trajectory for 2030 certified in 2021 by the Science Based Target initiative (SBTi) as being aligned with the Paris agreements (well below 2°C). This ambitious trajectory concerns both the real estate development activity (Scope 3) but also the emissions related to the Group's administrative sites and vehicles (Scopes 1 and 2).

This initiative, jointly led by the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resource Institute (WRI) and the World Wildlife Fund (WWF), aims to promote business strategies aligned with the level of decarbonisation required to keep the increase in global temperatures below 2°C or even below 1.5°C, compared to pre-industrial temperatures, in accordance with the recommendations of the Intergovernmental Panel on Climate Change (IPCC) and the Paris Climate Agreement. Nexity is therefore committed to the objective of contributing to global neutrality by 2050.

In 2022, the Group raised its goals and in 2023, its carbon trajectory was certified 1.5°C-aligned by the SBTi, with the aim of:

- Reducing by 47%, in terms of absolute value, emissions related to administrative sites and vehicles (Scopes 1 and 2) by 2030 compared to the 2019 reference year;
- Reducing by 42% per square metre delivered (expressed in terms of floor area) emissions related to construction materials and the energy consumption of buildings delivered (Scope 3 development) by 2030 compared to 2019;
- Have approved energy renovation works for 10,000 condominium units between 2022 and 2025; and
- Manage 3,500,000 square metres of low-carbon assets by 2026.

These objectives are steered by a governance aligned with the CSR governance described in Section 3.1.1.4 "CSR governance" in this chapter, with the Executive Committee in particular, as well as operational governance between the support departments and the business line entities.

The Group's carbon footprint

Each year, Nexity assesses greenhouse gas emissions for Scopes 1, 2 and 3. The Group's carbon emissions are notably linked to vehicles and administrative buildings (Scopes 1 and 2) and the carbon emissions of its sphere of influence are mainly linked to buildings delivered as part of the development activity, throughout their life cycle (Scope 3).

Most of Nexity's carbon emissions are related to its development business. In the calculation of GHG emissions, this relates to "Scope 3", which falls under the extended responsibility of the Group. In 2019 (reference year), scope 3 represented 97% of total emissions, i.e. around 1 million tonnes of CO₂. These emissions were calculated taking into account the entire life cycle of the building, over a conventional period of 50 years, considering the extraction of materials, construction and operation until the demolition of the structure.

2023 Carbon assessment

(in tCO ₂ e)	2019*	2021	2022	2023 (like-for-like basis) ⁽⁴⁾	2023 % (like-for-like basis) of total	2023 (extended basis) ⁽⁵⁾
Scope 1 (administrative sites and vehicles)**	5,071	5,816	4,991	7,160	0.6%	7,494
Scope 2 (administrative sites)**	605	733	751	551	0.04%	558
Total scopes 1 & 2	5,676	6,549	5,742	7,711 ⁽²⁾	0.6%	8,052
Scope 3: residential development**	917,842 ⁽¹⁾	957,523	1,089,167	1,156,197 ⁽³⁾	90.1%	-
o/w materials	N/D	589,724	693,335	724,868	-	-
o/w energy	N/D	367,799	395,832	431,329	-	-
Scope 3: commercial development**	140,198 ⁽¹⁾	84,668	33,260	103,756	8.1%	-
o/w materials	N/D	71,634	28,035	90,848	-	-
o/w energy	N/D	13,034	5,225	12,908	-	-
Scope 3: administrative sites and vehicles	26,039	20,866	18,139	14,988 ⁽²⁾	1.2%	19,783
Total scope 3	1,084,079	1,063,057	1,140,566	1,274,941	99.4%	1,279,736
TOTAL (scopes 1 & 2 & 3)	1,089,755	1,069,606	1,146,308	1,282,652	100%	1,287,788

* Reference year.

** Indicators verified by Mazars (independent third party) with a moderate level of assurance.

(1) Recalculation of data in accordance with ER 2020 environmental regulation methodology.

(2) The calculation of the Bilan Carbone® 2023 carbon assessment is based on 90% of emissions which come from actual data vs. 10% from extrapolated data.

(3) The calculation was based on 78% actual data and 22% extrapolated data.

(4) The like-for-like basis only concerns administrative sites and vehicles.

(5) The extended basis only concerns administrative sites and vehicles and includes the integration of additional emission sources.

Nexity's approach to reducing its carbon footprint

Nexity firstly wants to reduce greenhouse gas emissions related to its direct scope of responsibility, namely **Scopes 1 and 2 related to administrative sites**. This is a small portion of the Group's carbon emissions but they represent those over which it has direct control.

The carbon emissions related to its business as a developer (**Scope 3 Development**) are not emitted directly by Nexity, but by the players mobilised by the Group upstream of a project, and by the users of the buildings thereafter. These emissions therefore involve its entire value chain.

In 2023, the carbon weight of residential development deliveries was 1,156,197 ⁽¹⁾ tCO₂e, of which 63% for materials used and 37% for energy over 50 years of operation. The carbon weight of tertiary development

deliveries was 103,756 ⁽²⁾ tCO₂e, of which 88% for materials used and 12% for energy over 50 years of operation.

Nexity also aims to support its clients in the decarbonisation process (**Scope 3 Services**). Thus, the Group is committed to supporting them in their efforts and has set up dedicated support offers.

Societal change remains key to the achievement of objectives, as well as those set out in the Paris Agreement. Influencing society as a whole is therefore an integral part of Nexity's transition plan.

The policies, actions and results relating to these scopes are detailed in the following sections.

3.2.2.1 Being exemplary in terms of the carbon footprint of administrative sites and vehicles

Having obtained "well below 2°C" certification on its carbon trajectory from the SBTi in March 2021, Nexity raised its carbon ambitions in 2022 and its carbon trajectory was certified 1.5°C-aligned by the SBTi in 2023, with a very strong ambition on Scopes 1 and 2.

It is important for the Group to act within its scope of direct responsibility, namely on:

- Scope 1: mainly emissions related to service and company vehicles;

- Scope 2: mainly emissions related to electricity consumption; and
- Scope 3: mainly emissions related to employee travel and assets.

Responsible management of its administrative sites and its vehicle fleet is one of Nexity's commitments to reduce its energy consumption and associated carbon emissions.

1) Expressed in intensity, this carbon weight is 1,310 kgCO₂ per sq.m.

2) Expressed in intensity, this carbon weight is 1,101 kgCO₂ per sq.m.

Breakdown of CO₂ emissions from administrative sites and vehicles in 2023

EMISSION SOURCES	CO ₂ emissions (tCO ₂ e)			
	2021	2022	2023 like-for-like basis	2023 extended basis
Scope 1 – Direct CO₂ emissions	5,816	4,991	7,160	7,494
Direct emissions from stationary combustion sources (Natural gas consumption for heating)	22	108	0.2	0.2
Company and service car fuel consumption	5,532	4,717	7,156	7,490
Direct fugitive emissions (air conditioning refrigerant leakage)	262	166	3.8	3.8
Scope 2 – Indirect CO₂ emissions	733	751	551	558
Electricity consumption	457	521	351	358
Steam consumption	275	230	200	200
Scope 3 – Other indirect emissions, of which:	20,866	18,139	14,988	19,783
Paper and consumable office supplies	925	705	703	3,952
Waste	96	68	115	115
Business travel	1,301	1,946	806	806
Commuting	4,804	4,591	3,133	3,133
TOTAL (scope 1 & 2 & 3)	27,415	23,881	22,699	27,835

Group results

The breakdown of the GHG emissions of the Group's administrative sites and vehicles is as follows for 2023:

- Scope 1: 32%
- Scope 2: 2%
- Scope 3: 66%

The rise in GHG emissions observed between 2022 and 2023 is mainly due to a change in the scope taken into account. Indeed, as specified in the "Notes on methodology pertaining to disclosure of workforce, environmental and societal information" (see Section 3.7 of this chapter), the 2023 carbon footprint assessment includes new Scope 3 items, namely office furniture (included in "non-current assets"), meals served at the company canteen (included in "Inputs" and "Waste"), and purchases of services (included in "Inputs"). In addition, Angelotti was added to the Group's scope in 2023. Based on the 2022 Bilan Carbone assessment, the 2023 carbon footprint decreased by 4.95% (22,699 tCO₂e). Those of Scopes 1 and 2 alone increased by 36%.

A trajectory for reducing the emissions of vehicle fleets

All scopes combined, 50.5% of the Group's GHG emissions were related to the vehicle fleet in 2023 (93% for Scopes 1 and 2, and 28.7% for Scope 3). To help reduce this impact, since 2021, the Group has applied a greening process to its vehicle fleet, resulting in a stronger presence of electric and/or hybrid vehicles. Nexity has stepped up its ambition in 2022 with a carbon emissions trajectory for its fleet of service vehicles and a plan to roll out hybrid and electric vehicles.

At the same time, Nexity has been offering a mobility loan, an alternative to the company car in favour of an allocated amount, thus encouraging the use of car-sharing, the train or even short-term car rental.

Actions to reduce Scopes 1 and 2 emissions related to administrative sites

In partnership with the lessor, a contract was signed for the Group's head office in Paris, in order to use an innovative, predictive and proactive solution for the management of energy consumption related to heating, ventilation and air conditioning (HVAC).

Implementation of a sobriety plan

Because Nexity believes in the need for low-carbon, inclusive and resilient cities, the Group firmly believes that energy sobriety must be designed in a sustainable and affordable way. It can neither be a simple short-term approach, nor be open only those who can afford it.

Nexity therefore strives to be exemplary at its own sites by relying on its employees, but also acting as a promoter of sobriety for and at the service of its clients, in particular through the implementation of an energy shield and the roll-out of "Essentiel" real estate with the objective of reducing energy consumption in France by 10% in two years.

Actions to reduce Scope 3 emissions related to administrative sites

Each year, as part of its carbon footprint assessment, Nexity conducts a survey on how its employees commute to work. In 2023, this survey recorded a significant response rate, with 55% of the workforce. This inventory enables a better identification of the levers to support employees towards less emitting modes of transport.

Since 2017, the Group has offered a bicycle mileage allowance to reimburse expenses related to commuting by bicycle (purchases, repairs, etc.). The travel policy was also revised in 2021 to limit air travel.

Since 2022, actions have also been carried out by Nexity's Information Services Department (DSIN) to reduce the carbon footprint of the "non-current assets" associated

Actions to become a player committed to responsible digital technology

Nexity group implements an environmentally responsible IT policy based on the recommendations of the *Institut du Numérique Responsable*.

In order to accelerate the convergence between the ecological and digital transition, the priority is now to disseminate key gestures as quickly as possible and to as many people as possible, which is why several areas of work have been identified with this in mind.

Governance and management

The Group's objective is to raise awareness and develop the skills of all IT employees to integrate a digital frugality approach within projects as well as its dissemination to the business lines, to put responsible and sustainable digital technology at the heart of projects.

In order to define and manage the various projects, the DSIN (Digital Solutions and Innovation Department) appointed a CSR Manager in May 2020. Supported by the Management Committee of the DSIN, his role is to develop and manage the Responsible Digital roadmap.

Raising awareness of responsible digital technology

Users are the critical link in the implementation of responsible digital best practices within an organisation and it is therefore important to involve them as much as possible in the process.

To raise awareness of the environmental impact of digital technology within the DSIN, two major events were held in 2023: a "Digital Fresco" workshop in which the 50 DSIN managers took part, and a responsible digital awareness escape game for the 140 employees of the DSIN.

At Group level, an awareness-raising campaign on eco-friendly digital practices, incorporated into the energy sobriety strategy promoted by the French State, was rolled out in 2023. In addition, Nexity took part in Digital Clean Up Week, which saw more than 1 tonne of non-professional equipment being collected from employees invited to drop off their used equipment at several Group sites.

with IT assets (extending the life of laptops, shutting down workstations from 10 pm, longer standby time for meeting room screens and printers).

Training is also a key tool in the acquisition of these best practices in order to ensure a successful transition to responsible digital technology. For example, the Group held a "Digital Accessibility" webinar on the various products of the Microsoft 365 suite in order to facilitate their use by employees.

Environmentally responsible printing policy

Since the beginning of 2022, the roll-out of the "360° printing" project has resulted in +90% of the Group's printer fleet being replaced by new printers that are more efficient in terms of the environment and energy. This has also helped to reduce paper consumption (3,705,970 sheets saved - equivalent to 463 trees) and the carbon footprint (63.5 tCO₂eq).

Equipment life cycle and end-of-life treatment

The extension of the life of equipment (computers and telephones) has helped to extend equipment renewal periods from 3.5 years to 7 years. This has resulted in an improvement in the upkeep and maintenance phases. The goal is to allow for longer use by keeping the equipment functional (200 battery replacements on site each year), by anticipating battery replacements on workstations under warranty, and by offering a second life to IT equipment via our partner ATF Gaia (more than 1,400 items of equipment were reconditioned in 2023).

End-of-life computers and telephones have been entrusted to ATF Gaia for dismantling since 2018. Since 2019, more than 12,000 items of equipment have been processed under this system.

3.2.2.2 Be a leader in the decarbonisation of the building / renovation industry (Scope 3 Development)

To meet its commitment to become a leader in the decarbonisation of building/refurbishing, Nexity aims to reduce CO₂ emissions per square metre delivered by 42% in 2030, compared to 2019 for its development activities. These CO₂ emissions represent the life cycle emissions of every real estate project delivered during the year. The life cycle includes the carbon related to the materials used but also the carbon related to energy consumption over the life of the building (50 years).

To this end, Nexity has defined key actions to gradually change its business:

- Governance and an operational deployment system;
- Actions to limit energy-related carbon in operations (energy performance and decarbonised energy vectors); and
- Develop the use of low-carbon construction methods and materials, including reuse, and further develop refurbishment.

Breakdown of CO₂ emissions in intensity of scope 3 development deliveries

This data is presented in tCO₂e in Section 3.2 "Meeting the environmental challenge" in the table "2023 Carbon assessment"

(in kgCO ₂ per m ²)	2019	2021	2022	2023
Residential development	1,370	1,344	1,305	1,310
Commercial development	1,169	1,147	1,109	1,101
Residential and commercial development*	1,350	1,324	1,285	1,289

* The consolidation between residential and commercial development is using a weighting of 90% for residential development and 10% for commercial development.

Operational deployment of the low-carbon strategy

In 2020, for new buildings, France switched from a thermal regulation to an environmental regulation, the ER 2020, which is more ambitious and challenging and which sets maximum CO₂ emission thresholds with decreasing thresholds over time in three-year stages at 2022, 2025, 2028 and 2031. Indeed, it includes thresholds for energy-related carbon (energy CI⁽¹⁾) and thresholds for carbon related to materials (construction CI⁽²⁾).

The ER 2020 is based on three main objectives:

- Continue to improve the energy performance and reduce the consumption of new buildings;
- Reduce the impact on the climate of new buildings by taking into account all emissions throughout the building's life cycle; and
- Enable occupants to live and work in a place adapted to future climate conditions by pursuing the objective of comfort in summer.

Reducing the carbon footprint of development activities requires profound changes. A corporate transformation process based on the design of low-carbon buildings has been in place since 2021.

As soon as the ER 2020 was introduced in 2022, the Group set annual carbon performance targets for all development projects from the building permit filing stage, in line with its carbon trajectory which is 10% more ambitious than the ER 2020. In 2022, the Group had thus achieved its objective of outperforming the ER 2020 by approximately 10%.

The ER 2020 was outperformed by 25% in 2023. The Group once again achieved its objective, with each subsidiary producing a certain proportion of projects already compliant with the 2025 and 2028 thresholds of the regulation, both for materials and energy.

Evolution of the Group's outperformance compared to ER 2020

Year	2022	2023
Difference compared to ER 2020 in the average submission of building permits	10%	25%

After having actively participated in the national experiment of the E+C- label (Energy positive, Carbon reduction), the tools available to operational departments were reviewed. An internal carbon calculator, Carbone 20, incorporating the ER 2020 thresholds, makes it possible to carry out the carbon footprint assessment for a project from the feasibility study phase in order to make appropriate construction and energy choices well upstream.

Quarterly monitoring of the carbon performance of building permit filings is carried out by the Construction Department in the form of carbon reports. The aim of this process is threefold:

- To monitor, measure and anticipate the achievement of the carbon objective in an analytical manner, as early as possible in the development process of property development operations;

- To regularly refine and guide the low-carbon strategy and the choice of action to be taken to best steer the trajectory; and
- To communicate and raise awareness among the 50 development subsidiaries of the low-carbon challenge.

Nexity's key actions to reduce the carbon footprint of its development activity, in a sustainable approach to design, relate to the carbon weight linked to energy consumption and the carbon weight linked to materials.

1) The energy CI (carbon intensity) coefficient is used to define the impact on climate change of energy consumption over the life of the building.

2) The carbon intensity (CI) construction coefficient is used to define the impact on climate change of building components (materials and equipment).

Improve the carbon weight linked to energy consumption

To design buildings with a low carbon footprint during their operational phase (energy CI in the ER 2020), Nexity works to combine multiple solutions: optimisation of the building's orientation, exposure and openings, improved insulation and limitation of thermal bridges, work on glazing, choice of heating method, *etc.* All the Group's new residential projects are therefore designed to consume only a small amount of energy for heating, cooling, hot water, ventilation and lighting.

In 2022, Nexity launched the deployment of heat pumps and thermodynamic solutions for heating, cooling and domestic hot water production. By largely using renewable heat from the air or the ground, these solutions allow for significant energy savings and reduce the CO₂ emissions associated with the "operation" of a real estate project by around 80% compared to a gas installation.

Thanks to this approach, 45% of projects for which the building permit was filed in 2022 were equipped with a domestic hot water heat pump system. In 2023, 62% of projects with a filed building permit were so equipped. The Group intends to continue to apply this approach by using heat pumps in all its projects as soon as technical and economic conditions allow. To this end, Nexity has established industrial partnerships with three recognised suppliers of this type of equipment and is currently training all employees in their use. This approach has helped to significantly reduce the average energy-related carbon emissions (energy CI) of the Group's operations.

Nexity is researching the use of renewable energies such as photovoltaic panels, geothermal energy, wind power and connections to district heating networks (DHN) with significant shares of renewable energy (more than 60%), for the production of heat, domestic hot water, electricity, *etc.*

The main references in residential and commercial real estate in terms of integration of renewable energies:

- The Eco-Campus at La Garenne-Colombes (92), with on-site production of 100% green energy from geothermal sources, photovoltaic panels and biogas boilers; and
- The Tanneries district in Lingolsheim (67), connected to a shared boiler whose heat comes 38% from groundwater and 62% from biomass (wood and waste from local agriculture).

The innovative processes thus feed into the Group's achievements throughout France. In Toulouse Jolimont (31), for instance, for the renewal of a district of wasteland and traffic areas, a circular thermal supply system using fire-gasification will be tested, making it possible to forecast energy consumption by integrating uses.

The Group believes that well-chosen and well-used labels and certifications provide a common framework for investors, owners, developers, builders and occupants to ensure transparency in discussions. As part of its tertiary activities, Nexity made a very early commitment to the energy and environmental performance of buildings by anticipating regulations and obtaining labels and certifications. In 2023, Nexity delivered the Facette, Ark and EB4A, resulting from a mixed-use project comprising housing, offices, services, shops and cultural facilities in the Right Bank Bordeaux region. Once completed, this new district intends to obtain the following labels and certifications: HQE® New Construction - Excellent level, BREEAM® - Very Good level, BEPOS Effinergie 2013 and BBCA.

Similarly, for the residential real estate activities, a total of 2,477 homes obtained NF Habitat or NF Habitat HQE™ certification from Cerqual in 2023.

Acting on materials

Since 2010, Nexity has believed in its choice to use wood and has developed expertise in its use in the tertiary market. In 2021, this expertise was extended to the residential market.

Nexity Immobilier d'Entreprise has developed a range of products tailored to the needs of its clients, with a common foundation of extremely demanding low-carbon and environmental standards: bio-sourced materials for office buildings, refurbished office buildings, reversible office buildings and the office building known as "Essentiel" which doesn't require heating or air conditioning. The latter, thanks to a bioclimatic design working on the reinforced insulation of the building envelope and on its internal inertia, makes it possible to maintain a temperature of between 22°C and 26°C all year round, without heating or air conditioning.

In addition, Nexity is developing an affordable low-carbon tertiary building, Nex'step, using wood and hemp concrete over a surface area of 1,000 square metres. This building will meet the 2028 threshold of the ER 2020. A prototype was launched in 2023 in the Lyon metropolitan area.

Regarding residential real estate, Nexity delivered 450 mixed wood/concrete housing units in 2023. This product, developed by Nexity, is based on an industrialised mixed wood/concrete construction system. It is 50% less emissive than a standard building and is characterised by various performances such as thermal insulation to exceed the standards of the ER 2020; energy efficient, low-carbon electrical systems and a shorter construction time (10 to 14 months of work for 30 housing units, including 6 weeks to be roofed and framed), with less waste generated and much lower levels of nuisance (noise, cleanliness, traffic, safety, *etc.*) the neighbourhood.

To mark its commitment to timber construction, both in residential and office buildings, in 2023 Nexity joined the Fibois association and its regional pacts in Lyon, Orléans, Lille, Paris and Strasbourg.

Nexity innovates in its construction methods to meet environmental challenges, thermal performance, acceptability of buildings and cost. Thus, the Group has already delivered 2,100 Ywood timber housing units, constructed off-site in two dimensions (complete walls with insulation, exterior joinery, façade cladding, *etc.*), making Nexity the leader in wood-frame housing. In addition, the Group is working off-site to develop two-dimensional mixed wood/concrete buildings, offering a prefabricated concrete structure and wooden façades, like the Merville and Anvin projects:

- Merville: residence of 76 apartments, located in the Nord department (59), including a two-storey Ywood building containing 26 housing units; and
- Anvin: Ywood building containing 34 apartments, located in the department of Pas-de-Calais (62).

Building on this experience, the Group is developing off-site three-dimensional industrialised construction, *i.e.* modules entirely manufactured and finished in the factory, including all external and interior finishes (floors, joinery, kitchens, bathrooms). The benefits of this construction method are numerous: high quality of finish, much shorter construction time, low site pollution, controlled costs, carbon performance 50% better than current thresholds, excellent thermal performance, improved working conditions. In order to develop the industrial sector for the French market, a partnership with British leader TopHat was signed in the summer of 2023, the technical studies for adaptation to the French market are underway, and the first deliveries are planned from 2024-2025. There are three major advantages to this construction method: high-quality projects finished and controlled in the factory, environmental quality going beyond the thresholds of the ER 2020 and a shorter period of construction with less pollution.

The partnership signed in 2023 with the Carrefour group, to develop 12,000 housing units on 76 sites, includes a strong environmental component and off-site construction, and should make it possible to widely deploy these innovative construction methods proven by Nexity.

In 2023, the Group's low-carbon construction work was once again recognised by the BBKA association in its ranking of low-carbon real estate players in France. For the 5th year in a row, Nexity excels and ranks first in four categories - in terms of the number of projects undertaken since the creation of the BBKA label in 2016 and over the period August 2022 to July 2023 - and in the number of square metres since 2016 and over the past 12 months. Overall since 2016, 232 projects have been awarded the BBKA label, *i.e.* more than 1 million square metres. In 2023, 98 projects obtained this label, representing 530,770 square metres.

Furthermore, Nexity is a sponsor of the proposal made to the French Ministry of Ecological Transition and Territorial Cohesion in 2021 for a low-carbon label methodology to value the carbon sequestration achieved through the use of bio-sourced materials in construction.

The Group is also developing construction methods involving low-carbon concrete, for example in the Pointe de Trivaux project in Meudon-La-Forêt (92), a mixed-use project covering 48,349 square metres of floor area, where low-carbon concrete is used in the superstructure and wood for the attics.

Lastly, Nexity's subsidiaries can rely on the entities of the Construction Department: the Purchasing and Services Department, whose mandate has been extended to secure the supply and fitting of low-carbon materials, equipment and solutions *via* industrial partnerships (wood, concrete, slag, second fix, *etc.*), the Construction Methods Department, which develops and deploys the industrialised, off-site, low-carbon, rapid, high-performance construction methods of tomorrow. The Low Carbon Department focuses on decarbonisation levers and innovations, and measures the achievement of our ambitions. Nexity Ingénierie is an internal engineering office which offers project management and project ownership assistance services to all Group entities across all technical and environmental areas (thermal, fluid, economy, life cycle analysis (LCA), certification, *etc.*).

Favouring land sobriety and reinventing cities with the "already there" approach

Committed to supporting local authorities for the past 20 years and helping to create inclusive, sustainable and affordable cities, Nexity accelerated its real estate decarbonisation plans in 2023 by developing its specialist urban regeneration brand, Nexity Héritage. The expertise of Nexity Héritage lies in respecting what is "already there", transforming land that has already been artificialised to give it a second life, renovating obsolete buildings to restore their value and use, raising the height of existing buildings, preserving the breadth of living things and biodiversity, and showcasing remarkable heritage.

This reflects Nexity's desire to make urban regeneration a priority in its development activities. The development of Nexity Héritage within the Group reinforces its commitment to making a positive impact on the climate and biodiversity. The Group will thus contribute to the revitalisation of cities and provide concrete solutions to challenges including urban sprawl, densification, the artificialisation of soils, biodiversity conservation and reducing the carbon footprint.

In this context, a major partnership was signed with Carrefour on these issues in July 2023. With the eventual upgrading of 76 Carrefour sites through mixed-use urban projects throughout France, this partnership will enable the nation's first large-scale urban regeneration operation.

Nexity Héritage's tailor-made approach based on expertise

Urban transformation of brownfield sites, urban renewal districts and mixed-use

In terms of districts, Nexity is rethinking and supporting the establishment of mixed uses which enable residents to reclaim abandoned and failing spaces. The Group then physically transforms the buildings in line with the district's future plans.

In this context, the Patio du Temple refurbishment project in Paris, winner at the "Conserver, Adapter, Transmettre" expo, seeks to convert a garage into 39 homes and 1 shop. It is expected to be ready at the end of 2024. The transformation of a car park into social housing, with the primary objective of upgrading what is already there, highlights the technical skills of Nexity Héritage subsidiaries.

Repositioning the use of obsolete assets and in particular the transformation of offices into housing and/or mix-use buildings

When it comes to buildings, the aim is to breathe new life into obsolete buildings by dividing their various parts into different areas for new uses in line with current needs. By retaining the building's characteristics, Nexity creates different conditions of use: open access, social housing, managed residences, co-living, shops, activities, offices, coworking spaces, etc.

Refurbishment of heritage sites, and in particular of buildings classified as historical monuments, on remarkable heritage sites, character buildings or city centres

Nexity gives new life to buildings through adaptive reuse, while restoring the appeal and charm of these buildings which symbolise the anchoring of our society in the roots of a glorious past. In 2023, a project to build 22 housing units was launched (Hôtel PONSARDIN in Reims), while preserving the protected furniture and architectural elements as well as the building's characteristic layout and structure. In addition, this project aims to preserve historic pieces, with a view to restoring a remarkable heritage whilst respecting what's "already there".

Restructuring and raising the height of existing buildings

Raising the height of existing buildings notably enables the introduction of a mixed-use element, in areas where the urban context can be strained, as part of a refurbishment project. For example, the Newton project Champs de Marne will offer extension and heightening work to create new areas for growing and planting, which the existing building does not have, while being more respectful of its immediate environment.

3.2.2.3 Become a leading player in the energy renovation of housing and the low-carbon management of the commercial portfolio

Nexity aims to support its clients in the decarbonisation process. Thus, the Group is committed to supporting them in their efforts and has set up dedicated support offers.

As regards its Real Estate Services to Individuals business, Nexity has been actively involved, for several years, in the energy renovation of condominium properties. The Group aims to achieve 10,000 ecorenovated condominium units by 2025.

For Real Estate Services to Companies activities, Nexity is developing offers aimed at optimising the energy and low-carbon use of its clients' portfolios. Our goal: to become a preferred player in decarbonising the operation of the commercial portfolio. Nexity Property Management (NPM) thus developed a range of services aimed at improving the environmental performance of its clients' assets while controlling the resulting economic impact. The Group aims to reach 3,500,000 square metres of low-carbon assets managed by 2025 ⁽¹⁾.

As part of its carbon strategy, the Group intends to continue to develop these low-carbon services according to three priority areas:

- Identifying and supporting condominium properties in energy renovation;
- Helping individual clients to improve the energy efficiency of their homes; and
- Supporting corporate clients in decarbonising the operation of their commercial portfolios.

1) The areas under low-carbon management correspond to the following missions: Support for the Tertiary Decree, Support for the implementation of an SRI strategy, Environmental certification, Management of a guarantee of expenses, Commissioning of new buildings, Implementation of a renewable energy supply contract, Environmental performance monitoring via green committees, Deployment of a carbon performance contract.

Offers for Individual Clients

Energy renovation of condominium properties

It is one of the most effective ways to limit the greenhouse gas emissions attributed to the real estate sector. Indeed, the condominium sector represents a significant share of housing in France with more than 10 million homes ⁽¹⁾. (10 million out of the total 30 million, of which nearly 15.7% are considered as “energy sieves”, rated F or G for energy performance). In a general context marked by the increased weighting of housing costs in household budgets, the subject of energy renovation is at the heart of everyday life for French people who are aware of the issues and the majority of whom are worried. However, there are many obstacles to the eco-renovation of homes. To better understand these obstacles, Nexity commissioned Ipsos to conduct the survey ⁽²⁾.

Through its Real Estate Services to Individuals business, Nexity has been actively committed since 2015 to the energy renovation of condominium properties, synonymous for the client with improved purchasing power, greater comfort, and added value to their property. Over the years, its strategy has been adapted as follows:

- Strengthening its organisation in 2019 by setting up a national team of “Renovation Coaches”. These Renovation Coaches are employees who have taken a five-month training course enabling them to master the technical approach to renovation, understand the challenges and develop an expert position with employees and clients;
- Renewal in 2022 of the Green Deal with the Sustainable Building Plan and the French Ministries of Ecological Transition and Regional Cohesion to achieve even more ambitious objectives by 2025;
- In 2021, as a continuation of the CSR passport, a CSR training course set up by the Group, Nexity launched the “Eco-Renovation Visa”. This training was rolled out in 2021 and 2022. This digital and fun “visa”, designed for employees of the Services for Individuals division, provides them with all the keys to renovating a building;
- Nexity is working on implementing innovative technical and financial solutions to finance energy renovation projects: energy performance contracts, third-party financing, industrialisation of elevation/densification works, etc.; and
- Lastly, the Group promotes comprehensive work projects that achieve energy savings targets of between 35% and 60%, by systematically providing project ownership assistance to ensure comprehensive support for projects (technical, social and financial).

Energy-renovation of housing

The Climate and Resilience Act includes new measures to promote the energy renovation of housing, in particular for the private rental portfolio. Thus, it provides for a gradual ban on the rental of poorly insulated housing (G labels from 2025, F in 2028 and E in 2034). More than 3 million homes will need to be renovated by 2034.

Nexity, through its expertise in condominium projects, has anticipated future regulations and begun to assist its landlord clients in improving the comfort and thermal performance of their properties.

Following a pilot project carried out in 2021, Nexity rolled out a turnkey and personalised support offer for landlords in 2022: energy audit, search and selection of companies, project management, guaranteeing the energy certification after the work schedule chosen by the client has been completed. At the end of 2023, around 920 energy audits had been ordered or carried out, the first stage of the support offer.

Reduction of energy expenses

The explosion of energy costs over the past two years has led public authorities to set up dedicated tariff shields for real estate projects with collective heating or domestic hot water production.

In addition to the necessary sobriety actions widely passed on to its customers in order to limit consumption, Nexity has:

- From April 2022, mobilised its teams to ensure its clients benefit from the tariff shields put in place; and
- Solicited, as part of a partnership, the support of a specialised player, an energy broker, for the renegotiation of energy supply contracts that are about to expire.

Reduction of energy consumption

Certain assets managed as part of Nexity's property management business lines are affected by the tertiary decree ⁽³⁾.

To meet all the obligations of the decree, the Group offers its clients a comprehensive support solution that includes the implementation of the “Tertiary Decree” system, its annual monitoring as well as the implementation of the energy performance improvement action plan, through the establishment of partnerships.

1) French Ministries of Ecological Transition and Territorial Cohesion, report by the National Observatory for Energy Renovation (ONRE) in November 2023.

2) Ipsos: Energy renovation: more than half of property owners are considering carrying out work but there are still many obstacles in the way. Study carried out on 2,000 people, representative sample of the French population aged 18 to 64. The interviews were conducted online via the IPSOS proprietary panel from 30 January to 13 February 2023.

3) Decree No. 2019-771 of 23 July 2019 on obligations to reduce final energy consumption in buildings used for tertiary activities.

Support for new mobilities

To follow the changes in new uses and, in particular, the rapidly growing development of electric and hybrid vehicles, Nexity has since 2021 rolled out an initiative to equip condominiums with electric charging stations, by working with specialist partners. To date, more than 2,148 quotes have been prepared and 1,302 pieces of equipment are in progress.

Property management offers

Nexity Property Management (NPM) has developed services aimed at improving the environmental performance of its clients' assets while controlling the resulting economic impact.

Occupancy cost guarantee and energy performance

This service makes it possible to secure the following throughout the lease term: energy and fluid consumption, services to occupants (cleaning, reception, mail, catering, fitness, *etc.*), building services (maintenance, insurance, *etc.*) and facilities management services. This is done while still guaranteeing the comfort of the occupants and the durability of the facilities. This offer was rolled out across 14,200 square metres of offices in operation in 2023.

Commissioning ensuring efficient delivery and operation of buildings

Commissioning is a quality assurance process whose objective is to guarantee sustainable performance through a guarantee of comfort, energy efficiency and usability, and the optimal maintenance of buildings. NPM has developed, in partnership with the Commercial Real Estate programme teams, a project management assistance offer which is currently being used on several assets, from design to operation to align interests between the developer, the investor and the lessee by securing the appeal and maintainability of the site for up to two years post-delivery. At the end of 2023, 256,004 square metres of tertiary buildings managed by NPM were covered by AMO commissioning missions.

Tertiary decree: reduction of energy consumption

The decree known as the "tertiary decree" specifies the methods of application of Article 175 of the ÉLAN law (Evolution of Housing, Development and Digital) which requires a gradual reduction in the energy consumption of the French tertiary park: -40% in 2030, -50% in 2040 and -60% in 2050 compared to a reference year after 2010.

NPM has an offer that enables Nexity clients to comply with the obligation to monitor and optimise energy performance as mentioned in this regulatory text. At the end of 2023, 2,206,196 square metres of tertiary buildings managed by NPM were covered by tertiary decree AMO missions.

Energy audits

Nexity has developed an offer to support its clients in carrying out energy audits, identifying potential savings, and preparing the technical file to meet the obligations of the tertiary decree. Thus, the client has the budget for a multi-year plan to improve the energy performance of its real estate portfolio in line with its objectives and with the obligations of the tertiary decree. At the end of 2023, 138,595 square metres of tertiary buildings managed by NPM were covered by energy audit missions.

Energy Management

The management of the operation and management of facilities is at the heart of the energy optimisation approach for tertiary buildings. Energy Management is a tailor-made solution for the:

- Management and control of energy consumption by optimising the management of facilities;
- Management of operating and maintenance contracts with a performance commitment; and
- Continuous measurement and verification of the sustainable performance of the building and its facilities.

Environmental certification in operation

NPM also assists some of its clients in certifying the environmental performance of their assets.

At the end of 2023, 30,785 square metres of tertiary buildings had received environmental certification via an AMO mission operated by NPM.

Environmental performance monitoring

Nexity offers a service that enables the monitoring of all environmental data required by the law of 12 July 2010 on the national commitment to the environment, which requires tenants and lessors to include in their commercial or professional leases an appendix containing the information they must share with each other regarding the characteristics and systems of the building and leased premises, their water and energy consumption, and the quantity of waste produced. At the end of 2023, 394,417 square metres of tertiary buildings were covered by green committee missions.

Definition and deployment of a Real Estate SRI strategy

The SRI label, created in January 2016 by the French Ministry of the Economy and Finance, aims to recognise the transparency and quality of SRI management (Socially Responsible Investment) of labelled funds. A version of the SRI label framework adapted to the management of real estate assets was published on 23 July 2020 and entered into force on 23 October 2020.

NPM has developed a specific methodology to support its investor and asset manager clients in defining and deploying a real estate SRI strategy in a highly operational manner. It also makes it possible to implement all tools and conduct annual monitoring to obtain an SRI label for a fund if that is the goal. At the end of 2023, NPM had 308,162 square metres of buildings covered by missions to support the roll-out of an SRI policy.

3.2.2.4 Facilitating dedicated climate governance and involving stakeholders in a low-carbon strategy

The risks and challenges related to carbon emissions impact Nexity's business model and its value creation system. Thus, the climate is of particular importance internally. Since 2021, it involves the organisation of a specific and dedicated governance, the structure of which is still under development, notably in line with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures).

Today, this governance is already organised at the highest level with the Remuneration, Appointments and CSR Committee (CSR CRN), an entity of the Board of Directors, which validates Nexity's climate strategy, and the Group's Executive Committee.

In 2022, members of the Executive Committee took part in a workshop led by Carbone 4 to define the contribution to global neutrality and reflect on the various climate actions already implemented or to be developed to classify and measure them according to the three drivers of neutrality: reduction, avoiding emissions, and sequestration/offsetting.

In February 2023, the members of the Board of Directors took part in the Climate Fresk to further increase their awareness of the issues related to global warming and current societal issues.

Nexity's objective by 2025 is to raise awareness among 100% of employees about the Climate Fresk.

Actions have been identified to engage all its stakeholders and contribute collectively to the achievement of the objectives set:

- Mobilise and raise employee awareness of climate change and low-carbon construction and train them in the specific challenges of the Group's business lines;
- Support clients with the challenges of the low-carbon city;
- Strengthen climate governance in line with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures);
 - Identify the climate-related risks that could have a material impact on the Group's activities through a scenario analysis planned for 2024; and
 - Planned alignment with all TCFD recommendations by 2024.
- Anticipation of the European CSRD regulation (Corporate Sustainability Reporting Directive).

3.2.3 Preserving biodiversity and promoting nature in the city

As a global real estate operator, Nexity considers that it has a key role to play in driving the ecological transition, particularly in urban areas. The Group's ambition is to be among the companies most committed to making a positive impact in favour of biodiversity. As such, Nexity employees design and build their projects, with the desire to combine nature and construction to promote true urban biodiversity.

Nexity has worked with more than 60 employees and external experts (CEREMA - Centre for studies and expertise on risks, environment, mobility and planning, landscaper, ecologist, green space companies, *etc.*) on the "Naturellement !" (Naturally!) approach. Launched in 2020 for the residential division and in 2021 for the commercial division, this approach aims to integrate vegetation into the Group's operations while respecting biodiversity requirements. These criteria are listed in the specifications which include six principles such as the limitation of land soil sealing, the use of native species, the integration of ecological continuity, and the implementation of awareness-raising signage on sites. The "Naturellement !" approach also includes tools such as a technical guide, a calculator with additional criteria, and an architect brief (to find out more about the roll-out of this guide and the

Stakeholders affected, see focus no. 4, in the section entitled "Co-building and promoting biodiversity with stakeholders"). It is partly on the basis of this work that Nexity has designed its biodiversity strategy and its Act4nature action plan, initially for 2021-2023 and then for 2023-2025.

The Group's biodiversity strategy for 2025, announced in early 2022, is divided into four areas, each with a quantified target:

- To be among the pioneers of biodiversity impact measurement: measuring our biodiversity footprint with a view to reducing it;
- To give prominence to biodiversity in design and development projects: 100% of residential and commercial projects delivered from 2023 to include vegetation and biodiversity requirements;
- Limiting soil sealing and land artificialisation: 100% of our projects delivered in 2024 to have considered this topic and, if possible, integrated at least one solution to limit soil sealing; and
- Mobilising employees and managing dedicated governance: 100% of targeted employees trained in biodiversity.

ACTING IN FAVOUR OF BIODIVERSITY AROUND FOUR COMMITMENTS



3.2.3.1 Be among the pioneers of biodiversity impact measurement

"We can only improve what we measure". However, biodiversity is more difficult to measure than CO₂ emissions. An abundance of indicators and methodologies exist. For this reason, Nexity wanted to experiment with an exploratory approach to quantitatively measure its impacts on biodiversity. Nexity has measured its biodiversity footprint across all of its activities, the key actions defined to achieve its ambition to be among the pioneers of biodiversity impact measurement are:

- Measure the Group's biodiversity footprint by integrating all of its activities;
- Identify new indicators to measure the biodiversity impacts of development projects; and
- Incorporate this knowledge into the update of action plans to promote the areas with the most impact.

A measurement of the Group's biodiversity footprint was carried out in 2022 by a specialist consulting firm. It consisted of quantifying, for each of Nexity's business segments (design, development, services, administrative offices), the pressures exerted on biodiversity (change in land use, climate change, *etc.*) and the associated impacts. It makes it possible to identify the impacts across the entire value chain, including impacts related to materials and the use stage of buildings (energy consumption, *etc.*).

Like a carbon footprint, the biodiversity footprint measurement is based on a single indicator based on the methodology developed by the Corporate Biodiversity Footprint (CBF) Committee. This principle makes it possible to prioritise those activities with the most impact and the most effective levers of action.

The main lessons learned from the footprint measurement are as follows:

- Collective residential development carried the majority of the impacts (65%), followed by commercial development (20%) and Nexity Foncier Conseil activities (10%);
- The main pressure exerted by the Group is the change in land use (67% of total impacts): both land occupation by buildings during their use but also land transformation by projects and the production of materials; and
- The use of buildings generates the highest impact of all phases of the value chain (53%).

In order to identify operational action levers, the footprint of three development projects (collective residential, individual residential and tertiary) was also measured in parallel with the Group's footprint measurement.

From both of these measurements (Group level and operational level), two main actions were identified to reduce Nexity's impact on biodiversity:

- Reduce the impact of materials: by promoting refurbishment and paying more attention to the origin of bio-sourced materials (wood in particular) used in our buildings; and
- Reduce soil sealing: by identifying land that has already been sealed and by developing vegetation, particularly in open ground.

All of these lessons enable the Group to identify priority actions to be taken to reduce this footprint. Work on biodiversity dependencies will also be carried out in 2024.

At the same time, since 2021 Nexity has been an active member of the Biodiversity Impulsion Group (BIG), an initiative led by the Green Building Observatory (OID). This programme aims to develop a common framework of indicators and measurement tools to better understand biodiversity in real estate projects, inform the choices of project owners and investors and support the skills development of internal teams.

3.2.3.2 Giving prominence to biodiversity in design and development projects

As a designer and developer, Nexity has a major role to play in promoting biodiversity in the city. To this end, the Company acts on the quality of the spaces created to make them as hospitable as possible to the local flora and fauna.

Nexity is thus committed to ensuring that all projects delivered (residential and tertiary) benefit from a green area. The key actions defined to achieve the ambition of giving prominence to biodiversity are:

- Make nature accessible to all occupants of the Group's operations;
- Systematise biodiversity requirements in the design of green spaces for development projects; and
- Continually improve the environmental quality of development projects.

Giving access to nature

According to a study⁽¹⁾ commissioned by Nexity in partnership with ObSoCo in 2023, 92% of French people consider it important to have an outdoor space (garden, balcony, terrace, etc.) and 62% consider it important that their neighbourhood contain home contain a wooded area that is treated with care.

Nexity's ambition is to design green spaces for the well-being of residents, by systematically planting trees that provide shade and coolness in summer, or by landscaping accessible green roofs to enable the development of life together, or even by incorporating shared kitchen gardens, vegetable patches or urban agriculture.

Systematic integration of biodiversity requirements in the design of green spaces

As a developer, Nexity's impact on biodiversity is primarily limited by the requirements of local urban plans. However, in addition to these requirements, Nexity seeks to protect and restore biodiversity by acting on the presence of nature in cities and by being demanding on the quality of the spaces thus created as part of its projects.

Nexity's comprehensive and systematic approach to the design of green areas aims to accommodate biodiversity (fauna and flora) through the continuity and diversity of plant layers and the use of native species.

The Parc'Coeur project in Tours (37) delivered in 2023, illustrates these commitments and includes many solutions that promote biodiversity:

- The implementation of a varied landscape project inspired by the local ecosystem: the surroundings are a genuine representation of biodiversity (Parc de la Chambrerie, woods, agricultural plots, private gardens and urban green spaces);
- The choice of a varied range of plants adapted to each environment: meadows, ditches, swales, ponds and lawns (wetland), fruit species (orchard plot and cherrywood trees), alleys and low country hedges, climbers and coppices, wooded area;
- A landscape designed to welcome wildlife and facilitate its movement: thanks to permeable fences, shelters for wildlife and trees preserved in the wooded border; and
- Communication about the project includes the installation of signage on the theme of biodiversity.

1) The Habitat Observatory, ObSoCo, Nexity, 2023

Work with an ecologist helped to determine the roles and responsibilities of stakeholders, identify target species in order to adapt the developments, implement a charter presenting the elements to be taken into account during the construction phase as well as an ecological management plan adapted to the site. The project was BiodiverCity® certified.

Environmental commitment of development activities and continuous improvement

The Foncier Conseil subsidiary, whose activity consists of valuing and dividing a plot of land, and selling the units thus obtained, has been ISO 14001 certified since 2004 and has biodiversity among the six priority action themes of its environmental policy, included in its environmental management system. An initial inventory assessment is carried out using an in-house tool to measure the sensitivity of existing biodiversity at each potential site for future development. If the analysis shows that the site is classified as “sensitive”, then additional procedures must be followed. It should be noted that if there are to be more than 150 housing units, the site is automatically classified as “sensitive” and is subject to more stringent procedures.

3.2.3.3 Limiting soil sealing and land artificialisation

Land artificialisation is recognised as one of the major causes of biodiversity loss. It is mainly for the benefit of housing. Also, limiting soil sealing and artificialisation is a major priority for reducing the Group's impact.

Nexity has set itself the goal of systematically studying and, if possible, implementing technical solutions to limit soil sealing in all development projects delivered from 2024.

The action levers defined to limit soil sealing and artificialisation are:

- Urban regeneration to limit urban sprawl;
- The implementation of concrete solutions to reduce the negative effects of artificialisation in its projects (revegetation, use of permeable coverings, preservation of open ground, *etc.*); and
- The development of solutions to participate in the effort to combat artificialisation alongside local authorities.

Limiting soil sealing

To support its teams, Nexity has created a technical guide dedicated to nature in cities that promotes and implements various solutions to notably limit soil sealing. It includes the various natural techniques for infiltrating rainwater (landscape ditches, rain gardens, *etc.*) that ensure water management, but also the replenishment of groundwater, watering of vegetation, and the creation of varied landscapes for users.

When designing development projects, the Foncier Conseil subsidiary ensures ecological continuity by systematically taking into account the existing green and blue networks.

Work of an ecologist in development operations

In line with its internal biodiversity policy, Nexity is keen to take things one step further by defining standard ecological missions for its operations. This project, launched in 2023, will be applied in 2024 with the help of an ecology consulting firm on pilot operations to test these ecological missions. The objective is to facilitate and develop the use of ecologists in residential and commercial projects, beyond regulatory requirements, with the implementation of ecological diagnostics. This will make it possible to explore best practices as well as to actively integrate biodiversity by taking into account the specific needs of each operation at every stage of the project, from design to delivery.

Nexity distinguishes between projects with open-air green spaces and those with planted slabs with variable soil depth. The Group therefore recommends solutions that are adapted on a case-by-case basis, such as drainage areas, or green roofs. The creation and maintenance of ecological continuity is also done on a case-by-case basis.

The Ville Nature project, part of the Grand Centre ZAC in Cergy (Val-d'Oise), takes advantage of the site's built and biodiversity heritage: the wooded mound to the north is preserved, extended and planted with hedges to play a dual role of a habitat for the protected species on the site and an acoustic barrier between the site and the A15 motorway. The natural qualities of the soil have also made it possible, thanks to a large area of open ground, landscape ditches and drainage areas under roads, to guarantee rainwater management by infiltration without any discharge to the network.

Soil quality

Nexity pays particular attention to the quality of the soil and generally conducts an environmental study of the quality of the soil, subsoils and the site's land history through specialised consulting firms.

When a soil survey indicates the potential presence of polluting substances, the Group also undertakes to carry out an environmental study and, if necessary, to implement decontamination measures.

The Villes & Projets subsidiary supports the optimisation of the principles of refurbishment of industrial sites, particularly in terms of decontamination. In this way, the innovative decontamination of the ZAC PSA site in Asnières-sur-Seine (Hauts-de-Seine) was noteworthy for the majority of treatments carried on-site to eliminate the main pollutants (heavy metals, chrome, etc.).

Nexity has also implemented a detailed procedure for the treatment of excavated soil since 2021. The Legal Department offers training for lawyers and employees of Development activities on the acquisition of polluted or partially polluted sites, the management of excavated soil, the cessation of activity of ICPE (facilities classified for environmental protection) as part of the refurbishment of brownfield sites.

In 2022, Nexity Transformation des Territoires signed a partnership with Valgo Groupe - Polluted sites and soil. At a time when land is scarce, the redevelopment of brownfield sites is becoming more strategic each year: it allows the recovery of degraded spaces but also the better management of pollution and health risks. Depending on the site, it allows, in addition to new uses by residents, to reactivate features related to rainwater management, biodiversity and the landscape.

At the end of 2023, the Group created Nexity solar, which aims to support the adaptation to climate change and the acceleration of the deployment of green energies. This new entity offers all stakeholders the opportunity to participate in a virtuous energy transition while making sustainable use of their non-building land, their roof areas and their car parks.

3.2.3.4 Mobilising employees and managing dedicated governance

The Group pays particular attention to improving the skills of its employees and incorporates a dedicated internal governance system to manage performance and continuous improvement in these areas.

Nexity achieved its target of training 100% of employees concerned by the end of 2022.

Nexity's action levers consist of:

- Steering a governance dedicated to biodiversity to continue to prioritise this issue within the Company;
- Raising employee awareness and improving skills in key business lines; and
- Co-constructing actions with stakeholders and raising awareness of biodiversity among users of operations.

Training employees

In 2023, two training courses were rolled out:

- A "Biodiversity Visa": launched by a conference with Gilles Bœuf, former President of the French Natural History Museum, an open 30-minute e-learning session for all Group employees. This online training enabled everyone to understand the concept of ecosystem services, the pressures on biodiversity, the importance thereof and the means to preserve it; and
- A "Naturellement! Visa": a 20-minute business e-learning course intended mainly for employees in the development, programme and technical sectors. This training enabled everyone to incorporate all the specificities of the biodiversity specifications applicable to all residential and commercial projects developed in-house. The e-learning also presents how to better integrate biodiversity at all stages of a real estate project and the tools made available to the teams.

Nexity's commitments to the Act4nature initiative

In 2023, Nexity renewed its commitments to biodiversity with Act4nature. The aim of this new action plan, challenged by a committee of experts, is to support the Group's sustainable city acceleration strategy by focusing on four key areas:

- Increasing the share of refurbishment in development projects: Nexity intends to increase the share of residential development reservations undergoing refurbishment to 10% in order to limit the Group's impact on land;
- Working on the upstream impact of materials on biodiversity: the Group is committed to improving timber traceability in its operations, following the lessons learned from the footprint measurement results and with a view to developing new purchasing criteria;
- Developing the integration of biodiversity in existing buildings: workshops were held in 2023 in conjunction with various Group entities to reflect on the desire to offer a service to local authorities to support them achieve their biodiversity and revegetation objectives by targeting relevant sites under management and making use of these sites; and
- Providing greater upstream support to local authorities and urban stakeholders: diagnostics and studies are carried out by Natura City to encourage urban stakeholders to transform sites, targeting sealed land with high potential to become unsealed and/or reclassified and/or rewilded.

3.2.4 Preserving resources and promoting the circular economy

In France, the building sector is the leading consumer of resources for the manufacture of materials⁽¹⁾ (gypsum, limestone, sand, iron ore, wood, etc.), and one of the main consumers of energy for operations⁽²⁾ (electricity, heat, fossil fuels, etc.). It is also the leading producer of waste (70% of waste in France)⁽³⁾. In Europe as a whole, the construction and use of buildings are responsible for 50% of total raw materials extraction⁽⁴⁾. The challenges of the circular economy are therefore major for this sector, as they are mainly based on a linear economy (extraction, construction / demolition, landfill) and non-renewable resources.

The recent health and energy crises have strongly impacted the supply of raw materials. The circular economy offers a model for preserving resources by optimising their use, extending their lifespan, aiming for zero waste or developing cooperative models based on local synergies.

In order to become the leader in sustainable, low-carbon real estate that is consistent with the preservation of the planet's resources, Nexity developed and deployed in 2022 a circular economy roadmap, both for its development and services activities, to better pool, reuse or recycle resources. Following on from initial trials and partnerships with key players, this roadmap aims to structure the Group's policy by developing the sustainable design of buildings, increasing reuse, and proposing circular management of tertiary buildings and offers for clients (waste management, equipment, etc.). It is linked to the Group's climate and biodiversity strategies with the desire to use more organic and bio-sourced materials, improve energy performance, reduce impacts on natural environments and promote the refurbishment of wasteland and existing buildings to combat the artificialisation of soils, another resource under pressure.

ACTING IN FAVOUR OF THE CIRCULAR ECONOMY AROUND 4 COMMITMENTS



3.2.4.1 The circular economy at all stages: from better management of construction site waste to the integration of reuse materials in pilot projects

Since 2014, Nexity has adhered to an environmentally responsible construction site charter on all new housing construction projects so as to protect the environment (soil, waste, cleanliness), reduce pollution, control site costs and improve working conditions. This charter is currently being revised to draw on best internal and external practices and to incorporate environmental certification requirements and those of the European Taxonomy in particular.

For projects involving prior demolition, Nexity systematically carries out a waste diagnostic before demolition (now known as PEMD - products, equipment, materials, waste), to quantify the waste by category and encourage any form of recovery, by assessing the potential for reuse of materials on site, or failing that, by providing information on options for managing demolition waste.

1)Material consumption and footprint - Summary of knowledge in 2021 - Ministry for the Ecological Transition and Regional Cohesion.

2)France 2021 Energy report - Summary - Ministry for the Ecological Transition and Regional Cohesion.

3)Agence de la Transition Ecologique - ADEME Expertises - <https://expertises.ademe.fr/economie-circulaire/dechets/chiffres-cles-observation/chiffres-cles>.

4)Communication from the commission to the European Parliament, the council, the European economic and social Committee and the Committee of the regions. A new Circular Economy Action Plan For a cleaner and more competitive Europe - 2020.

In order to apply a circular economy policy to all projects, Nexity systematically considers refurbishment or recycling when there is an “already there”, in order to preserve as much as possible. Lastly, the refurbishment of existing buildings is part of circular urban planning, making it possible to extend the life of existing buildings, showcase heritage, intensify uses and to protect the soil (see Section 3.2.3.3 “Limiting soil sealing and land artificialisation” of this chapter). Nexity Héritage and the Nexity Patrimoine et Valorisation subsidiary has made this its core business and area of expertise, available to all Group subsidiaries. For example, the “L’Arsenal” project in Paris (75) with Perl is an unprecedented project to refurbishment and extend upwards a former car park to create 82 social housing units.

3.2.4.2 Commitments to the circular economy

In the spirit of anticipation, experimentation and massification that guides Nexity in its contribution to the fight against climate change, the Group forges partnerships with key industrial players acting for the low-carbon transition of the construction sector. These partnerships also make it possible to secure the supply of materials, which has become strained due to the chain of health, economic and energy crises. The solutions developed generally involve the greater integration of recycled raw materials or the decarbonisation of manufacturing processes, thus generating substantial savings in raw materials and fossil fuels. In 2022, several partnerships and framework contracts were signed for wood (with Piveteau Bois), low-carbon concrete (with Cemex and Ecocem), low-carbon glass (with Saint Gobain) and bio-sourced paints (with Algo, Bouyer Leroux and Circouleur). In 2023, Nexity strengthened its commitment by signing a national agreement with Fibois France, a long-standing partner, which brings together and coordinates the 12 regional inter-professional bodies of the forest-timber sector, in which Nexity undertakes to incorporate more bio-sourced timber solutions in its constructions.

Pursuing its commitment, at the end of 2021, Nexity joined “Booster du Réemploi” (Reuse Booster), a grouping of real estate players (project owners, prime contractors, general contractors), initiated by Groupama Immobilier and steered

Morning, a Nexity subsidiary and coworking leader, launched a project accelerator in 2022. The aim is to identify and support solutions that can be tested and deployed at Morning and Nexity sites. These must address at least one of the following five themes: new materials, reuse and reconditioning, vegetation and biodiversity, energy performance and renovation, and new construction processes. Building on the success of the first season, Morning and Nexity launched a new call for projects in 2023 on the following theme: energy renovation and resource optimisation in the operation of buildings.

by A4MT (*Action pour la Transformation du Marché*) and the IFPEB (*Institut Français pour la Performance Energétique du Bâtiment*). The objective is to enlarge the reuse market in the building sector, by structuring demand and facilitating the prescription of reuse materials.

In line with its commitment to low-carbon buildings, Nexity is also a sponsor of the BBCE Exploitation label, a new standard for exemplary low-carbon operations. This guide, published on 30 November 2022, supplements the existing standards (new, renovation, regional) and is the leading method for measuring and valuing exemplary low-carbon best practices for investors and asset managers. The circular economy is considered through several levers: intensification of uses, reducing as much as possible the premature removal of materials and equipment, limiting waste production and the use of low-carbon and reuse materials.

In 2023, Nexity decided to be one of the first six partners in the “Consumption of material resources in the building and real estate sectors by 2040” approach of the *Centre Scientifique et Technique du Bâtiment* (CSTB). Composed of a Foresight Committee, a Partners Committee and a modelling team, the objective of this approach is to carry out a prospective study on the evolution of resource consumption in the building and real estate sector by 2040.

3.2.4.3 Preservation of water resources

A vulnerable resource to be protected, water is considered throughout a project in all of Nexity’s development operations. This involves actions in terms of development, construction methods and vegetation solutions.

Water management in the design phase

In the sketch phase, taking into account the existing elements of the plot (e.g. remarkable ecosystems such as watercourses) may result in the project being covered by the “French water law of 30 December 2006”. This work stream identifies the steps needed to ensure that planned construction activities do not significantly affect a site’s water resources or aquatic environments. When seeking NF Habitat certification for new residential developments, Nexity conducts site analyses on soil sealing and other practices. The findings of these analyses help identify appropriate solutions to encourage water infiltration and thus manage rainwater runoff. In several development projects, plot water management is achieved with extremely low levels of discharge and valleys are prioritised.

Reduction of drinking water consumption

The management of water in use is treated according to the control of drinking water consumption, in particular by the installation of hydro-efficient equipment (mixer showers, washbasins, thermostats) in accordance with the Group’s framework contracts.

Virtual water optimisation

The use of prefabricated wood, as proposed by Ywood for the tertiary and residential sectors (see Section 3.2.2.2 “Be a leader in the decarbonisation of the building/renovation industry” of this chapter), also makes it possible to reduce water consumption during the construction phase

Nexity Villes & Projets has developed real expertise in rainwater management by targeting zero discharge into the network with several pilot projects: Montreuil ZAC Boissière Acacia (93), Asnières ZAC PSA (92) and Saint-Jean de la Ruelle (45). This rainwater management involves the extensive landscaping of sites with respect for biodiversity, such as the Presqu’île Hérouvillaise (14) project which also includes the development of the banks of the Caen à la Mer Canal, a dock and a beach to make water a vector of cooling against the urban heat island effect, to combat the effects of climate change.

During the works phase, for new residential developments, Nexity conducts regular monitoring of water consumption at the building site by separating out the site accommodation where technically possible.

compared to traditional concrete (around 25 litres of water per 100 kg of cement). This reduction through the choice of materials thus substantially reduces the “water footprint” of the construction (total volume of direct and indirect water required for production).

3.2.5 Sustainable finance and the EU taxonomy of sustainable activities

3.2.5.1 Green Bond

Green Bond

Nexity wanted to align the financing of its real estate projects with its CSR objectives, as of 2019, by issuing €240 million in Green Bonds. The proceeds of the issuance will be used to finance and/or refinance the development and construction of Residential Real Estate projects in France that meet several criteria, such as the European NZEB (“Nearly Zero-Energy Buildings”) standards. The allocation of funds to the Group’s eligible projects will be subject to specific traceability, and an annual reporting process that will be audited and published. The 2023 report will be available on the Group’s “Responsible Finance” page. This issuance was conducted in accordance with the best market practices and with the Green Bond Principles published by the International Capital Markets Association (ICMA). See Note 21.1 “Bond debt” in Chapter 5, Section 5.1 “Consolidated financial statements at 31 December 2023” of this Universal registration document.

Impact credit

In February 2023, Nexity renewed its corporate credit facility by signing a banking agreement with a maturity of five years (expiring in February 2028) including a cash credit facility of €800 million, with environmental criteria.

Nexity has chosen to include environmental impact criteria in this credit agreement based on the achievement of objectives related to the reduction of the carbon intensity of the Group’s business lines (Scope 1 and 2 greenhouse gas emissions for the Group, Scope 3 for real estate development activities, and volume of energy renovation work approved for condominium housing unit). These commitments stem from the accelerated Climate and Biodiversity strategy approved last year by the Shareholders’ Meeting. The credit facility includes a virtuous performance obligation by providing for a bonus/penalty mechanism on the applicable margin depending on the achievement of these objectives, which will be measured annually.

3.2.5.2 The 2023 Report on the EU Taxonomy of Sustainable Activities

Regulatory framework

Regulation (EU) 2020/852 on the establishment of a framework to promote sustainable investments, or the Taxonomy Regulation, is a system for classifying activities common to the European Union aimed at identifying economic activities considered as sustainable. Its objective is to establish a common language on the notion of “sustainable” activities and to redirect capital flows towards sustainable investments. In accordance with Article 8 of this text, companies subject to this text must publish the share of their turnover, their capital expenditure (CapEx) and their operating expenses (OpEx) associated with sustainable activities, as described in detail below.

For an activity to be considered sustainable within the meaning of the taxonomy, an “eligible” activity must be “aligned”. To do this, it must be demonstrated that the activity meets the requirements set out in Article 3 of the Taxonomy Regulation:

- That it contributes substantially to one of the following six environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems, *i.e.* meets the technical criteria specified in the delegated regulations;
- That it does not hinder any of the other five objectives (Do No Significant Harm principle) according to technical criteria set out in the regulation; and
- Complies with minimum safeguards (human rights, anti-corruption, best practices in terms of tax and competition law).

Two delegated regulations have been published: Delegated Regulation (EU) 2021/239 specifying the technical criteria for substantial contribution and absence of harm relating to the two climate objectives (climate change mitigation and adaptation), and Delegated Regulation (EU) 2021/2178, “Article 8”, specifying the content and presentation of the information to be published by companies. Delegated regulations for the other four environmental targets were published in 2023. The regulation will be applied on a gradual basis. Only the climate objectives were in force for the 2021 and 2022 fiscal years. Since the publication in 2023 of the delegated act on the other four environmental objectives and of the climate-related amendments to the delegated act, taxonomy reporting is now a requirement for each of the objectives to which the Company is eligible.

Activities concerned, summary of the methodology and results for Nexity

The Nexity group has defined assumptions and analysis methods that are described in this chapter. The analysis carried out by the Group to establish the eligibility and alignment indicators is based on Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing the Taxonomy Regulation. It specifies the scope of application, the methodology and disclosure requirements for financial and non-financial companies regarding the proportion of environmentally sustainable economic activities in their operations, investments or lending activities.

The turnover, capital expenditure and operating expenses reviewed cover all Nexity group activities within the scope of financial reporting. Turnover and capital expenditure can thus be reconciled with the consolidated financial statements as at 31 December 2023.

The assessment of Nexity’s eligible activities was carried out on the basis of a detailed analysis of its various activities and with regard to the activities described in the taxonomy regulation. This analysis was carried out jointly by the Nexity teams in charge of reporting within the CSR department and the teams in charge of consolidation and management control within the Finance department, based on the detailed consolidated financial statements. As the various eligible activities are located in different areas of activity, there is no risk of double-counting them.

With respect to the Mitigation objective, the taxonomy activities encompassing certain Nexity activities are as follows:

- 6.5 Transport by motorcycles, passenger cars and light commercial vehicles (for vehicle purchases and rentals - CapEx);
- 7.1 Construction of new buildings (for residential and commercial real estate development activities - Turnover);
- 7.2 Renovation of existing buildings (for residential and commercial real estate development activities - Turnover);
- 7.7 Acquisition and ownership of buildings (for the operation of residential buildings ⁽¹⁾ and commercial buildings ⁽²⁾ - Turnover, CapEx and OpEx).

With regard to the Circular economy objective, the taxonomy activities for which certain Nexity activities are eligible are as follows:

- 3.1 Construction of new buildings (for residential and commercial real estate development activities - Turnover);
- 3.2 Renovation of existing buildings (for residential and commercial real estate development activities - Turnover).

1) Management of student residences (Studéa).

2) Management of tertiary buildings for Coworking (Morning).

The analysis of eligibility under Climate Change Adaptation is limited to activities eligible for climate change mitigation that have formalised an adaptation plan, as required by the regulations. Only the CapEx ratio is to be considered for this environmental objective. As regards CapEx only, Nexity's activities are not affected by eligibility nor therefore alignment. Indeed, the development activity, although it constitutes turnover, does not require the mobilisation of CapEx.

The activities that have been identified as non-eligible are: Property Management (rental, technical and accounting management and associated additional missions)⁽¹⁾, development and sale of subdivisions (only buildings are mentioned in and eligible under the "Climate" delegated act).

For Nexity's 2023 fiscal year, only the Mitigation objective is relevant to the assessment of alignment. Alignment with respect to the Circular economy objective is relevant for the 2024 fiscal year.

The scope of analysis in 2023 has been extended compared to 2022 and the analysis has been refined on several DNSH criteria. This assessment of alignment for the Construction of new buildings and Renovation of existing buildings activities was carried out using an operation selection methodology with turnover and alignment potential criteria (73.4% of eligible turnover for the development activity

was selected for 2023, compared with 17.4% in 2022), a rigorous approach to the DNSH criteria and an assumption of non-alignment for non-selected operations. This cautious approach explains in part the value of aligned turnover (22% of eligible turnover for the development activity, +11 points compared to 2022). The scope of analysis has increased significantly compared to the 2022 fiscal year and will increase further over the coming years. In addition, the selected operations contributing to turnover were launched and designed two or three years ago. Most of the Group's operations (more than 96% of 2023 turnover) are located in France.

The alignment of turnover for the commercial development activity alone is 99.6%, which shows that this sector is ahead of the market.

For the entire development activity, a Group approach is in place to integrate taxonomic requirements from the design stage of new projects. Alignment will increase significantly over the coming years.

The summary of the results, the eligibility for the Circular economy objective and alignment for the Climate change mitigation objective, for turnover and CapEx, is presented in the two tables below. As taxonomic OpEx⁽²⁾ represents only 0.3% of total OpEx, Nexity has considered this to be non-material in accordance with the principle of exemption set out in the regulation.

Summary table of the 2023 turnover eligibility and alignment rate for the Climate change mitigation objective

(Eligibility for the Circular economy objective is identical for activities 3.1 and 3.2 to those for Mitigation activities 7.1 and 7.2)

Activity (in millions of euros)	Eligible turnover	% Eligible turnover / Total turnover	Aligned turnover	% Aligned turnover / Eligible turnover	Change compared to 2022
CCM ⁽³⁾ 7.1 Construction of new buildings	3,017	76%	646	21%	+ 11 points
CCM 7.2 Renovation of existing buildings	63	1%	22	35%	-3 points
CCM 7.7 Acquisition and exercise of ownership of buildings	263	7%	0	0%	-
TOTAL ELIGIBLE ACTIVITIES	3,343	84%	668	20%	+ 10 POINTS
ELIGIBLE ACTIVITIES 7.1 AND 7.2	3,080	77%	668	22%	+11 POINTS
Non-eligible activities	621	16%			
Total Nexity consolidated turnover	3,964	100%			

Summary table of the 2023 CapEx eligibility and alignment rate

Activity (in millions of euros)	Eligible CapEx	% Eligible CapEx / Total CapEx	Aligned CapEx	% Aligned CapEx / Eligible CapEx
CCM 6.5 Transport by motorcycles, passenger cars and light commercial vehicles	9	3%	0	0%
CCM 7.7 Acquisition and exercise of ownership of buildings	226	79%	0	0%
TOTAL ELIGIBLE ACTIVITIES	235	82%	0	0%
Non-eligible activities	51	18%		
Total consolidated Nexity CapEx	286	100%		

1) Activity 7.7 requires economic ownership of the underlying asset, which is not the case for Property Management carried out on behalf of third parties. When this activity is carried out on its own behalf, it does not appear in the consolidated financial statements.

2) Direct non-capitalisable costs covering R&D, short-term leases and other IFRS 16 exemptions, upkeep, maintenance and repair of assets, building renovation measures and any other expenses related to routine maintenance of assets.

3) CCM: Climate Change Mitigation.

Summary table of eligibility and alignment rates by environmental objective

Environmental objectives	Proportion of CapEx/ Total CapEx		Proportion of Turnover/ Total Turnover		Proportion of OpEx/ Total OpEx	
	Alignment with taxonomy by objective	Eligibility for taxonomy by objective	Alignment with taxonomy by objective	Eligibility for taxonomy by objective	Alignment with taxonomy by objective	Eligibility for taxonomy by objective
CCM: Climate change mitigation	0%	82%	17%	84%	0%	0%
CCA: Climate change adaptation	0%	0%	0%	0%	0%	0%
WTR: Water and marine resources	0%	0%	0%	0%	0%	0%
CE: Circular economy	0%	0%	0%	77%	0%	0%
PPC: Pollution	0%	0%	0%	0%	0%	0%
BIO: Biodiversity and ecosystems	0%	0%	0%	0%	0%	0%

Detailed methodology for the eligibility analysis

Nexity is obliged to publish its eligibility for the Mitigation and Circular economy objectives.

Turnover

In 2023, Nexity group's eligible turnover for the Mitigation objective amounted to €3,343 million out of a total turnover of €3,964 million, *i.e.* 84% of this total (see the Consolidated income statement presented in Section 5.1.1 "Condensed financial statements" of this Universal registration document).

Nexity was able to identify the portion of 2023 turnover related to renovation, which represents 1.9% of eligible turnover. Non-eligible activities represent €621 million.

In 2023, Nexity group's eligible turnover for the Circular economy objective amounted to €3,080 million out of a total turnover of €3,964 million, *i.e.* 77% of this total.

Capital expenditure (CapEx)

Capital expenditure covers increases in property, plant and equipment and intangible assets and right-of-use assets for the year (before revaluation, depreciation, amortisation and impairment and excluding changes in fair value) as well as increases related to business combinations. Based on the key performance indicator calculation methods defined by Article 8 of the European taxonomy, the eligible capital expenditure for the Nexity group can be identified in two ways:

- When they relate to assets or processes associated with (eligible) economic activities (pursuant to the appendices of Article 8 of the taxonomy, §1.1.2.2 (a));
- When they relate to the purchase of the output of (eligible) economic activities as per the taxonomy and to individual measures (pursuant to the appendices of Article 8 of the taxonomy, §1.1.2.2 (c)).

For Nexity group, these are capital expenditures and increases in right-of-use assets covered by the following IFRS standards applied by Nexity: IAS 16 *Property, plant and equipment*, IAS 38 *Intangible assets* and IFRS 16 *Leases*. These CapEx mainly relate to the following items:

- Vehicle leases (6.5 Transport by motorcycles, passenger cars and light commercial vehicles);
- Lease contracts for subleased buildings, for student residences (Studéa) and for coworking activities (Morning) (7.7); CapEx relating to head offices and holding company activities (7.7).

Thus, Nexity group's eligible capital expenditure for 2023 amounted to €235 million out of a total of €286 million, *i.e.* an 82% share (see the Notes to the consolidated financial statements presented in Chapter 5, Section 5.1 "Consolidated financial statements at 31 December 2023" of this Universal registration document). It should be noted that Nexity's main real estate development activity, because of its nature, does not require significant CapEx by Nexity, as ongoing projects are recognised as current assets. The share of non-eligible CapEx represents €51 million.

Operating expenses (OpEx)

In the absence of a definition of the notion of OpEx in the IFRS international accounting standards adopted by the European Union as at 31 December 2023, the total consolidated OpEx supplied and the eligible OpEx identified by Nexity group are determined using the method described below. These are direct non-capitalisable costs covering R&D, short-term leases and other IFRS 16 exemptions, upkeep, maintenance and repair of assets, building renovation measures and any other expenses related to routine maintenance of assets. Similar to CapEx, the Nexity group's eligible OpEx can be identified in two ways:

- When they relate to assets or processes associated with (eligible) economic activities (pursuant to the appendices of Article 8 of the taxonomy, §1.1.3.2 (a)); and
- When they relate to the purchase of the output of (eligible) economic activities as per the taxonomy and to individual measures (pursuant to the appendices of Article 8 of the taxonomy, §1.1.3.2 (c)).

For Nexity, no R&D costs were identified, and maintenance and repair costs are limited to the head office. Renovation and maintenance costs, because of their nature, are not borne by Nexity on real estate projects. Consequently, OpEx was limited to only rental expenses not eligible for IFRS 16 recorded in the income statement. Expenses related to the head office and holding company activities (7.7).

According to this definition, Nexity group's share of eligible operating expenses for 2023 amounts to €13 million out of a total of €3,786 million. Total OpEx represents a non-material portion of Nexity's total operating expenses. The Group therefore decided to apply the OpEx materiality exemption. The share of Nexity group's eligible OpEx for 2023 was therefore zero.

Detailed methodology for alignment with the technical criteria of the Climate Change Mitigation objective

Activity 6.5 - Transport by motorcycles, passenger cars and light commercial vehicles

CapEx related to activity 6.5 represents 3% of this year's total CapEx and is not material for the Group. Thus, it was considered that these assets are not aligned for 2023.

Activity 7.1 - Construction of new buildings

As indicated in the previous chapter, the assessment of the alignment for the main activity of Construction of new buildings was carried out using an operation selection methodology, a rigorous approach to the DNSH criteria and a very cautious assumption of non-alignment for non-selected transactions (pending their subsequent analysis) - which explains the ratio of 21% alignment of eligible turnover for activity 7.1. It should be noted that for 2023, more than 35% of our deliveries exceeded the RT 2012 -10% threshold and that our filings of building permits were on average 25% better than the ER 2020.

Substantial contribution criteria

For the energy performance criteria, projects meeting the -10% thermal regulation (RT2012 -10%) or ER 2020 for the "Energy performance of new buildings" are considered aligned in accordance with the approach validated by the Department of Housing, Urban Planning and Landscapes (DHUP) as part of a ministerial communication on 17 October 2022.

For this second year of comprehensive reporting, the various laws applicable in France in the building sector (RT2012 and ER 2020), as well as the specifications of various labels (NF HQE, BBCE, E+C-) are considered validation of the "Airtightness", "Thermal integrity" and "Global Warming Potential" (life cycle analysis carried out) criteria for buildings with a surface area in excess of 5,000 square metres.

"Does No Significant Harm" (DNSH) criteria

The analysis of the DNSH criteria was carried out based on the public views of the CNCC as well as on the various sectoral market initiatives. It applies a rigorous approach of the DNSH criteria for this first year of application of the taxonomy regulation.

- Climate change adaptation

An analysis of the adaptation to climate change in accordance with the taxonomy regulation was carried out on the operations of the selection in accordance with the other technical criteria for alignment with activities 7.1 and 7.2. The analysis was carried out over 30 years using the BatAdapt tool with the IPCC 8.5 scenario (Business as Usual). An inventory was made of the adaptation measures already in place to reduce significant risks, and our analysis focused on the following climate risks: droughts and shrinkage and swelling of clays, heat waves, flooding and submersion.

- Other DNSH criteria

The review of the other DNSH criteria was carried out taking into account French regulations as well as the existing policies within the Group. In the context of a transitional regime and based on market practices, the following elements were considered:

- Sustainable use and protection of hydrological and marine resources, as part of the "Sanitary Equipment for Buildings" DNSH, the referencing of water-saving equipment makes it possible to meet the thresholds defined by this criterion on projects that use this referencing.
- Transition to a circular economy, for the "Design promoting circularity and enabling reuse and recycling" DNSH, the consideration of the circular economy pillars during the design phase: saving of resources, adaptability, flexibility or dismantlability was deemed sufficient. In addition, the inclusion for each of the operations concerned of a target on-site waste recycling rate was considered as validation for the "material recovery" criterion.
- Pollution prevention and control, for the "Reduction of noise, dust and pollutant emissions" DNSH, the deployment of an eco-responsible construction site charter makes it possible to cover this criterion.

Activity 7.2 - Renovation of existing buildings

In accordance with the publication of the Taxonomy Regulation, only renovation projects leading to a reduction of at least 30% in primary energy demand can be considered aligned. Furthermore, an approach identical to that used for activity 7.1 was applied to assess alignment.

Activity 7.7 - Acquisition and exercise of ownership of buildings

In application of a conservative approach, the €226 million of CapEx from activity 7.7 (79% of total consolidated CapEx) was considered non-aligned. Indeed, either the existing EPCs are not sufficiently effective, or there are no EPCs for certain buildings.

Analysis of minimum guarantees

The analysis of compliance with minimum guarantees was carried out at Nexity group level and is based on the four pillars: human rights, corruption, taxation, fair competition.

Human rights

Nexity has deployed internal procedures to comply with the Duty of Care (see Section 3.1.2.3 "Duty of care" of this chapter) to identify and prevent violations of employee freedoms and human rights. The Group operates mainly in France as well as in Italy, Poland, Portugal and Germany (the businesses in Poland and Portugal were sold in 2023). Nexity ensures that these countries have ratified the eight fundamental conventions of the International Labour Organization (ILO). These actions cover a wide scope of application, including whistleblowing procedures, training and the implementation of a Code of Conduct (see Chapter 2, Section 2.1.6 "Business ethics and compliance" of this Universal registration document) and a Supplier Ethics Charter updated in 2022.

Taxation, Corruption, Fair competition

In order to anticipate and reduce the risks of corruption and influence peddling, the Group implements measures in

application of the Sapin II Act and to prevent unfair competition. These are supported by the correct application of the Code of Conduct, awareness-raising campaigns and a training plan for employees (see Chapter 2, Section 2.1.6 "Business ethics and compliance" of this Universal registration document). The procedures that the Group implements to comply with these commitments also include the mapping and publication of risk factors on tax policies (see Chapter 2, Section 2.2.2 "Description of specific risk factors" of this Universal registration document), the implementation of an internal whistleblowing system to combat corruption (see Section 3.1.2.3 "Duty of care" of this chapter) as well as regular monitoring of legal and arbitration proceedings (see Chapter 2, Section 2.1.5.4 "Legal and arbitration proceedings" of this Universal registration document).

As of 31 December 2023, no convictions had been made against the Group in relation to human rights, corruption, tax or competition law.

3.3 MAKING CITIES INCLUSIVE AND SUPPORTIVE

3.3.1 The main strategic societal objectives

The subject of the inclusive city has been part of Nexity's DNA since its creation. This commitment is reflected both in the Group's offers and in the actions of the Nexity Foundation. Several of the strategic societal objectives expired in 2022, and these have been revised with a target for 2026.

Several targets set enable the Group to monitor its societal commitments.

The main strategic societal objectives

Objectives	Maturity	2021	2022	2023
Percentage of housing reservations for means-tested households ⁽¹⁾	-	43%	50%	61%
Provide shelter for more than 4,000 people (cumulative)	2026	1,310	1,645	1,921
Support equal opportunities projects (donations in €)	-	311,000	385,530	531,700
Support projects to combat poverty (donations in €)	-	370,000	426,000	148,000
Support projects for integration through sport (donations in €)	-	N/A	31,000	227,000

(1) Social housing, intermediate housing and home ownership with reduced VAT.

3.3.2 Promoting access to housing

For Nexity, "the fabric of the city" is a commitment to its inhabitants. Designing an inclusive city means making it accessible to all its users. The design of a home adapted to the diversity of needs and resources is one of the challenges. Nexity's contribution is to integrate the diversity

of residents and their housing needs within the development of its offers. As a global real estate operator, the Group is committed to the regions by mobilising all of its solutions, to provide access to housing for all.

As such, in 2023, 61% of Nexity's reservations ⁽¹⁾ were for subsidised housing intended for means-tested households. They are divided into:

- Social rental housing and intermediate rental housing (including thematic housing: intergenerational, senior and student residences);

- Promoting reduced VAT home ownership; and
- Family shelters and solidarity leases.

3.3.2.1 Developing a social and thematic offer: for multiple responses to the needs of social housing operators and specific audiences

Being the leading partner of social housing operators

The Group's objective is to match its expertise as closely as possible to the needs of each social housing operator, both in terms of geographical area and price, as well as in terms of use and environmental quality. Thus, Nexity wants to support social housing operators in their experimentation and innovation initiatives, using its expertise for demonstration projects.

As such, the partnerships developed by Nexity reflect this desire to work together towards a common goal; help to develop the housing offer for all, with affordable and sustainable housing.

Nexity also supports intermediate housing players to meet the needs of the middle classes, who are above the ceilings for social housing, but do not always find the appropriate solutions in the private housing sector.

Developing thematic housing

The inclusive city is a city designed for the multiplicity of living practices, to provide access to housing for all by developing solutions adapted to each.

There are as many forms of housing as there are needs: inclusive housing (loss of autonomy due to age or disability), intergenerational, seniors, students, young professionals, etc.

Multigenerational residences

To meet the needs of seniors, going beyond intergenerational cohabitation, Nexity created the "Complicity" concept in 2020. Open residences in their neighbourhood, in which all residents can discuss and meet in common spaces, central places to encourage social bonding. A facilitator organises workshops in each residence that help preserve seniors' autonomy, and, beyond that, promote living together, and support and develop shared resident projects. Residents are also free to choose a range of services.

Inclusive Housing

The aim is to offer people with a loss of autonomy - due to age or disability - an alternative to isolated housing or residential care; have adapted housing, but with a social and shared living aspect.

Through the establishment of its development subsidiaries throughout the country and their knowledge of local needs, its production of social housing and its knowledge of the inclusive housing ecosystem, Nexity has positioned itself as a facilitator and creator of synergies to develop inclusive housing.

Nexity wants to integrate inclusive projects into its real estate operations, both in off-plan sales ⁽²⁾ and in open-plan sales, with associations and/or players in the social and solidarity economy.

Nexity has already carried out several projects for people with disabilities. The Group is also working to create synergies by integrating inclusive projects into the Complicity multigenerational residences.

3.3.2.2 Supporting the home ownership of first-time buyers with limited resources

Develop forms of home ownership: affordable home ownership, Real Solidarity Leases, reduced VAT

Alongside local authorities pursuing a proactive policy in favour of subsidised home ownership, Nexity is making its contribution by developing affordable housing projects. These homes, with prices capped below the local market prices, are dedicated to first-time buyers with limited resources. This materialises Nexity's commitment to local authorities, to help households with limited resources get on the property ladder.

Nexity is also committed to developing more social home ownership projects under Real Solidarity Leases. This is a contract between an OFS (*Organisme de Foncier Solidaire*) and a lessee. This system enables low-income households to acquire a property by subtracting the price of the land. Indeed, it makes it possible to separate the land from the buildings, which means that the OFS remains the owner of the land while the lessee becomes the homeowner. The lessee then becomes the homeowner and the lessee of the land.

1) Social housing, intermediate housing and home ownership with reduced VAT.

2) VEFA off-plan sales contracts.

In addition to these offerings, Nexity can provide innovative housing financing solutions such as social lease-ownership loans, social rental usufruct and intermediate rental usufruct.

In a context of an energy crisis, inflationary and stricter conditions for granting bank loans to individuals, Nexity has supported first-time buyer employees in the private sector in obtaining their home loan by launching the *Cagnotte Immobilière*. This scheme makes it easier for them to raise the contribution that is essential for any real estate project financing. This “money pot” is created by asking relatives of the buyer for financial contributions, coupled with a contribution from Nexity capped under certain conditions. By signing up to this offering, first-time buyers benefit from the resale protection guarantee and the income protection guarantee offered by Nexity. Since the launch of the initiative, more than 132 reservations have been made and around 254 “money pots” have been created.

3.3.3 Promoting and developing solidarity actions

Nexity Non Profit

With the creation of Nexity Non Profit under a financially neutral business model, the Group's offering is enhanced. Nexity develops social residences, in particular family shelters, as well as emergency accommodation centres and adapted places, combining private housing and shared spaces.

The Group is thus participating in the implementation of the “Housing First” plan supported by the State, concretely reflecting Nexity's commitment as a private player with a public utility, with the conviction that a company must play its part and work to serve the general interest and the common good. To this end, Nexity provides its skills and know-how to local authorities and managing associations who look after vulnerable populations and their housing.

In addition, Nexity Non Profit encourages private landlords to rent to non-profit organisations via the “Loc'Avantages” scheme. This tax incentive system allows landlords to benefit from a tax reduction by committing to rent their property for at least six years, under an Anah agreement, at an amount lower than the local market rents and subject to certain means-tested criteria for the tenant, and meets the needs of people with limited resources.

So far, Nexity Non Profit has opened 8 residences, 26 residences are under construction and 579 solidarity leases have been signed.

Faced with the multiplicity of forms of insecurity and the populations affected, Nexity Non Profit is committed to new developments such as accommodation for female victims of violence, seasonal workers, people with disabilities, etc.

Being a major private player in urban renewal: with reduced VAT to benefit first-time buyers with capped resources

The Group's long-standing commitment to promote access to housing for all is notably shown in its support for local authorities in neighbourhoods targeted for urban regeneration by the French National Urban Regeneration Agency (*Agence nationale de la Rénovation Urbaine – ANRU*).

Out of the Group's total reservations, nearly half of the first-time buyers buy in these neighbourhoods (ANRU and reduced VAT). Since the launch of the initiative, Nexity has marketed 42,000 housing units in these areas. In 2023, Nexity generated 9.6% of home ownership sales with reduced VAT.

This is an opportunity for Nexity Non Profit, alongside the Group's subsidiaries, to provide local authorities with answers to their housing needs for the most vulnerable, their long-term SRU objectives, the regeneration of degraded old centres (in particular through solidarity leasing as well as a potential for housing to be renovated), etc.

Nexity Foundation

Created in 2017 with the aim of strengthening civic and societal commitment, which is already deeply rooted in Nexity's DNA, the Nexity Corporate Foundation works to ensure that each person in a vulnerable situation can (re)find their place, prospects, the ability to act and the means to achieve their goals. Guided by the values of action, cooperation, sharing, commitment and living together, the Foundation works daily with associations, regions and local economic and social players.

In order to take concrete action in favour of a more inclusive city, and to promote and experiment with new forms of solidarity, the Foundation is focusing on three themes:

- equal opportunities for young people aged 14 to 26 from QPV priority urban planning districts, low-income backgrounds and who have been forced into an unwanted career path or have dropped out of school;
- integration through sport for these same young people and for people with disabilities (young people in particular);
- the fight against extreme poverty, particularly for women and young people

In 2023, the Nexity Foundation continued to work with non-profit organisations and the regions to carry out projects related to its priority themes. This year, the focus was on social innovation and experimental projects and programmes.

This area of development is mainly reflected in themes related to integration through sport and equal opportunities with 30 projects supported.

The Nexity Foundation also relies on the Group's employees and has a network of nearly 40 ambassadors nationwide to help disseminate its actions.

During 2023 solidarity day on the theme of the environment, more than 400 employees gave up their time to spend a day working with an association and supporting it in its mission of general interest. Several collections were also organised, including a collection of spectacles for *Lunettes Sans Frontières*.

Each year, the Nexity Foundation publishes its annual report and has a website: <http://www.fondationnexity.org>.

3.3.4 Partnering with local authorities, to design together sustainably

Local authorities have to deal with many challenges and constraints. They must provide answers to socio-demographic, environmental and economic challenges while also responding to new uses and the aspirations of residents.

As a global real estate operator and partner of local authorities, Nexity offers tailored and concerted solutions to develop virtuous projects that promote the ambitions of each region. In terms of neighbourhoods, Nexity strives to ensure that projects are always designed with local authorities, taking into account their challenges and residents in their urban and programmatic dimensions, before entering the real estate and architectural design phase.

In 2022, Nexity strengthened its positioning with local authorities through the creation of Nexity Transformation des Territoires, a division dedicated to local authorities. Thanks to its local roots and its day-to-day presence alongside local authorities, Nexity offers tailor-made projects that are in line with the expectations of the regions.

Nexity is present throughout the country and contributes to the economic development of each region by giving priority to local companies. The Group supports more than 100,000 direct and indirect jobs nationwide⁽¹⁾. The economic benefits related to Nexity's activities are spread at a local level, as close as possible to the regions in which the company operates.

Nexity supports its clients in the development of their regional strategies and the implementation thereof, through three approaches:

- Partner for a low-carbon and ecologically restored territory;
- Partner for an inclusive, affordable and accessible city; and
- Partner for an attractive and valued region.

¹⁾Source: 2021 Economic Footprint Measurement (Goodwill).

3.4 DEVELOPING HUMAN CAPITAL

Nexity's Human Resources Department is responsible for developing the skills and human capital needed by the Group to meet the short-, medium- and long-term objectives set by

its Executive Management. To guarantee the human capital Nexity needs to implement its strategy, one of its key challenges is to retain talent and develop staff employability.

THE STRATEGIC SOCIAL OBJECTIVES

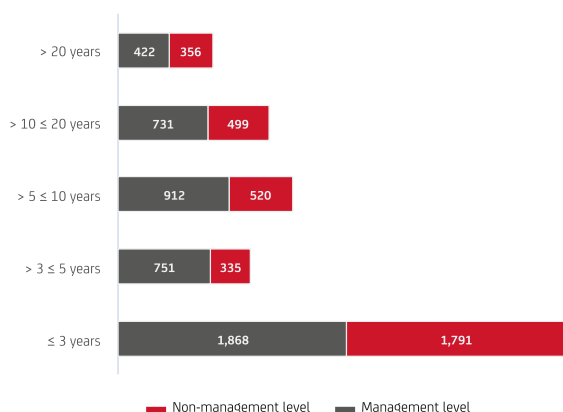
Objectives	Maturity	2021	2022	2023
Increase the employee shareholding structure, with at least 80% of employee shareholders	Perpetual	80%	80%	63%
Have at least 40% of women on the Executive Committee	2023	54%	44%	37.5%
Have at least 40% women in the Club 1797	2023	38%	39%	41%
Hire work-linked training students for 5% of the workforce	2024	6%	7%	5%

At 31 December 2023, Nexity group had 8,185 employees (of which 91% were on permanent contracts), compared with 8,508 at the end of 2022 and 8,296 at the end of 2021.

(in number of employees)	2021	2022	2023
Development	2,783	2,824	2,643
Residential Real Estate	2,655	2,702	2,530
Commercial Real Estate	128	122	113
Services	4,925	5,090	4,973
Property management	4,562	4,078	3,947
Serviced properties	462	576	630
Distribution	401	436	396
Other activities	588	599	569
TOTAL	8,296	8,508	8,185

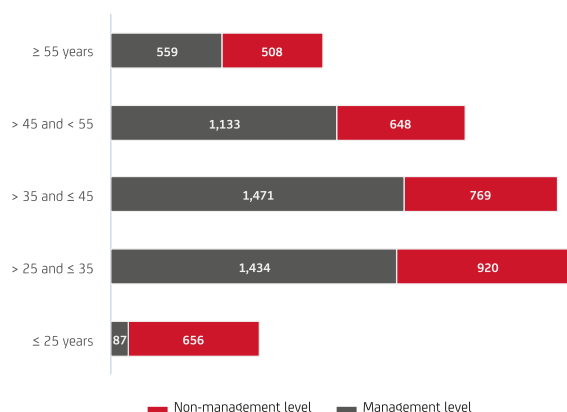
62% of Group employees are women and 38% are men.

Workforce structure by length of service at 31 December 2023



The average length of service is 7.2 years (7.3 years for managers and 7 years for non-managers). The average age of employees is 40.2 years (41.4 for managers and 38.7 for non-managers).

Workforce structure by employee age at 31 December 2023



The type of employment contracts and the average length of service rates illustrate the Group's ability to retain its employees. The Group's staff turnover rate⁽¹⁾ is 17.1%. In addition, the voluntary turnover rate⁽²⁾ stands at 10.9%. The increase compared to 2022 is explained by the specific business context which impacted activity and required the prudent management of recruitment and non-replacement of departing staff. The voluntary turnover rate is lower as a result of the crisis impacting the real estate sector and the steps taken in favour of employee engagement.

1) Number of redundancies, resignations and terminations of permanent contracts/average permanent workforce.

2) Number of resignations and end of probationary periods at the initiative of the employee/average permanent workforce.

Of the departures, 40% were men and 60% were women (representative of the gender distribution).

Despite the economic context referred to above, the Group has concentrated on pursuing its structural HR commitments and actions, resulting in its recognition as an “Preferred employer” by its employees, based on the following commitments:

- Respect for workplace requirements through sustainable and constructive social dialogue. Indeed, Nexity firmly believes in the need for social dialogue and the role of employee representative bodies in supporting and informing employees. To this end, it assumes a socially responsible role by intervening as a true social partner with the employee representative bodies;
- Make inclusion a performance factor driven by Executive Management by promoting the values of professional fairness and diversity among all managers and employees;

- Guarantee fair remuneration for individual and collective performance while maintaining solidarity;
- Develop talents by offering diversified training and support to enhance employability;
- Promote quality of life at work by offering all employees concrete actions and a full range of measures; and
- Listen and exchange by creating areas where employees with different professions can meet and share information.

To meet these commitments and strengthen employee loyalty, the Group has identified three major issues detailed below.

3.4.1 Controlling talent retention and enhancing the Company's appeal

The men and women who make up Nexity's teams constitute the Group's “human capital”. Nexity considers this human capital as the main resource and centrepiece of its business model and the risk of loss of skills is considered

a significant risk by the Group. Thus, in order to control the retention rate (turnover), and to attract and retain talent, the Group has chosen to develop two levers: remuneration and quality of life at work.

3.4.1.1 Remuneration

Remuneration is a key factor in attracting and retaining employees. Therefore, Nexity is committed to ensuring that its employees are rewarded for their contributions, by valuing both individual and collective performance, while preserving fairness and solidarity.

At the individual level, performance is recognised and rewarded through the allocation of salary measures, and for executives and sales staff depending on their position, by the allocation of individual variable remuneration according to their individual contribution. These measures are decided during the salary review process.

In 2023, the Group's average gross annual remuneration (excluding employer social security contributions) amounted to €51,797 and remained stable with a slight increase on 2022.

Salary reviews: a structured and uniform process based on the recognition of individual contributions and performance

Employees' fixed individual remuneration constitutes the counterpart of the good performance of their role. Variable remuneration, immediate or deferred, serves to reward individual contributions to the Group's performance by achieving specific objectives over a given period.

Remuneration is reviewed at least once a year through a structured, global process that is applied by all Group entities, which ensures that remuneration principles are uniformly applied.

In order to guarantee the fairness of wage measures granted and identical pay levels for equivalent positions and profiles, the salary review process is underpinned by the principle of non-discrimination. This is notably ensured by a two-stage review process of each employee's situation (carried out by managers on the one hand and by the Human Resources Department on the other) which allows for a factual and objective assessment.

The Group also seeks to safeguard the principle of solidarity, with specific attention paid each year to employees on the lowest incomes.

As part of the Group's NAO (Mandatory Annual Negotiations) for 2023, a significant effort was made with the implementation of exceptional collective measures in light of the unprecedented inflation over recent years. More than 60% of employees benefited from a pay rise thanks to, among other things, the collective scheme, for a total amount of more than €11.3 million.

Transparency in relation to employees

To improve the legibility and understanding of the different payment mechanisms, a secure “My remuneration space” application has been developed and is made available to each employee. It lists all the elements of the remuneration paid out over one year, together with all the individual employee benefits and links to the services proposed.

A remuneration guide is available on the app and handed out at salary reviews. It enables employees and managers to better understand the Group’s remuneration policy and its importance in the overall strategy.

This application also allows managers to have visibility on the remuneration of employees in their team.

Pay equity

Nexity is committed to ensuring equal pay for women and men and to fighting against gender pay gaps and unjustified treatment. In this respect, audits of the components of remuneration between men and women are carried out on a regular basis. The last audit carried out on remuneration for 2022 highlighted that for equal skills and profiles, pay equity was respected between men and women. A review will be carried out in 2024 for the 2023 fiscal year.

Furthermore, in accordance with the implementing decree of the French Avenir professionnel Act (Professional Future Act), Group entities whose workforce is affected have measured the indicators defined by the gender-equality index in respect of the 2023 fiscal year. Thus, 95% of the workforce is located in structures covered by this index (legal threshold). In addition, the average score of the main entities that make up the Group is 91.5/100.

(/100)	Equality index 2023
UES PC	88
UES NPS	98
UES Lamy	84
UES Invest	93
Accessite	92
Lespace	94
AVERAGE	91.5

It should be noted that due to the diversity of the Group’s business lines there is a dispersion of remuneration levels depending on the different roles. These averages are therefore provided for information purposes only. Furthermore, remuneration paid to management-level employees may, depending on their specific duties and the corresponding level of responsibility, involve a variable component included in this amount.

At the collective level, performance is measured on the basis of the economic results achieved by the Company and/or the Group. The efforts made by each company are

reflected in the possible payment of incentive and profit-sharing bonuses (provided that the entity’s workforce, economic maturity and results allow it). More generally, at Group level, employees benefit from an employee savings scheme based on the following pillars: the Group Savings Plan (PEG) and the Group Collective Retirement Savings Plan (PERCOLG), which allow employees to build up savings and a profit-sharing scheme set up in June 2021 that awards collective performance in that the calculation formula is based on the Group’s profits.

In addition, to foster the involvement of all staff members, the Group has set up a shareholding policy enabling employees to be associated, as shareholders, with the Group’s development and growth strategy.

Employee savings

Employee profit-sharing

Employee profit-sharing is specific to each eligible Group structure to reflect the specific nature of the different business lines on the one hand, and to reward the collective contribution of employees to the results of their entity, on the other. Profit-sharing agreements are concluded within each structure, if their workforce, economic maturity and results allow it.

In 2023, the Group paid its employees €8.6 million in profit-sharing bonuses and €11.9 million in incentives (at entity level and Group level) in respect of the 2022 fiscal year (gross amount before CSG/CRDS). All employees benefited from an incentive and/or profit-sharing bonus.

Furthermore, in order to strengthen the synergies between the various businesses and to reward employees fairly for their contribution to Group results, a Group profit-sharing agreement, in addition to the entities’ profit-sharing agreements, was set up in June 2021 through an agreement signed unanimously between Management and the trade union and employee representatives

Group Employee Savings Plans

In order to strengthen the minimum welfare benefits, Nexity has set up a global employee savings scheme.

Composed of a Group Savings Plan (PEG) and a Group Collective Retirement Savings Plan (PERCOLG), this system was set up in 2015 by unanimous collective agreements with the trade union and employee representatives, and provided for a matching contribution directly linked to the Group’s results.

This system changed in 2020, in order to take into account the provisions of the PACTE Act and to further encourage employee shareholding.

In view of the new Group profit-sharing agreement, the contribution scheme has been revised, excluding a link with the Group’s results and maintaining the incentive for savings through employee shareholding.

Group Savings Plan

The Group Savings Plan (PEG) is funded by various sources: profit-sharing, incentives, voluntary contributions from employees, rights deriving from accrued paid leave and free shares awarded as part of Group plans. Employees are not allowed access to funds invested in the plan for a period of five years, except in cases of early redemption permitted by law.

The PEG offers a comprehensive and clear range of investment funds: five Amundi mutual funds (FCPE), including a so-called “Low Carbon” fund incorporating environmental criteria added in 2022, and one dedicated mutual fund, Nexity Actions, invested solely in Nexity shares. In order to promote employee shareholding, only the payment of funds into the FCPE Nexity Actions is now matched with a contribution.

Group Collective Retirement Savings Plan

To enable Group employees to build up a long-term savings supplement in preparation for their retirement, Nexity set up a Group Collective Retirement Savings Plan (PERCOLG).

Employees cannot access funds invested in the plan until their retirement, except in cases of early redemption permitted by law. The PERCOLG offers a clear and comprehensive range of investment funds, consisting of five Amundi (FCPE) mutual funds. In addition, the PERCOLG offers employees the possibility of opting for guided investment management.

Savings plans are widely used by Group employees, with 57% of them having contributed in 2023 and thus benefiting from the matched contribution of more than €110,000 gross, a lower amount than in 2022.

At 31 December 2023, the Nexity Actions mutual fund held 1,439,722 Company shares, representing 2.56% of Nexity's share capital.

Sharing added value: free share awards

To involve employees as shareholders in the creation and sharing of value, employee shareholding operations are regularly proposed to Nexity employees (collective plans for the free share award plans and a capital increase reserved for employees).

At 31 December 2023, 63% of Group employees held Nexity shares, either directly or *via* the PEG mutual funds. The percentage of Nexity's share capital held by Group employees (excluding managers), represented 3.8% of the share capital on 31 December 2023.

Plans in force at 31 December 2023 Date granted by the Board of Directors	30/03/2021 Executive Committee	28/04/2021 Managers	19/05/2021 Managers
Date of authorisation given by the Shareholders' Meeting	19/05/2020	19/05/2020	19/05/2021
Total number of shares initially awarded	139,000	8,700	373,400
Number of shares vested	-	-	-
Number of shares cancelled	4,000	400	91,200
Number of shares awarded and not yet vested	135,000	8,300	282,200
Total number of shares awarded to company officers	-	-	-
Total number of shares awarded to the top ten recipients	139,000	8,700	186,700
Number of initial plan recipients	10	12	302
Number of initial recipients of the top ten awards granted	10	12	66
Vesting period expiry date	1 July 2024	1 July 2024	1 July 2024
Vesting period	3 years and 3 months	3 years and 2 months	3 years and 1.5 months
Vesting terms and conditions	Performance and continued employment	Performance and continued employment	Performance and continued employment
Performance criteria	For 100% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 35%: cumulative Group current operating profit 2021-2022-2023 10%: level of backlog on 31 December 2023 10%: level of debt/EBITDA ratio (excluding IFRS 16) for 2021, 2022 and 2023 10%: level of reduction of the carbon footprint 2023 10%: level of equality index 10%: level of client satisfaction (2021-2022-2023 improvement) 15%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2020 and 2023	For 51% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 18%: cumulative Group current operating profit 2021-2022-2023 5%: level of backlog on 31 December 2023 5%: level of debt/EBITDA ratio (excluding IFRS 16) for 2021, 2022 and 2023 5%: level of reduction of the carbon footprint 2023 5%: level of equality index 5%: level of client satisfaction (2021-2022-2023 improvement) 8%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2020 and 2023	For 51% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 18%: cumulative Group current operating profit 2021-2022-2023 5%: level of backlog on 31 December 2023 5%: level of debt/EBITDA ratio (excluding IFRS 16) for 2021, 2022 and 2023 5%: level of reduction of the carbon footprint 2023 5%: level of equality index 5%: level of client satisfaction (2021-2022-2023 improvement) 8%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2020 and 2023
% of shares awarded subject to continued employment only	0%	49%	49%
% of shares awarded subject to continued employment and performance conditions	100%	51%	51%
Share price on grant date (<i>in euros</i>)	€43.16	€46.04	€45.16

Plans in force at 31 December 2023 Date granted by the Board of Directors	26/10/2021 Executive Committee	26/10/2021 Managers	27/04/2022 Executive Committee/ Managers	18/05/2022 Company officers
Date of authorisation given by the Shareholders' Meeting	19/05/2021	19/05/2021	19/05/2021	18/05/2022
Total number of shares initially awarded	18,000	4,000	165,800	100,000
Number of shares vested	-	-	-	-
Number of shares cancelled	8,000	-	22,500	-
Number of shares awarded and not yet vested	10,000	4,000	143,300	100,000
Total number of shares awarded to company officers	-	-	-	100,000
Total number of shares awarded to the top ten recipients	18,000	4,000	161,400	100,000
Number of initial plan recipients	2	1	33	2
Number of initial recipients of the top ten awards granted	2	1	30	2
Vesting period expiry date	25/10/2024	25/10/2024	30/06/2025	30/06/2025
Vesting period	3 years	3 years	3 years and 1.5 months	3 years and 1.5 months
Vesting terms and conditions	Performance and continued employment	Performance and continued employment	Performance and continued employment	Performance and continued employment
Performance criteria	For 100% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 35%: cumulative Group current operating profit 2021-2022-2023 10%: level of backlog on 31 December 2023 10%: level of debt/ EBITDA ratio (excluding IFRS 16) for 2021, 2022 and 2023 10%: level of reduction of the carbon footprint 2023 10%: level of equality index 10%: level of client satisfaction (2021-2022-2023 improvement) 15%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2020 and 2023	For 51% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 18%: cumulative Group current operating profit 2021-2022-2023 5%: level of backlog on 31 December 2023 5%: level of debt/ EBITDA ratio (excluding IFRS 16) for 2021, 2022 and 2023 5%: level of reduction of the carbon footprint 2023 5%: level of equality index 5%: level of client satisfaction (2021-2022-2023 improvement) 8%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2020 and 2023	For 100% of the awards No shares subject to the achievement of an objective will vest if less than 40%* of the objective is achieved Criteria: 35%: cumulative 2022-2023-2024 Group current operating profit 10%: level of backlog on 31 December 2024 10%: level of debt/ EBITDA ratio in respect of 2022, 2023 and 2024 10%: level of reduction of 2024 carbon footprint 10%: gender equality criterion 10%: level of client satisfaction (2022-2023-2024 improvement) 15%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2022 and 2024	For 100% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 35%: cumulative 2022-2023-2024 Group current operating profit 10%: level of backlog on 31 December 2024 10%: level of debt/ EBITDA ratio in respect of 2022, 2023 and 2024 10%: level of reduction of 2024 carbon footprint 10%: gender equality criterion 10%: level of client satisfaction (2022-2023-2024 improvement) 15%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2022 and 2024
% of shares awarded subject to continued employment only	0%	49%	0%	0%
% of shares awarded subject to continued employment and performance conditions	100%	51%	100%	100%
Share price on grant date (in euros)	€39.00	€39.00	€28.96	€30.34

* In accordance with the decision of the Board of Directors of 8 January 2024 which reduced the rate from 80% to 40%

Plans in force at 31 December 2023 Date granted by the Board of Directors	18/05/2022 Executive Committee/ Managers	18/05/2022 Managers	18/05/2022 Group
Date of authorisation given by the Shareholders' Meeting	18/05/2022	18/05/2022	18/05/2022
Total number of shares initially awarded	48,200	41,000	218,040
Number of shares vested	-	-	380
Number of shares cancelled	7,400	1,400	56,040
Number of shares awarded and not yet vested	40,800	39,600	161,620
Total number of shares awarded to company officers	-	-	-
Total number of shares awarded to the top ten recipients	48,200	41,000	218,040
Number of initial plan recipients	29	78	7,268
Number of initial recipients of the top ten awards granted	29	78	7,268
Vesting period expiry date	30/06/2025	30/06/2025	30/06/2025
Vesting period	3 years and 1.5 months	3 years and 1.5 months	3 years and 1.5 months
Vesting terms and conditions	Performance and continued employment	Performance and continued employment	Continued employment
Performance criteria	For 100% of the awards No shares subject to the achievement of an objective will vest if less than 40%* of the objective is achieved Criteria: 35%: cumulative 2022-2023-2024 Group current operating profit 10%: level of backlog on 31 December 2024 10%: level of debt/EBITDA ratio in respect of 2022, 2023 and 2024 10%: level of reduction of 2024 carbon footprint 10%: gender equality criterion 10%: level of client satisfaction (2022-2023-2024 improvement) 15%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2022 and 2024	For 51% of the awards No shares subject to the achievement of an objective will vest if less than 40%* of the objective is achieved Criteria: 21%: cumulative Group current operating profit 2022-2023-2024 6%: level of backlog on 31 December 2024 6%: level of debt/EBITDA ratio in respect of 2022, 2023 and 2024 6%: level of reduction of carbon footprint 2024 6%: gender equality criterion 6%: level of client satisfaction (2022-2023-2024 improvement)	-
% of shares awarded subject to continued employment only	0%	49%	100%
% of shares awarded subject to continued employment and performance conditions	100%	51%	0%
Share price on grant date (in euros)	€30.34	€30.34	€30.34

* In accordance with the decision of the Board of Directors of 8 January 2024 which reduced the rate from 80% to 40%

Plans in force at 31 December 2023 Date granted by the Board of Directors	28/02/2024 Company officers	28/02/2024 Executive Committee	28/02/2024 Managers
Date of authorisation given by the Shareholders' Meeting	28/02/2024	28/02/2024	28/02/2024
Total number of shares initially awarded	32,000	98,750	285,400
Number of shares vested	-	-	-
Number of shares cancelled	-	-	-
Number of shares awarded and not yet vested	32,000	98,750	285,400
Total number of shares awarded to company officers	32,000	-	-
Total number of shares awarded to the top ten recipients	32,000	98,750	120,000
Number of initial plan recipients	2	13	236
Number of initial recipients of the top ten awards granted	2	13	144
Vesting period expiry date	27/02/2027	27/02/2027	27/02/2027
Vesting period	3 years	3 years	3 years
Vesting terms and conditions	Performance and continued employment	Performance and continued employment	Performance and continued employment
Performance criteria	For 100% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 35%: cumulative Group current operating profit 2023-2024-2025 10%: level of backlog on 31 December 2025 15%: level of debt/EBITDA ratio (excluding IFRS 16) for 2023, 2024 and 2025 15%: level of reduction of carbon footprint 2025 10%: gender equality criterion at the end of 2025 15%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2023 and 2025	For 100% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 35%: cumulative Group current operating profit 2023-2024-2025 10%: level of backlog on 31 December 2025 15%: level of debt/EBITDA ratio (excluding IFRS 16) for 2023, 2024 and 2025 15%: level of reduction of carbon footprint 2025 10%: gender equality criterion at the end of 2025 15%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2023 and 2025	For 51% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 21%: cumulative Group current operating profit 2023-2024-2025 5%: level of backlog on 31 December 2025 10%: level of debt/EBITDA ratio (excluding IFRS 16) for 2023, 2024 and 2025 5%: level of reduction of the carbon footprint 2025 5%: gender equality criterion at the end of 2025 5%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2023 and 2025
% of shares awarded subject to continued employment only	0%	0%	49%
% of shares awarded subject to continued employment and performance conditions	100%	100%	51%
Share price on grant date (<i>in euros</i>)	€13.29	€13.29	€13.29

Plans having expired in fiscal year 2023 Date granted by the Board of Directors	06/04/2020	18/05/2020	19/05/2020	19/05/2020 Group	28/07/2020 Managers
Total number of shares initially awarded	48,000	48,000	60,000	222,670	122,400
Number of shares vested	34,020	19,200	-	143,310	80,570
Number of shares cancelled	13,980	28,800	60,000	79,310	41,830
Total number of shares awarded to company officers	-	-	60,000	-	-
Total number of shares awarded to the top ten recipients		48,000	60,000	222,670	120,400
Number of initial plan recipients	12	2	1	6,362	114
Number of initial recipients of the top ten awards granted	12	2	1	6,362	109
Vesting period expiry date	05/04/2023	18/05/2023	18/05/2023	18/05/2023	27/07/2023
Lock-up period as from transfer of share ownership	3 years	3 years	3 years	3 years	3 years
Vesting terms and conditions	Performance and continued employment	Performance and continued employment	Performance and continued employment	Continued employment	Performance and continued employment
Performance criteria	For 70% of the awards No shares subject to the achievement of an objective shall vest if less than 95% of the target is met Criteria: 25%: cumulative Group current operating profit* 2020-2021-2022 45%: operational level specific to Aegide's business (15% for the number of housing units operated and 30% for the number of housing units occupied) * according to IFRS standards used for the financial statements in 2018	For 100% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 15%: level of Group current operating profit for 2021 as approved by the Board of Directors on 31 December 2020 35%: level of Group current operating profit for 2022 as approved by the Board of Directors on 31 December 2021 15%: leverage ratio level in respect of 2021 and 2022 5%: level of reduction of 2022 carbon footprint 5%: level of equality index 5%: level of client satisfaction (2020-2021-2022 improvement) 20%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2020 and 2022	For 100% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 15%: level of Group current operating profit for 2021 as approved by the Board of Directors on 31 December 2020 35%: level of Group current operating profit for 2022 as approved by the Board of Directors on 31 December 2021 15%: leverage ratio level in respect of 2021 and 2022 5%: level of reduction of 2022 carbon footprint 5%: level of equality index 5%: level of client satisfaction (2020-2021-2022 improvement) 20%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2020 and 2022		For 51% of the awards No shares subject to the achievement of an objective will vest if less than 80% of the objective is achieved Criteria: 6%: level of Group current operating profit for 2021 as approved by the Board of Directors on 31 December 2020 15%: level of Group current operating profit for 2022 as approved by the Board of Directors on 31 December 2021 10%: level of reduction of the carbon footprint 2022 10%: level of client satisfaction (2020-2021-2022 improvement) 10%: relative level of TSR (stock market value creation) compared to the SBF 120 between 2020 and 2022
% of shares awarded subject to continued employment only	30%	0%	0%	100%	49%
% of shares awarded subject to continued employment and performance conditions	70%	100%	100%	0%	51%
Share price on grant date (in euros)	€26.26	€28.12	€27.84	€27.84	€27.62

3.4.1.2 Nexity - a preferred company

Quality of life in the workplace enhances the attractiveness of the Company and fosters staff retention since employees want to work in a company that is concerned about their health and well-being.

Nexity has implemented several actions to promote the well-being of its employees, improve their working conditions and facilitate the balance between their personal and professional lives. These various measures are intended to benefit the greatest number of employees, regardless of their parent company (health prevention, telemedicine service for all, parenting management, working from home, etc.).

This approach enhances the Company's economic performance by providing employees with working conditions that foster concentration and well-being, on the one hand, and by reducing absenteeism, on the other. The absenteeism rate ⁽¹⁾ in France was 4% in 2023. It remains well below the national absenteeism rate of 6.79% (according to the 15th absenteeism barometer produced by Ayming in 2022). No occupational illnesses were reported in 2023 (unchanged from 2022).

France scope	Nexity group	
	2022	2023
Workplace accidents	42	37
Commuting accidents	26	33
Frequency rate ⁽¹⁾	2.8	2.5
Severity rate ⁽²⁾	0.1	0.2

(1) Number of lost-time workplace accidents in the year x 1,000,000/number of hours theoretically worked in the fiscal year.

(2) Number of calendar days lost due to a lost-time workplace accident over the year x 1,000/number of hours worked in the fiscal year.

In 2023, 70 lost-time work-related accidents were reported (compared with 68 in 2022), broken down into 37 workplace accidents and 33 commuting accidents.

Adopting a recognised approach to improving quality of life at work

In 2023, and for the second time, Nexity featured in the Best Workplaces To Work ranking by Great Place to Work®, the highest level of recognition of a company's quality of life at work. It recognises the best organisations that have been awarded the Great Place To Work® label during the year. Nexity received this certification in September 2022, with more than 70% positive responses to the Trust Index® survey.

Nexity's foundations are built on employee engagement. This is why Nexity, by providing day-to-day support to its managers, is committed to a better quality of life at work in order to strengthen their well-being.

Working from home: optimising how work is organised

Since 2017, Nexity has developed nomadic work, allowing all voluntary and eligible employees to work from home or in a Nexity third-party location, one day per week. Since October 2021, Nexity has increased its working from home capacity to up to two days per week if the position allows it. In addition, support for hybrid work was strengthened in 2023 through a dedicated campaign.

At 31 December 2023, 3,400 Group employees had opted for hybrid work.

Promoting a work-life balance

Quality of life in the workplace calls for a better balance between personal and professional life, which is why the Group has chosen to implement measures to promote this balance, in favour of its employees.

To enable all employees regardless of their profile to benefit from this approach the Group has implemented several measures. These measures include:

The right to disconnect

A system relating to the right to disconnect was introduced in 2017 for all Group employees by way of a collective bargaining agreement concluded within the UESs as part of the negotiations on the quality of life in the workplace and in the context of unilateral charters within subsidiaries excluding UESs.

This system consists of incentives and educational measures to promote the reasonable use of digital tools made available to employees: disconnection period reminders, dissemination of best practices, provision of a toolbox to facilitate disconnection, awareness-raising actions.

Parenthood support

Nexity wanted to offer its employees who are parents the benefit of a number of services relating directly to childcare that are provided by recognised professionals in the early childhood sector.

To deal with difficulties related to the search for childcare services, Nexity concluded a partnership concerning the reservation of places in nurseries and related services.

1) The absenteeism rate is calculated on the basis of calendar days. It corresponds to the consecutive days of leave due to illness, occupational illnesses, workplace accidents and commuting accidents of employees on permanent contracts divided by the average number of permanent employees multiplied by 365 days. This rate excludes foreign subsidiaries.

As such, 85 employees benefited from a nursery place in 2023, either close to their home or workplace. This network of nurseries also offers an additional emergency service to employees who need it.

In addition, in order to encourage the employees concerned to benefit in full, Nexity ensures that their full salary is maintained throughout the period of paternity and childcare leave.

Lastly, a parenting support platform is made available to employees and a conference on balancing work and parenthood was offered in 2023.

Caregiver support service

As part of its prevention policy, Nexity has introduced a caregiver support service in 2019 for its employees who are looking after immediate family members (ascendants, descendants, spouses, *etc.*) or close relatives.

This service involves assisting employees in all of their procedures, from analysing their needs, through monitoring all administrative formalities, to implementing solutions adapted to the loss of autonomy of their relative.

Thanks to the promotion of the system *via* communications on the Group's intranet at the beginning of the year and a dedicated webinar during Quality of Life at Work Week in June 2023, 34 employees benefited from support this year. This figure has more than doubled since 2022 thanks in particular to more awareness of the system and better means to access it.

Health and welfare and work-related stress

Social protection

In 2011, Nexity established a shared foundation in terms of social protection for its employees to demonstrate its commitment to fairness and its desire to create a social protection system favourable to all employees.

Due to a deficit in the health and welfare cost accounts for the 2022 fiscal year and in order to perpetuate the system,

the trade union and employee representatives and Management unanimously recorded a controlled increase in applicable contributions from 1 January 2023, fully covered by the employer on an exceptional basis for 2023, in order to protect the purchasing power of employees.

The system is based on high-quality health and personal risk insurance guarantees and gives priority to preventive healthcare.

This preventive approach involves the provision of services such as medical tele-consultation, a confidential listening service, return to work support and daily living assistance.

Awareness of work-related stress

Nexity pays particular attention to the prevention of psychosocial risks. In this respect, several initiatives have been rolled out:

- Stress management training;
- Awareness-raising for managers so that they can best identify and support employees in difficulty, if necessary;
- Psychological support *via* an anonymous and free hotline, available 24/7; and
- A platform bringing together several services to support employees in difficulty (*e.g.* well-being coaching).

In order to raise managers' awareness of the issues above, a training course entitled "Managing personal stress and that of others" is offered as part of their training, the aim being to develop the specific skills needed to manage situations of stress and tension. In addition, a training module on "Acting on stress" is offered to employees and is open to all those who wish to participate. In 2023, 16 employees participated in these training sessions.

Prevention and safety

In 2023, the Safety and Prevention Department, attached to the Risk Department, continued to carry out its regular duties. These are detailed in Chapter 2, Section 2.1.4 "Prevention and Safety".

3.4.2 Recruiting and developing talent and strengthening employee engagement

3.4.2.1 Attractiveness

Various levers are deployed to make Nexity visible to candidates and promote employee engagement, notably:

- A new employer brand campaign was launched in September 2022 and continued throughout 2023;

- A digital ecosystem *via* the careers website, social media and job boards; and
- A strategy for relations with schools.

3.4.2.2 Recruitment

In 2023, Nexity recruited 1,253 employees on permanent contracts, of which 56% were management staff. Of these recruits, 40% were men and 60% were women. To meet the major recruitment challenges and overcome the associated difficulties, especially for business lines experiencing staff shortages, Nexity was able to rely on CapRecrutement, its internal recruitment firm. It optimises recruitment efficiency and time frames and contributes to improving the candidate experience.

Concerned about the candidate experience, the Group rolled out the HappyCandidates survey (ESG certified opinions) in collaboration with ChooseMyCompany®, which aims to better understand the expectations of candidates and improve the recruitment process by identifying its strengths and areas for improvement, and boost Nexity's reputation and visibility in order to attract new talent on the basis of the testimonials received.

3.4.2.3 Talent and skills development

Induction process

The "Bienvenue dans la Ville!" (Welcome to the city!) integration programme is a support system for new employees joining Nexity group.

It enables them to better understand the Nexity universe and to celebrate a new milestone in their professional career by joining the Group.

An experience designed and lived as a didactic journey, which starts at the signing of the contract with access to a pre-onboarding site and which ends six months after arrival.

A course that includes essential resources, punctuated by specific events: Executives Master Class; virtual classes to strengthen their real estate culture; dedicated seminars; escape games; after work event, *etc.*

Group training

La Cité is an entity to develop and enhance human capital to serve the Company's sustainable performance. It operates thanks to an open collective of experts, and opens up possibilities in terms of skills development to accelerate Nexity's transformation into a learning organisation. La Cité's DNA is to pool strengths, capitalise on what already exists and work as cross-functionally as possible with all departments on skills development topics to serve the organisation's strategic challenges.

Since its launch in January 2020, La Cité has responded to Nexity's ambition of becoming "the company of possibilities, a place where people come to grow and develop". La Cité is for all current and future Nexity employees who want to be active players in their real estate careers.

With its "Les Apprentis de l'Immobilier" CFA (apprentice training centre), launched in the spring of 2021, La Cité is an open and inclusive certifying structure, from which the entire Nexity ecosystem benefits (employees, managers, executives, associations, students, *etc.*).

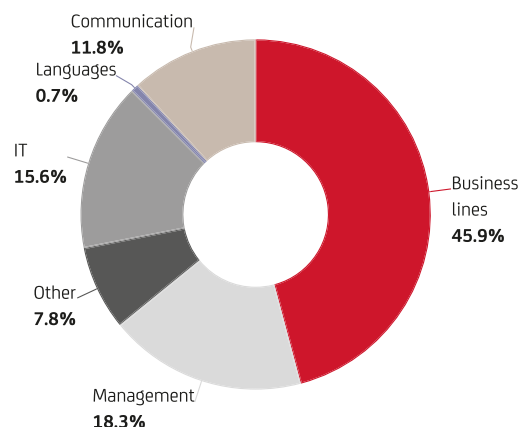
La Cité's Qualiopi certification was renewed in October 2023 without any non-compliance. This certification, obtained for its training and work-linked training for students, based on the single national benchmark, are testament to the quality of the training provided by La Cité to develop staff employability and support Nexity's transformation.

It also helps to share the Group's expertise externally by developing new training programmes open to everyone, and thus positioning itself as a reference on the topics raised.

In 2023, La Cité launched its first training course for the general public, designed in collaboration with the Digital Department: "Tout savoir sur l'Investissement Immobilier" (All you need to know about real estate investment).

In 2023, Nexity invested €5.9 million in training, representing 66,223 hours, of which 29,681 provided remotely.

2023 Breakdown of training hours by area



La Cité's objective is to develop a common training base comprising knowledge (Group and regulatory training), know-how (base of technical skills outside the business lines) and behavioural skills called "soft skills", via training, workshops and a consistent discourse.

The range of technical training, outside the business lines, necessary for professional efficiency (bureaucratic, project management, time management, cross-functional management, *etc.*) has been upgraded to include new content on digital tools.

Likewise, the personal development offering has been enriched with online training courses giving access to new educational resources:

- Boosting your professional success: the keys to adaptability;
- Elevate your professional skills through the power of feedback;
- Active listening, the key to successful communication;
- Unleashing your creativity in business;
- Master strategic thinking and develop your critical thinking; and
- Optimising your efficiency at work: master the art of organisation in the workplace.

In 2023, several e-learning modules were also added to the regulatory training offer, including:

- The Ethics Badge;
- The AML-CFT Badge;
- The Anti-discrimination in Access to Housing Badge; and
- The Fight against Corruption and Influence Peddling Badge.

In addition, to stay one step ahead, La Cité incorporates a forward-looking dimension to prepare for the future and anticipate changes in skills.

Artificial intelligence has accelerated significantly in recent months, and requires the rapid acculturation of employees.

As part of the Digital Academy, an inspiring conference on the theme of generative artificial intelligence was organised, as well as a series of webinars for in-house trainers. The next step is the launch of the "Generative Artificial Intelligence" passport in January 2024 for all employees.

In the field of Corporate Social Responsibility, a CSR Academy has been launched to unite all Group and business line training and educational resources available to employees in the same space.

In 2023, the Academy saw the addition of the "Biodiversity" VISA, and an online training course "Reducing your carbon footprint and that of the company".

The Inclusion and Diversity VISA was also broadened with a specific managerial component, integrated by the Managerial Training Centre, on the theme of inclusive management.

The ongoing roll-out of the Climate Fresk also continued. To this end, fresk events are regularly organised throughout France. 26 volunteer employees were trained in how to run a fresk event, with a view to creating an internal community to accelerate the deployment of the fresks within the Group.

Since the original launch of the fresks in 2021, 3,420 employees have been trained in this way, of which 1,952 in 2023, i.e. 42% of the target (employees on permanent contracts excluding Accessite, Morning and Service Personnel).

The Managerial Training Centre for Group managers also evolved in 2023 with the launch of the module entitled "Embody our new managerial model", and the roll-out of the new managerial model "24 hours in management, staying one step ahead".

Since its launch in June 2023, 29 training sessions have been held, attended by 212 managers.

For the first time in 2023, training was provided on the theme of "management and disability: breaking down stereotypes". Using virtual reality for an immersive experience, the aim of these training sessions is to raise awareness among managers by challenging stereotypes and subconscious biases around disability, and by providing practical advice on the role of a manager and resources available within the Group.

The "Les Apprentis de l'Immobilier" [Real estate apprentices] CFA also continued its actions in 2023.

Since its launch in 2021, 37 apprentices have completed their "Land developer", "Real estate advisor" and "Condominium manager" training courses.

The results of the exams were conclusive: 100% passed the "Land Developer" course and 87% passed the "Real estate advisor" course. In 2023, 88% of apprentices in the "Condominium Manager" programme passed their exam.

In terms of talent retention, 61.5% of "Land Development" apprentices remained with Nexity and 40% of "Real estate advisor" apprentices were subsequently hired. The quality of these training courses is highly praised, with 82% of apprentices (CFA value-added) saying they would recommend the course.

In 2023, the CFA also had eight apprentices on the new "Land developer" course. They will graduate in July 2024.

A collective experience validation scheme has been offered to all Group employees for many years. This collective system provides enhanced HR support and promotes the awarding of a diploma. Its objectives are to develop staff employability and to recognise their skills, expertise and experience through a diploma.

In 2023, 15 employees received career-related support: 9 candidates spread over the 3 BTS proposed with GRETA (BTS in Support for managerial action, BTS in Real estate professions, and BTS in Negotiation and digitisation of customer relations), and 6 bachelor candidates in partnership with ESPI (Masters in Real Estate Management).

Development and Performance Interview

The annual Development and Performance Interview is a key ritual in the managerial relationship and the life of the employee in order to strengthen their sense of belonging and commitment by reconciling the quest for meaning and performance.

Conducted by the manager with his or her employee, it makes it possible to take stock of the year by assessing the objectives of the past year, skills and performance. It allows employees to plan ahead with their employees by setting annual objectives to be achieved and defining support needs related to their professional development. It is also an opportunity for employees to share their motivation drivers with their manager and to express feedback on his/her management method.

The rate of interviews carried out in 2023 was 94%.

Development and Performance Interview – Midpoint

The interim report of the DPI offers managers and their employees the opportunity to make a mid-term review and take into account changes in the situation in the setting of objectives for the current year, without waiting for the next DPI campaign. It is also an opportunity to observe the evolution of employee motivations and to discuss possible actions in favour of commitment.

Internal mobility

Internal mobility is strongly encouraged within the Group. To facilitate employee access to internal transfers, a “transfer space” is accessible *via* the Nexity intranet. It includes job offers open internally, useful documents such as the Mobility Charter, a mobility presentation tutorial, mobility videos, and the list of HR contacts. Employees can apply for available opportunities and record their job searches in order to receive a notification when a position that meets their expectations is to be filled. In 2023, Nexity boosted the communication of opportunities offered within its various structures, through featured videos on the positions to be filled, newsletters, HR support, *etc.*

Internal mobility has a positive effect on the organisation and career management policy, it reinforces the sense of belonging and commitment of employees.

In 2023, 379 employees transferred internally (373 in 2022). 30% of these were on permanent contracts.

Career – HR Professional Interview

The HR professional interview was set up in 2021 to further support employees’ career paths and promote their commitment and development. Conducted by the HR teams, it provides an opportunity to discuss their careers and professional plans and to identify the development plans that can contribute to their achievement.

In 2023, 598 interviews were conducted by the HR teams.

Employment and Career Path Management (GEPP) and cross-functional and managerial skills frameworks

As part of the agreement on Employment and Career Path Management (GEPP), signed unanimously with the trade union and employee representatives at the end of 2021, Nexity strengthened the systems and practices implemented to support career paths, by taking into account changes in the business lines.

A business line observatory bringing together the trade union and employee representatives, HR and employees in the field was set up to bring this approach to life and make it a place for discussion, reflection and the prospective analysis of jobs.

In a context of significant internal and external changes and in line with the GEPP approach, Nexity has carried out a study to identify the impacts of these changes on the business lines and working methods, which revealed that new skills must be developed to collectively adapt to these changes. On the basis of this information, Nexity has built a new framework comprising seven cross-functional skills and three managerial skills.

Nexity has also redrafted the job descriptions for its main business lines to take these changes into account. Employees can access a dedicated space entitled “The business line platform” where they can find information (like job descriptions, videos, podcasts) and careers support.

Talent review meetings

Every year, talent review meetings are held which follow the Development and Performance Interview campaigns. They contribute to the challenges of developing and retaining talent.

The purpose of these Committees is to identify both the potential and risks among the managerial population in order to support employees’ career development in a targeted manner.

The Talent review meetings held in 2023 identified 677 potential employees.

The Professional development programme to retain top talent: Next

Sponsored by Executive Management, the Next programme was launched in 2015. It is an individual Group professional development system for employees identified during the talent review meetings as having a high potential for advancement and high performance within the Group. The Next programme is a comprehensive support system designed to accelerate their careers. In addition to the visibility they benefit from, the Next programme gives them the means to move on to higher-responsibility positions, with the tools they need to progress and develop within the Group.

Around its two central themes, which are management and new collaborative methods, the Next programme serves several purposes:

- Developing the network: by building a community of managers and transformative agents to increase cross-functionality and agility and create business opportunities;
- Developing agility: by understanding innovative managerial practices and collaborative methods (for the benefit of internal teams and clients); and
- Developing cross-functionality: by developing Nexity’s vision as a service platform. This allows us to better understand the Group and the possible career development opportunities while creating new synergies.

In 2022-2023, the programme had 29 employees (of which 52% were women). Since its creation, over 200 high-potential employees have taken part in the programme in seven groups representing all Nexity divisions and business lines. At the end of the programme, the majority of employees move on to key positions in the organisation.

3.4.3 Promoting inclusion and equal opportunities

Nexity aims to ensure that the principle of non-discrimination is observed, both during the recruitment process and for the full duration of the employment contract.

Any decision based on non-professional grounds or prohibited subjective criteria therefore is prohibited for ethical reasons, and to properly manage the image risk arising therefrom.

The Group therefore views inclusion and equal opportunities as an opportunity, and believes that a company's performance is enhanced by the diversity of its staff. For this reason, it aims to boost diversity and inclusion measures, sources of rewards and greater commitment, based on four priority areas:

- Gender equality;
- Employment of people with disabilities;
- Social and cultural diversity; and
- Employment of seniors.

To ensure the monitoring of best practices and a continuous improvement mechanism, Nexity is a member of the *Association Française des Managers de la Diversité* (AFMD), the *Observatoire de la Charte de la Parité dans l'Immobilier*, the #StOpE initiative on sexism, as we all as the Club Landoy (which works in favour of the employment of seniors). It also participates in a variety of organised events such as conferences, workshops, sponsorship programmes, etc.

In addition, Nexity used a questionnaire to collect all of its employees' opinions and expectations about the application of principles of diversity within the Group. More than 1,300 employees answered. A charter of concrete commitments was drawn up on the basis of the results obtained, called "Ensemble pour l'inclusion" (Together for Inclusion). It was signed by the Executive Committee and approved by all Nexity managers. It was submitted for approval by all the employees and will be included in the employment contract of new recruits.

An Inclusion Committee, whose members are Group employees located throughout the country, was created in 2021 to enable all employees, regardless of their region and their division, to benefit from local contacts in order to have easier access to inclusion schemes. The members of this Committee are responsible for:

- Local feedback: sharing of useful information, answers to employees' questions;
- Local player: participation in the deployment of Nexity's inclusion policy; and
- Ambassador: representation of Nexity's values internally and externally.

A training course, entitled the Inclusion VISA, designed for all employees, was rolled out in September 2022 as a continuation of the CSR training, the aim being to enable them to learn about best practices to combat stereotypes and adopt an inclusive posture at work. A target has been set to train 100% of employees. As of 31 December 2023, 2,791 visas had been obtained, of which 1,627 in 2023.

The actions taken by the Group in terms of diversity and inclusion continued to bear fruit in 2023. Nexity maintained its place on the list of Diversity Champions published by Capital and it ranks third in the real estate sector.

In addition, since the end of 2020, Nexity has been a signatory of the *l'Autre Cercle Charter*, a French association that works for the inclusion of LGBTQIA+ people in the professional world.

Lastly, the diversity action plan initially set up at the instigation of the Board of Directors was renewed for the period 2024-2026. In addition to gender equality, it now also deals with the employment of seniors and people with disabilities.

3.4.3.1 Strengthening the Group's commitments to gender equality

Nexity is particularly aware of the need to promote gender equality. For this purpose, the workforce structure is regularly monitored and analysed.

62% of the workforce is female (of which 48% are managers and 52% non-managers), and 38% are male (of which 73% are managers and 27% non-managers). Of the managers, 48% are men and 52% are women and among middle managers, 49% are men and 51% are women. In 2023, 79% of promotions (transition to managerial status) were awarded to women and 21% to men ⁽¹⁾.

The action plan set up in 2017 on gender equality and diversity has achieved real results:

- Club 1797 is now 41% comprised of women, in line with the target set;
- Nexity was included on the Bloomberg Gender-Equality Index for the 5th consecutive year;
- Nexity maintained its ranking in the SBF 120 ranking of female representation on governing bodies, having reached 7th place in 2023.

1) Excluding Angelotti, Bureau A Partager, Lespace, Bahouse, BYM Studio, Rayon.

In order to sustain these results, a new action plan for 2026 has been drawn up. It aims to:

- Continue to make progress on gender parity within governing bodies and business lines that are more traditionally staffed by men:
 - 40% women in governing bodies
 - 50% women among potential talents.
- Maintain equal pay between employees with equivalent positions, skills and backgrounds;
- Communicate and raise awareness of gender equality issues; and
- Ensure work-life balance.

Ensuring equal pay for employees with equivalent jobs, skills and backgrounds

An analysis carried out in 2023 (for 2022) confirmed that Nexity respects equal pay for men and women.

In addition, during the 2023 salary reviews, the managers concerned were reminded of the principle of non-discrimination, particularly in terms of pay equity.

Furthermore, in accordance with the implementing decree of the French Avenir professionnel Act (Professional Future Act), Nexity group entities whose workforce is affected have measured the indicators defined by the Gender-Equality Index, presented in Section 3.4.1.1 “Remuneration” of this chapter.

It is recalled that in 2022, an allocation criterion linked to equality was included in the executives' individual free share award plans (achievement of 40% women within Club 1797 and no gender pay gap exceeding 10%, for an equivalent profile, position and situation).

Maintain the gender parity on governing bodies and within business lines more traditionally staffed by men

In order to achieve its quantitative targets in terms of increasing the proportion of women on governing bodies, Nexity is continuing its actions: the internal network for discussions and work now has more than 100 members, women and men from all of the Group's business lines. Its purpose is to promote gender equality in the workplace, to help implement practical and innovative actions and to share experiences and best practices.

To support women in their career progression, there has been a specific focus on identifying high-potential employees and candidates for the talent development and future executives training programme (Next): 50% of the intake was female.

The content of the mentoring programme was reviewed in 2023 with a view to its enhancement. The launch of its new version will take place in early 2024 for the benefit of thirteen female employees. The aim is to provide them with

the advice and experience of mentors in order to develop their network, take stock of their professional career and identify opportunities.

In order to ensure that women are represented when recruiting executives, all new contracts entered into with recruitment firms include a clause whereby the shortlist of candidates must be in proportion to the number of female applications received, and consistent with the proportion of qualified women in that particular business sector.

In addition, in accordance with the law of 24 December 2021 to accelerate economic and professional equality, Nexity Lamy, which has more than 1,000 employees, published the percentage of women on its governing bodies during the first quarter of 2024: its Executive Management Committee comprises 50% women and 30% of its senior executives are women.

Lastly, to take things one step further, on 25 January 2023, Nexity joined the #StOpE initiative, a collective that seeks to combat ordinary sexism in the workplace. A working group, notably comprising the harassment officers of the various entities, was set up in 2023 to discuss the implementation of awareness-raising tools to prevent and combat sexist acts and sexual harassment in the workplace.

Communicate and raise awareness of gender equality issues

To increase the accessibility and attractiveness of some of the Group's business lines which tend to be predominantly staffed by men, videos are shown containing testimonials from female Nexity employees working in field workstations or positions of high responsibility. Likewise, awareness-raising actions for students are regularly offered via presentations or forums to deconstruct gender stereotypes. Within the Group, women represent 30% of the IT department and 31% of the so-called technical roles.

Several communications were also shared in 2023 on Nexity's social network to raise employee awareness of gender equality-related topics.

In addition, an employee communications campaign dedicated to inclusion and including a specific gender equality component continued in 2023. It took the form of regular communication bulletins on the theme of inclusion.

Ensuring work-life balance

In addition to the actions implemented in the context of quality of life at work (see Section 3.4.1.2 “Nexity - a preferred company” of this chapter), Nexity encourages its employees to take advantage of paternity leave (legal allowance of 28 days) by offering to maintain 100% of their salary and providing more information by way of a communication campaign. The Group also pays particular attention to the return to work after maternity leave (legal allowance of 16 weeks). In 2023, the retention rate of female employees after maternity leave was 90%.

3.4.3.2 Promoting the employment of people with disabilities

At 31 December 2023, the Group employed 222 people with disabilities in France. On a like-for-like basis, this represents an increase of 8.4% year-on-year. This is due to the various communication and awareness-raising actions carried out and the support of employees by Mission Handicap.

Thanks to its mobilisation, Nexity recorded a 0.5% increase in its rate of employment of people with disabilities since 2022.

With regard to inclusion, Nexity wanted to strengthen its commitment in 2022 by signing its first agreement to increase the recruitment of people with disabilities and promote the retention of such employees.

This desire resulted in the activation of three main pillars: recruitment, support and awareness.

Recruitment

- Partnerships signed with specialised recruitment firms such as Aktisea;
- Attendance at forums and job dating events;
- Publication of job vacancies on various dedicated job boards;
- Integration within the structures of Oralia of work-study students with disabilities, trained as accounting assistants (9 people on experimental professionalisation contracts); and
- Appointment of two dedicated contact people within the internal recruitment firm CapRecrutement.

Support and retention of employees

In order to best support employees on all disability-related topics, the disability mission is responsible for the following:

- Inclusion and support of employees with disabilities;
- Keeping them in employment by calling upon specialised players and offering them remuneration solutions;
- Provide guidance to people with disabilities and assist them with various processes; and
- Listening to them and ensuring that any information shared remains confidential.

In addition, the Inclusion Committee is involved in the roll-out of the disability policy, distributing all communications locally, organising on-site events, answering employees' questions and providing guidance.

Raising awareness among employees

In 2023, the Group organised various awareness-raising actions around the theme of sport during the Disability Employment Week for all employees (conferences, sports activities, etc.).

As part of Well-being at Work Month held in June 2023, conferences led by patient experts were offered to employees to raise their awareness of the issues associated with certain chronic and debilitating diseases (cancer, endometriosis, multiple sclerosis, Crohn's disease, etc.). Employees could then request a private interview with the partner patient.

In addition, in October 2023, Nexity took part in the "Un jour, un métier en action" (One day, one job in action) initiative to introduce some twenty people with disabilities and looking for a job to the real estate industry.

Lastly, various training sessions have been organised, taking into account the specificities of each individual. One such session saw the members of the Inclusion Committee, recruitment managers and pay teams receive training to improve their knowledge of disability. As a reminder, a training course dedicated to managers was also launched in the last quarter and will continue in 2024.

In addition, Nexity offers various support schemes for employees with disabilities:

- 3 days of authorised paid leave to attend medical appointments or carry out administrative procedures related to recognition as a disabled worker;
- CESUs of €750 for employees with disabilities or their beneficiaries;
- Granting of an additional day to work from home; and
- The payment of an allowance of €1,200 for any new recognition of the status of disabled worker.

Following the signing of the agreement, specific measures dedicated to caregiver employees were added to these measures:

- Granting of three days of authorised paid leave to accompany the disabled child to medical appointments; and
- Option to benefit from an additional day of working from home.

Lastly, testimonials from employees with disabilities are regularly posted on the Nexity Live internal social network in order to share their experience with all Group employees.

Nexity continues to invest in the integration of people with disabilities through services and subcontracting contracts. To this end, partnerships have been forged with:

- Aktisea: recruitment of people with disabilities;
- The PiDieM firm to support employees;
- The Elise and Cèdre companies: collection and recycling of office waste;
- The ISEA disability-friendly company: purchases of supplies;
- The disability-friendly company ATF Gaia: reconditioning of IT hardware; and
- The disability-friendly company ANRH: scanning of documents.

In 2023, 98 disabled worker status recognition certificates were awarded and 61 employees benefited from a workstation adjustment or specific support provided entirely by the disability mission. In addition, for some of them, additional equipment was handed out for working

from home. All these actions contribute to improving the daily working conditions of persons recognised as having disability status, and to improving their well-being at work.

In 2023, 53 employees benefited from the financial assistance set up by Nexity on 1 January 2020.

3.4.3.3 Developing social and cultural diversity

In 2018, the Group made a commitment to open its doors to interns from grade-9 class, in particular from QPV priority urban planning districts.

As part of the campaign that took place during the 2022-2023 school year, 289 interns from various middle and high schools were welcomed at Nexity, in particular through a partnership with the city of Saint-Ouen.

Created in 2017, the Nexity Foundation works on the following three topics:

- The fight against extreme poverty, particularly for women and young people;
- Equal opportunities for young people aged 14 to 26, from priority urban planning districts, low-income backgrounds and who have been forced into an unwanted career path or have dropped out of school; and

- Inclusion through sport both for these same young people as a driver for motivation and also sport as a driver for inclusion for young people with disabilities.

In 2023, 42 associations were supported by the Nexity Foundation, receiving over €1 million in financial contributions.

Positioned as an operating company foundation, it develops, in partnership with associations or directly, several programmes aimed at supporting young people in their career path and/or in learning about jobs and the corporate world. In 2023, these programmes supported 206 young people and 38 employees were involved in these actions with young people.

3.4.3.4 Promoting the employment of seniors

In June 2023, Nexity group signed a first inter-company commitment to promote the employment of people aged 50 and over.

At the same time, a dedicated action plan was drawn up to roll out, from 2024, measures to promote recruitment, training, the transmission of knowledge and support for this population.

3.4.3.5 Additional information

Compliance with conditions for the use of subcontractors

The Group remains particularly vigilant with respect to its use of subcontracting and its compliance with legal provisions relating to both the working conditions as well as the safety of all personnel. Prior to signing any agreement with subcontractors, the Group systematically verifies that the subcontractors are not in arrears with their social security contributions. The managers of these firms are required to sign a sworn affidavit stating that they do not employ any unauthorised workers. These measures are set out in the code of conduct, which can be accessed on the Company's social network by all Group employees.

Compliance with the organisation and management of working hours

Each company or group of companies belonging to an Economic and Social Unit (UES) has its own specific arrangements for organising and managing working hours, laid down in a collective bargaining agreement, in particular by type of business and the terms of any applicable agreements. They depend upon an employee's status and level of responsibility.

Compliance with ILO conventions

Nexity only operates in countries that have ratified the ILO's eight fundamental conventions and complies with the regulations in force in those countries.

Similarly, the various recommendations of the ILO and international conventions prohibiting child labour are respected: Nexity does not employ any minors, except occasionally for internships or apprenticeship contracts.

Compliance with legislation on employee representative bodies

Each entity in the Group has a Social and Economic Committee (*Comité social et économique* – SEC) and Trade Union representatives, depending on the size of its workforce.

These bodies have clearly defined powers and their members are consulted and informed on a regular basis about the implementation of projects concerning the situation of employees within the Company.

Overall, Nexity has 155 employee representatives (including both the appointed representatives and their alternates) spread across 8 organisations, at companies where this is justified by the headcount in accordance with legal requirements, and 21 trade union representatives:

- Employees of the companies are informed and express themselves collectively in particular *via* Social and Economic Committees (SEC). Nexity group has eight Social and Economic Committees (SEC): UES Nexity Promotion Construction, UES Nexity Property & Services, UES Nexity Lamy, UES Invest, Angelotti Aménagement, Angelotti Promotion, Accessite and Costame. Nexity's contributions to the Group's various SECs for social and cultural activities in 2023 totalled €2.5 million. The total operating budget for the various SECs came to €0.9 million;
- Three trade union bodies are also represented within Nexity;
- A Health, Safety and Working Conditions Committee (HSWCC) has been created within four SECs (Nexity Promotion Construction, Nexity Lamy, INVEST and Nexity Property & Services) to discuss these matters.
- Local representatives have also been appointed for certain entities (Nexity Promotion Construction, Nexity Lamy, Angelotti Aménagement, Angelotti Promotion). Their discussions with local management make it possible to take account of employees' issues; and
- At Group level, a Group Works Council was set up by collective agreement on 21 November 2008 and its members were most recently renewed in July 2020. This body serves as a forum for dialogue intended to ensure the effective exchange of information between Group Management and employee representatives. The Group Works Council thus receives information about the Group's business activities, financial position, employment trends and outlook.

Taking into account the importance of induction at all Nexity structures, the decision was made in April 2016 to broaden access to the Group Works Council by introducing observer seats for companies with their own Works Council but no members of the Group Works Council. Executive Management and the Group Works Council meet more than three times a year. When the most recent renewal took place in July 2020, and in order to take into account the reform of employee representation, it was decided – in agreement with the trade union and employee representatives – to maintain observer seats for companies with a Social and Economic Committee representing more than 90 employees.

Social dialogue

Minimum welfare benefits

At Group level, a programme of minimum welfare benefits for all employees, which currently comprises social protection guarantees, employee savings schemes (PEG, PERCOLG and Group profit-sharing) and the establishment of an employee representative body, the Group Works Council and the process relating to the Employment and Career Path Management (GEPP) has been developed in order to consolidate Nexity's commitment in terms of fairness, solidarity and promoting collective performance.

Since 2022, this programme has been extended with the signing of an agreement in favour of the employment of people with disabilities.

Collective bargaining agreements signed in 2023

In 2023, collective bargaining agreements negotiated at Group and entity level mainly covered the following topics:

- Incentive schemes;
- Employee savings scheme;
- Social protection;
- Quality of life and working conditions;
- Recognition of a UES; and
- Employee representative bodies (SEC and professional elections).

3.5 CROSS-FUNCTIONAL ISSUES: GOVERNANCE AND ETHICS, CLIENT SATISFACTION, RESPONSIBLE SUPPLIER RELATIONS, INNOVATION

The three areas of focus of Nexity's CSR strategy presented in paragraph 3.1.1.1 "The Group's CSR Strategy" of this chapter, are driven by cross-functional issues with a strong impact on the efficiency of the actions implemented and are subject to steering *via* objectives. Thus, it is necessary to

have an open and responsible governance, but also to produce goods and services that satisfy clients and, lastly, to produce them within the framework of balanced partnerships with suppliers.

3.5.1 An open and responsible governance

Having a governance that is open to dialogue with stakeholders and applying best practices in ethical terms is a major issue for Nexity.

Issues related to corporate governance, such as the number of women on governing bodies or the independence of directors are discussed in detail in Chapter 4 "Corporate Governance" of this Universal registration document.

Cross-functional issues: governance and ethics, client satisfaction, responsible supplier relations, innovation

Business ethics issues are managed within the Group by the Compliance Department and cover areas such as the prevention of corruption and influence peddling, the fight against money laundering and the financing of terrorism, lobbying activities, the fight against tax evasion and data protection. These different themes are discussed in Section

2.1.6 “Business ethics and compliance” in this Universal registration document, in addition to the duty of care, discussed in this chapter.

Dialogue with stakeholders is presented in Section 3.1.1.5, “Dialogue with stakeholders” of this chapter.

3.5.2 Improving client satisfaction and support

Nexity confirms and accelerates its commitment to satisfy all of its clients, through its strategic roadmap, with the aim of becoming France's favourite real estate operator.

In order to offer a unique and differentiating experience to its clients, Nexity works to continuously improve the quality of its products and offers while forging human-focused, personal and personalised client relationships.

For the past three years, this goal has been reflected in the implementation of an internal client culture scheme called “Client Smile”, a real corporate project that involves all Group employees. The aim of Client Smile is to place the client at the heart of Nexity's structures and decisions by actively listening to their needs, implementing continuous improvement plans and working on employee training and development. In this way, customers stay, come back and recommend Nexity.

3.5.2.1 Commitment to client satisfaction

Individual Clients

The Client Satisfaction Department supports all of Nexity's B2C, B2B and B2B2C business lines and is structured around the following teams:

- The Projects and Initiatives team, which is in charge of extending a client listening system at all stages of the client experience and managing the relevant client relationship tools, as well as the roll-out of an ambitious self-care policy; This team is also responsible for promoting the Client Smile scheme both internally and externally in order to position Nexity as a recognised player in client relations;
- The Client Experience Management team which introduces, trains and manages employees towards a client-centric outlook, in particular with the back-up of the Client Experience officers from each subsidiary; and
- The Group Client Service which is in charge of the accelerated processing requests and complaints sent to head office.

This organisation involves all of the Executive Managements and Regional Managements of the subsidiaries and real estate agencies. The business lines involved in improving client satisfaction have tools, reporting and management methods designed for this purpose:

- A client listening system for all clients. This system has been rolled out to owners (of new and old buildings), tenants, private landlords and co-owners, but also to our social housing operators and institutional investors from January 2024. This listening system makes it possible to measure the level of client satisfaction, by business line, by subsidiary and by real estate agency. It enables Nexity to standardise client satisfaction indicators and increase the recurrence of data collection in order to identify any areas of weakness and implement corrective action plans in the relevant areas;

- Client Satisfaction Action Plans (SAP) to improve the level of client satisfaction for each type of client and at every stage of their experience. In Residential real estate, the SAP 2023 helped to increase the overall satisfaction of clients who buy new homes, at every stage of their experience (CSAT);
- Client Experience guides especially for buyers of new builds, which comprise an e-learning module and a client experience guide, present all the best professional practices to be applied at each stage of the client experience. These guides are regularly updated with new best practices from the field;
- An enhanced self-care policy to meet the autonomy needs of clients. To this end, the FAQ has been reviewed, enhanced and updated to enable the Group's clients to find answers to common questions. Similarly, the MyNexity private client space continues its growth to become the preferred relationship channel for all clients; and
- A process for handling and processing requests and complaints was set up to allow centralised monitoring at Group level in order to track and manage everything in order to provide ever faster and more effective responses.

Client satisfaction is a key issue for Nexity. By making client satisfaction a pillar of its strategic plan, the Group is committed to improving the quality of service for all its clients on a daily basis with the ambition of becoming France's preferred real estate operator.

In addition, Nexity continues to improve its “Residential real estate” client satisfaction, excluding Edouard Denis, with a CSAT of 73.7% (+ 1pt vs. 2022) ⁽¹⁾. This increase, which has been constant over the past four years, was particularly marked in 2023 with a 5-point increase in satisfaction after the handover, a crucial step in the client journey.

In January 2023, Nexity rose to 3rd place in the annual ranking of client relations carried out by The Human Consulting Group for the newspaper Les Echos, which represents an increase of 96 places in four years.

Lastly, to improve the Group’s commercial performance, the Client Satisfaction Department will focus on the following:

- Better anticipating the clients’ moments of truth throughout their real estate life, through predictive tools;
- Adjusting the relationship intensity to the right level to maintain contact with clients over time; and
- Making life easier for clients by having a single point of contact throughout the process.

Commercial Clients

Nexity Immobilier d'Entreprise offers a broad range of real estate services dedicated to Commercial Clients with the aim of meeting clients’ transformation and investment challenges across the entire real estate value chain.

As part of a perpetual approach to continuously improving its value proposition, since 2021 Nexity Entreprises has been conducting client satisfaction surveys in one of its main business lines: property management.

In 2023, the Group’s client listening system was fully deployed with the ongoing monitoring of both investor and user client opinions. This active listening enables Nexity to better understand the expectations of its clients and to offer them an exclusive and personalised client relationship. Satisfaction indicators are shared with clients during business reviews every year, in complete transparency, with the aim of proposing an improvement plan.

The Group is already reaping the first fruits of this client satisfaction ambition, with the property management CSAT rising sharply over the past year (+9.6 points compared to 2022), to more than six in ten clients saying they are satisfied. This improvement is the result of attentively listening to the expectations of clients, which is reflected in the implementation of corrective action plans and the commitment of all employees to this strategic issue.

In the pursuit of continuous improvement, clients are listened to throughout their journey, helping to engage employees and come up with progress plans that meet their expectations as closely as possible and thus eliminate the main irritants.

3.5.2.2 Special attention to the quality of products and services

Residential Real Estate Development

For many years now, Nexity has delivered high-quality products, thanks to the implementation in 2011 of a systematic and regular internal quality process. Production and deliveries are monitored by Nexity’s After-Sales Service Quality Department which is part of Nexity’s Residential Division.

This independent and autonomous entity consists of:

- An operational division with Quality Project Managers who travel throughout France inspecting projects at the various phases of construction to ensure the compliance of both the private and common areas, in order to guarantee a high level of quality to the Group’s clients; and
- A project division that coordinates, analyses and consolidates the performance indicators related to production, while supporting the subsidiaries in the proper use of business tools and proper compliance with processes.

In its day-to-day missions, the After-Sales Quality Department relies on a Quality process initially called “L-4/L+4”, which covers all operations carried out by all of Nexity’s Residential real estate subsidiaries in France. The quality inspections are carried out at different stages of the construction process:

- Four months before delivery (L-4): to confirm that the state of progress is consistent with the envisaged delivery date;
- One and a half months before delivery (L-1.5): to check the completion of the project before going on to the “pre-deliveries” phase with clients;
- On the day of delivery: a third visit is carried out to verify that the procedure for delivery and the handing over of the keys to clients is in place; and
- Finally, a quality assessment four months after delivery (“L+4”) is organised, in order to review with the project team the status of the remaining reservations, the progress of matters referred to the after-sales service, and the completeness of the documents to be sent to the condominium management.

As part of the transformation project initiated by the Group’s Executive Management, a new delivery process will be rolled out and implemented from April 2024 which:

- Will apply to all transactions (first-time buyers, bulk sales);
- Will extend over an extended scope: from L-6 to L+12; and
- Will integrate stages of the handover and after-sales process and the Development / Property Management agencies synchronisation process.

¹⁾The scope of the average client satisfaction rate (CSAT) was expanded in 2023. From now on, the CSAT will be based on the entire experience for a residential real estate client, from the first appointment until after delivery. (Previously: from notary signature to delivery).

Teams are supported in the application of processes and the proper use of tools through regular meetings with operational staff, independently of construction schedules.

As client satisfaction is closely linked to the quality of our homes, the After-Sales Quality Service Department has developed the following business tools:

- The Digital Quality Dashboard (TBQ), which presents the average number of reservations for each subsidiary's projects and the average time taken to lift these reservations (the objectives are a ratio of less than three reservations for an average time taken of 65 days maximum);
- Ma Cotation, a site progress self-assessment tool, which enables site managers to carry out a project inventory at key milestones in the process. This empowers the subsidiaries while supporting them with internal and external business tools; and
- Scortex, an internal rating tool for companies working on construction sites. This tool helps to improve the quality of our housing by optimising the selection of partner companies when possible.

Nexity's quality process is presented to local authorities and individual clients as a guarantee of reliability, providing full satisfaction to buyers and also contributing to the Group's reputation.

Commercial development

Nexity Immobilier d'Entreprise guarantees the quality of the buildings both in terms of the perfect match between the building and the client's expectations and their environmental and technical performance. Nexity supports its clients over the long term, from project design to delivery and beyond, during the first years of the building's life.

Nexity has a broad range of services to better anticipate the transformation and development needs of its commercial clients by offering an upstream consulting service that links the organisational choices of a company with the organisation's plans for its premises, with a forward-looking vision of future uses.

Concerning the design/construction phase, each development is subject to different environmental certifications which, through audits at different stages of the project, guarantee the quality of the building in accordance with local, national and international standards (HQE, Effinergie, BBCA, BREEAM, Mediterranean Sustainable Buildings, Bureaux Durables Grand Lyon, C2C, etc.). Certain labels relating to the well-being of occupants (Well, Osmoz) and the performance of facilities (Wired Score) are sought, in consultation with clients, for certain programmes.

Nexity Immobilier d'Entreprise puts the expertise of its design and construction teams at the service of its clients and closely involves its clients in the entire construction process through regular discussions. These monthly meetings are held with the investor and, where applicable, future occupants. They systematically give rise to visits and allow the validation of all materials and equipment used on the project, as well as the planned prototypes and demonstration spaces. The clients, who are stakeholders in the entire construction process, are thus not only assured of the perfect compliance of the building delivered with the work described in the sales notes but also benefit from support enabling them to integrate under the best conditions their requests to take into account changes during the project.

Finally, client support does not end with delivery. The Programmes teams, who are completely familiar with the building having monitored its design and construction on a daily basis, remain mobilised after the occupants have taken possession of the premises to monitor the regulatory guarantees and until the lifting of all reservations, the resolution of any problems relating to the completely warranty and the correction of any facility malfunctions.

Services/Commercial Clients

Nexity is also leveraging its extensive range of services by developing and systematising on its latest developments a commissioning system which mobilises the skills of its Property Management teams to monitor the building's technical and energy performance at key stages of the construction process. The operation of the building, upon delivery, is thus fully implemented.

3.5.2.3 Protecting the health and well-being of occupants

Connected housing and green mobility for the well-being of occupants

In order to ensure the well-being and health of occupants, Nexity is working on its development in the smart home sector, notably through a partnership with Schneider Electric to develop energy efficiency in homes.

All Studéa student residences are connected by dedicated FTTO optical fibre. Residents can thus benefit from the connected services offered by the Group's subsidiary and its partners such as workshops on various themes (budget management, prevention against risks in the living area, nutrition, etc.), online sports training or even access to a digital educational library and a personalised learning experience.

To better integrate its developments into urban life, and given the role transport plays in greenhouse gas emissions, Nexity wishes to support efforts to reduce the carbon footprint of its developments by becoming involved in the acceleration of new related uses. Thus, shared and low-carbon mobility is one of the services that Nexity offers within its projects, through the provision of bicycle garages that can be equipped with electric charging stations to support the emergence of this new mode of transport, as well as the development of partnerships with bike-sharing, car-sharing and shared parking players: four student residences and one office building have shared car parks. Nexity has also built and since 2020 has deployed an approach to equip condominium properties with electric charging stations, working with specialist partners. The same approach was applied to Commercial Real Estate to accelerate the deployment of charging stations in office buildings.

In 2022, Nexity joined the Bycycle initiative, which aims to bring together, train and encourage real estate players to promote cycling, improve the quality of life of residents and reduce the carbon footprint of mobility.

Residents' health, a major issue

Each individual spends 80 to 90% of his or her time in an enclosed space (housing, schools, offices, etc.), where the air can be just as polluted or even more polluted than the air outdoors. As a result, indoor air quality is currently a major public health concern.

The inconveniences caused by various factors damaging the air quality, (in particular the non-circulation of air, external or internal pollution from DIY and cleaning products, construction materials, as well as furniture and decorative products), can range from mere discomfort to more serious chronic pathologies (asthma, cardiovascular diseases, cancers, etc.).

With this in mind, Nexity has been working since 2015 to develop a protocol for the construction of its housing units using a quality process from design, to delivery, right

through to daily use by the occupant. The process involves selecting products and equipment labelled A+, implementing technical solutions favourable to indoor air quality during construction, introducing sampling controls upon receipt of the works, and giving clients a guide to best practice for using the home. In the long term, an app will be introduced to monitor and maintain good air quality, using interior and exterior air quality sensors.

Having succeeded in implementing an effective monitoring protocol, after several tests with audit, from 2020 onwards, Nexity has included an "increased air quality" strategy in all building permits filed for housing. The strategy has five guideline values, based on ANSES (French Agency for Food, Environmental and Occupational Health & Safety) and WHO recommendations, that must be adhered to.

The psychological distress of students is a subject of concern that has increased during the health crisis.

The free online psychological consultation service was made available to all Studéa tenants in 2023, representing 16,000 students.

3.5.3 Strengthening the responsible supplier relationship

3.5.3.1 Responsible purchasing policy

Purchases represented a significant portion of the Company's revenue (€1.5 billion in 2023), from around 7,000 suppliers, making Nexity a major customer on the market. The majority of these purchases are associated with construction (works purchases), of which one third for structural work, and suppliers can be companies of any sizes. The societal impact of this activity is significant.

Nexity's purchasing function is structured by purchasing areas covering the entire scope. The Purchasing Department is responsible for managing the panel of industrial partners, the panel of works companies in accordance with a key account approach, as well as the implementation of the overall purchasing strategy by area. Local purchases are coordinated by the development subsidiaries.

Nexity's responsible purchasing policy covers the following aspects:

- Committing suppliers to comply with the Ethics charter implemented by the Group in 2018 and reviewed in 2022. This charter sets out the Group's expectations in terms of its suppliers and their subcontractors with regard to environmental protection, personal health and safety and human rights and fundamental freedoms. The signing of the Ethics Charter is a prerequisite for the approval of a supplier and is included in the works contract documents;

- Assessing the CSR performance of suppliers, offering them support and incorporating CSR criteria into the selection of approved partners (CSR questionnaire, carbon assessment, product labels and certifications, certification of plants);
- Co-constructing affordable low-carbon solutions with suppliers to achieve the carbon trajectory defined by the Group;
- Providing eco-designed, environmentally-friendly and socially responsible products and services under safe working conditions; and
- Ensuring the development of balanced relationships with start-ups, small, medium, large companies.

In 2023, Nexity also implemented a responsible construction site code of conduct, to foster stronger and lasting relationships with its corporate partners working on construction sites. In line with the improvement of the quality of deliveries, this reciprocal charter commits Nexity and its Corporate Partners to creating the conditions for a relationship of transparency, strong employee and legal relations, quality and client satisfaction, and a site environment conducive to the respect of the environment and local residents. This charter is intended to be rolled out to all construction sites from the first quarter of 2024.

3.5.3.2 Monitoring and assessment of suppliers

Since 2020, the Group has been rolling out its own approach to supplier and subcontractor. This approach aims to identify and manage risks before any contracts are entered into and then throughout the commercial relationship.

The assessment approach is part of a continuous improvement approach. It is based on a specific procedure and tools, including the supplier and subcontractor assessment questionnaire. Moreover, all contracts signed by the Purchasing Department in 2023 were subject to the signing of the Ethics Charter.

Strategic suppliers are subject to a performance review by the Purchasing Department, making it possible to assess their performance against quality, cost, deadlines, management and environmental criteria. In 2023, 65% of

approved suppliers were subject to a performance review. These performance reviews feed into a continuous improvement plan for suppliers, the evolution of which is measured every six months.

Monitoring of approved strategic suppliers is also carried out as part of supplier risk management. This monitoring aims to ensure the financial health of the panel of companies and the balance of commercial relations.

In the context of tensions over the supply and prices of raw materials and energy, a material cost monitoring tool has been rolled out for all Group employees. Working closely and transparently with the approved suppliers, this tool, which is updated quarterly by the Purchasing Department, enables the identification of impacts for Nexity and helps forward planning in terms of current and future projects.

3.5.3.3 Affordable low-carbon partnerships

To achieve the Group's low-carbon ambitions, the Purchasing Department adapted in 2022 and accelerated in 2023 the guidelines provided to its suppliers to suggest more environmentally-friendly and energy-efficient solutions.

In 2023, the Group's purchasing catalogues evolved with 15 new industrial partners, 40 industrial partnerships renewed with more efficient solutions and 60 corporate and research partners. These developments have made it possible to integrate and deploy new solutions such as low-carbon concrete, heat pumps, geothermal energy, smart homes, insulated concrete blocks, mixed wood-concrete flooring, solar panels, brick, timber, etc. which contribute to low-carbon construction methods and the achievement of low-carbon objectives.

In terms of structural partnerships, Nexity has signed an agreement with the Schneider Electric group on home energy efficiency solutions based on the Wiser system.

Using this home energy management platform, Schneider Electric provides expertise and support to Nexity's entire value chain.

The establishment of a partnership with Lafarge for the prescription of low-carbon concrete for the Group's projects strengthens the solutions available to the subsidiaries in addition to the partnership signed in 2022 with Cemex. Low-carbon concrete is one of the low-carbon construction levers that are widely used in Nexity's strategy. This partnership facilitates its appropriation by its operating subsidiaries and structural contractor partners.

Also, to promote the circular economy, the Group recently made the choice to incorporate a larger share of recycled and therefore less energy-consuming materials, for example, at least 40% of exterior joinery products are made from recycled PVC.

3.5.3.4 Prevention and safety at construction sites

The Prevention and Safety Department (DPS) conducts numerous site safety visits every year. All the residential and commercial development subsidiaries are visited. An overall diagnosis was made from the point of view of the management of the co-activity as well as a macro-analysis of the internal processes of the companies involved. At the end, an action plan is drawn up and monitored. The objective is to maintain a good level of control of risks related to safety at construction sites.

On the strength of the findings drawn up by the DPS and in order to best support the subsidiaries on safety issues, the Risk Department initiated in the second half of 2022 the permanent control system dedicated to improving the prevention of risky situations at construction sites. This

system concerns all ongoing projects of all the Group's development subsidiaries. It is intended to be rolled out periodically, at least twice a year, with the support of the network of risk and compliance officers from the Development business and the technical directors of the subsidiaries.

The DPS also continues to support development subsidiaries in improving the reception phase of equipment and facilities contributing to the fire safety of large residential real estate complexes (3rd family B and 4th family).

More detailed information is provided in Chapter 2, Section 2.1.4 "Prevention and Safety" of this Universal registration document.

3.5.4 Anticipating changes in uses through innovation

Nexity has an innovation policy based on two main areas:

- The dissemination and stimulation of innovation at all levels of the Group;

- Investment as a strategic tool.

These elements are detailed in Section 1.10.2 "Innovation" of this Universal registration document.

3.6 SUMMARY TABLE OF CSR INDICATORS

Unless otherwise specified, the indicators presented below are based on Group scope data.

1/Social data (at 31/12/2023)	2021	2022	2023
a) Employment			
Definition of the workforce: number of employees present as at 31 December, excluding interns and company officers.			
Breakdown of employees by gender			
Number of women	5,177	5,294	5,071
Management level	2,278	2,434	2,417
Non-management level	2,899	2,860	2,654
Number of men	3,119	3,214	3,114
Management level	2,308	2,376	2,267
Non-management level	811	838	847
TOTAL	8,296	8,508	8,185
Breakdown of headcount by type of contract			
Permanent contracts	7,550	7,728	7,431
Fixed-term contracts and work-linked training	746	780	754
TOTAL	8,296	8,508	8,185
Breakdown of employees by age			
Management level	Employees 4,586	4,809	4,684
≤ 25 years	94	127	87
> 25 and ≤ 35	1,423	1,511	1,434
> 35 and ≤ 45	1,476	1,503	1,471
> 45 and < 55	1,056	1,113	1,133
≥ 55	537	555	559
Non-management level	Employees 3,710	3,699	3,501
≤ 25 years	605	662	656
> 25 and ≤ 35	1,027	1,011	920
> 35 and ≤ 45	855	830	769
> 45 and < 55	737	700	648
≥ 55	486	496	508
TOTAL	8,296	8,508	8,185
Breakdown of employees by length of service			
Management level	Employees 4,586	4,809	4,684
≤ 3 years	1,934	2,007	1,868
> 3 and ≤ 5	745	855	751
> 5 and ≤ 10	718	765	912
> 10 and < 20	766	758	731
≥ 20	423	424	422
Non-management level	Employees 3,710	3,699	3,501
≤ 3 years	1,792	1,875	1,791
> 3 and ≤ 5	484	434	335
> 5 and ≤ 10	474	498	520
> 10 and < 20	603	534	499
≥ 20	357	358	356
TOTAL	8,296	8,508	8,185

1/Social data (at 31/12/2023)	2021	2022	2023
Breakdown by Economic and Social Unit (UES)			
UES Nexity Promotion Construction	36.8%	3,218	3,269
UES Nexity Property Services	7.4%	567	581
UES Nexity Lamy	41%	3,523	3,506
UES Invest	4.8%	0	436
Non-UES companies	10%	988	716
TOTAL	8,296	8,508	8,185
Breakdown of employees by geographical area			
France/Other countries	8,296	8,508	8,185
France	99.5%	8,108	8,321
Poland		71	73
Belgium		44	44
Italy		23	22
Switzerland		5	5
Portugal		19	21
Germany		26	22
Europe (excluding France)	0.5%	188	187
In France	8,108	8,321	8,140
Paris region		3,511	3,560
Lyon and Grand Lyon		816	854
Lille		484	502
Bordeaux		356	351
Marseille		368	379
Strasbourg		163	170
Toulouse		176	169
Besançon		95	86
Nantes		148	164
Other cities		1,991	2,086
Hires			
Permanent contracts	of which 56% management-level	1,484	1,707
Fixed-term contracts	of which 8% management-level	1,092	1,182
Internal Transfers	311	373	379
Transfers			
To another business division		38	34
Within the same division or in another Company		137	170
Integration of youth	699	822	674
Work-linked training students		314	467
Interns		385	355
External contractors (France)	14.6	14.2	24.6
Leavers			
including layoffs		195	158
ends of trial periods		262	350
ends of fixed-term contracts		771	931
Turnover rate			
Turnover rate	14.8%	16.6%	17.1%
Voluntary turnover rate	10.4%	13.0%	10.9%
Remuneration and changes in remuneration		\$ 3.4.1.1	\$ 3.4.1.1
Average annual amount	€51,733	€51,365	€51,797
Average annual amount (including Aegide)	€47,417		

NON-FINANCIAL PERFORMANCE

Summary table of CSR indicators

1/Social data (at 31/12/2023)	2021	2022	2023
b) Organisation of work			
Organisation of working time		§ 3.4.3.4	§ 3.4.3.5
Number of full-time employees	7,944	8,140	7,856
Number of part-time employees	i.e. 4% of the total workforce 352	368	329
Absenteeism		§ 3.4.1.2	§ 3.4.1.2
Definition of absenteeism: number of permanent contract calendar days/sum of calendar days for period x average workforce under permanent contracts			
Absenteeism rate	3.6%	4.3%	4%
c) Employee relations			
Organisation of social dialogue, including in particular procedures for informing, consulting and negotiating with staff	§ 3.4.3.4	§ 3.4.3.4	§ 3.4.3.4
Official employee representatives and alternates	124	116	155
Status of collective bargaining agreements concluded	§ 3.4.3.4	§ 3.4.3.4	§ 3.4.3.4
d) Health and safety			
Workplace health and safety conditions		§ 3.4.1.2	§ 3.4.1.2
Overview of agreements signed with labour organisations or employee representatives with regard to workplace health and safety		§ 3.4.1.2	§ 3.4.1.2
Workplace accidents, including in particular their frequency and severity, and occupational illnesses		§ 3.4.1.2	§ 3.4.1.2
Number of workplace accidents	140	42	37
Number of commuting accidents	35	26	33
Frequency rate	7.8	2.8	2.5
Severity rate	0.5	0.1	0.2
Number of occupational illnesses	0	0	0
e) Training			
Policies implemented with respect to training		§ 3.4.2.3	§ 3.4.2.3
Total hours of training	117,081	91,117	66,223
Average number of hours of training per employee	15.9	13.9	11
f) Diversity and equal opportunity / Equal treatment			§ 3.4.3
Measures adopted in favour of gender equality		§ 3.4.3.1	§ 3.4.3.1
Measures adopted in favour of the employment and inclusion of disabled workers			§ 3.4.3.2
Number of disabled workers	179	203	222
Anti-discrimination policy		§ 3.4.3	§ 3.4.3
g) Promotion of and compliance with fundamental ILO conventions on			
Upholding the freedom of association and the right to collective bargaining		§ 3.4.3.4	§ 3.4.3.5
Eliminating discrimination in respect of employment and occupation		§ 3.4.3.4	§ 3.4.3.5
Eliminating forced or compulsory labour		§ 3.4.3.4	§ 3.4.3.5
Effective abolition of child labour		§ 3.4.3.4	§ 3.4.3.5

2/Environmental and societal data	2021	2022	2023
a) Meeting the environmental challenge			
Energy and carbon ⁽¹⁾			
Low-carbon managed commercial buildings (Target of 3,500,000 sq.m low-carbon managed in 2025) ⁽²⁾	2,687,000 sq.m	3,284,000 sq.m	3,348,000 sq.m
Have had the energy renovation work approved for 10,000 condominium housing units between 2022 and 2025	3,504	1,971	2,351
Change in CO ₂ emissions per sq.m delivered compared to 2019 (scope 3 development)	-2%	-5%	-5%
Change in CO ₂ emissions related to administrative sites compared to 2019 (scopes 1 & 2)	+15%	+1%	+36%
Scope 1 emissions	5,816	4,991	7,160
Scope 2 emissions	733	751	551
Total Scope 3 emissions	1,063,057	1,140,566	1,274,941
- Scope 3 emissions: residential development	957,523	1,089,167	1,156,197
o/w materials	589,724	693,335	724,868
o/w energy	367,799	395,832	431,329
- Scope 3 emissions: commercial development	84,668	33,260	103,756
o/w materials	71,634	28,035	90,848
o/w energy	13,034	5,225	12,908
- Scope 3 emissions: administrative sites	20,866	18,139	14,988
Scope 1, 2 and 3 emissions	1,069,606	1,146,308	1,282,652
Energy and water consumption at administrative sites			
Renewable electricity (kWh)	11,306,673	13,711,160	10,551,043
Steam (kWh)	1,566,170	1,413,085	1,577,917
Natural gas (kWhHHV)	118,076	577,192	502,880
Share of renewable electricity in the energy mix	ND	87%	83.5%
Water (m ³)	36,535	34,401	31,218
Nature in cities and biodiversity			
Share of residential developments including planted areas	92%	93%	98%
Share of commercial developments including planted areas	100%	100%	100%
b) Making cities more inclusive			
Percentage of housing units sold in areas with reduced VAT	16.8%	17.7%	13.6%
Market share in reduced-VAT areas	12.2%	13.3%	9.6%
Provide shelter for more than 4,000 people (cumulative)	1,310	1,645	1,921
Percentage of housing reservations for means-tested households	43%	50%	61%
Supporting projects that promote equal opportunities (contributions in euros)	311,000	385,530	531,700
Supporting projects to combat poverty (contributions in euros)	370,000	426,000	148,000
Supporting projects for integration through sport (contributions in euros)	N/A	31,000	227,000
c) Governance, business ethics, client satisfaction, new uses and innovation			
Business ethics			
Percentage of employees made aware of the prevention of corruption and influence peddling	69%	N/A ⁽³⁾	N/A ⁽⁴⁾
Percentage of company officers and top management of the Group trained in the prevention of corruption and influence peddling	85%	N/A ⁽¹⁾	N/A ⁽²⁾
Client satisfaction			
Change in the average client satisfaction rate (CSAT) across the entire Residential Real Estate client experience	+1.6 points	+9.1 points	+1 point ⁽⁵⁾

1) For data relating to the administrative carbon assessment (scopes 1, 2 and 3), the 2023 data are isoperimetric data.

2) Sums of the following surface areas: Office space subject to occupancy cost guarantee; Commercial building space covered by PMA commissioning missions; Commercial building space covered by PMA commercial decree missions; Commercial building space that received environmental certification through a PMA mission; Client asset space covered by support missions to roll out an SRI policy; Commercial building space covered by energy audit missions; Commercial building space covered by green committee missions.

3) Overhaul of the training material planned for 2023.

4) Training continued in 2024.

5) The scope of the average client satisfaction rate (CSAT) was expanded in 2023. From now on, the CSAT will be based on the entire experience for a residential real estate client, from the first appointment until after delivery. (Previously: from notary signature until delivery). This change concerns Nexity Residential real estate excluding Edouard Denis.

3.7 NOTES ON METHODOLOGY PERTAINING TO DISCLOSURE OF WORKFORCE, ENVIRONMENTAL AND SOCIETAL INFORMATION

The social, environmental and societal information is prepared on the basis of contributions from several departments, in particular the Corporate Social Responsibility (CSR) and Human Resources Departments. Various indicators have been defined, taking into account the specific nature of the Group's activities in order to measure in a relevant way the main impacts related to Nexity's social, societal and environmental responsibility. Committed to a process of continuous improvement, Nexity is gradually adding to the list of its indicators to take into account changes in the Group and regulations.

Period covered

The indicators presented as part of the social, environmental and societal information in the 2023 Universal registration document relate to the 2023 fiscal year. The reporting period used is the calendar year (from 1 January to 31 December) unless otherwise specified in the text.

Scope

The indicators are presented for all of the Group's fully consolidated companies. Given the low carbon and financial weight of international activities, the collection of environmental indicators and certain societal information is only carried out on the activity carried out in France⁽¹⁾. Given its activities, the Group considers that reporting on the following indicators is not relevant:

- The Nation-Army link;
- The fight against food waste;
- The fight against food insecurity;
- Respect for animal welfare and responsible, fair and sustainable nutrition; and
- Actions to promote the practice of physical and sports activities.

Definition and methods of collecting indicators

The social, societal and environmental reporting indicators are taken from several information systems within the Group. They are produced under the responsibility of each department where the information is produced.

Social indicators

The social indicators are produced by the Group's Human Resources Department. Information for these indicators mainly comes from the centralised personnel management system, which covers 94% of the workforce. The remaining 6% comes from a consolidation carried out on the basis of information provided by the companies managed in their own systems, namely the international subsidiaries and the companies Bureaux à Partager, Bym, Rayon, Lespace, BA HOUSE and Angelotti.

Unless otherwise stated in the indicator, the headcount used is that of 31 December 2023 is used. The workforce count does not include company officers or interns.

The indicator on home-working only covers the scopes for which the system is in place and in accordance with the Group Charter. Recent acquisitions (Angelotti, Bureaux à Partager, Lespace, Service Personnel, Hiptown, Hiptown Exploitation and Rayon) are therefore excluded from the scope of reporting.

The data relating to disposals finalised during 2023 is consolidated until the last day of the month of the disposal.

The average number of training hours per employee is calculated based on the number of training hours/number of people trained.

The definition of workplace accidents differs depending on the country.

The Group uses lost time accidents as its definition in France. In the event of a workplace accident-related leave that overlaps two fiscal years, the workplace accident is recognised for the fiscal year during which the leave of absence began. The legal definition of the frequency rate of workplace accidents for a fiscal year is equal to the number of accidents with lost time, related to the fiscal year, multiplied by one million and divided by the number of hours theoretically worked.

For the age pyramid, Nexity uses the following age brackets: ≤ 25 years, > 25 and ≤ 35 years, > 35 and ≤ 45 years, > 45 and < 55 years, and ≥ 55 years. The breakdown is based on hundredths. To calculate the turnover rate, the Group applies the following calculation: sum of resignations, dismissals and terminations of permanent contracts during the period under consideration (from 31.12/N-1 to 30.12/N) divided by the average permanent workforce over the same period.

Environmental and societal indicators

The environmental and societal data are consolidated by the CSR Department on the basis of information provided by various departments according to the data collection methods and the main assumptions presented below:

- The number of homes sold by the Group in ANRU urban regeneration zones is determined by the Strategic Marketing Department using internal databases;
- The market share in reduced VAT zones is an indicator based on sales to individuals. It is calculated as follows: sales to first-time buyers with reduced VAT/reduced VAT for first-time buyers (excluding bulk sales), based on data from the FPI (Fédération des Promoteurs Immobiliers);

1) With the exception of Angelotti, consolidated for two months in the financial data and which is not yet included in the environmental data, except for Scopes 1 & 2.

- The indicator of the number of employees trained in prevention and safety at construction sites is currently under development.
- The number of eco-renovated condominium housing units is consolidated at the level of the Services to Individual Clients Division;
- Greenhouse gas emissions (CO₂e) per m² delivered related to the real estate development activity (residential and tertiary) are calculated according to the methodology of the 2020 Environmental Regulation (ER 2020). These emissions related to the construction of buildings are calculated taking into account the entire life cycle of the building, over a conventional term of 50 years. The following are thus considered: the extraction of materials, the manufacture and transport of construction products, the construction phase of the building, energy consumption during the project, as well as the dismantling of the works. For Residential real estate, most of this data is transferred to the Group's Real Estate Programme Management platform (GPI) and AvenIR for centralised and consolidated management to improve the quality of reporting. For the 2023 fiscal year, the calculation of the absolute value of the residential carbon footprint was based on 78% actual data (+16 points compared to 2022) and 22% extrapolated data. Work to strengthen data reporting will continue to be carried out in order to make the calculation more reliable in future fiscal years. For tertiary development, the calculation was based on 100% actual data; and
- The greenhouse gas emissions of the Group's administrative sites operating in 2023 are assessed by ekodev, a specialised external consulting firm, on behalf of the CSR Department. This work is based on the Bilan Carbone® methodology and uses the Ademe's emission factors. The version of the carbon assessment (Bilan Carbone) spreadsheet used was 8.8 – October 2022.

All the carbon footprint emission items were taken into account in the carbon footprint assessment. To ensure continuous improvement, the 2023 carbon footprint assessment includes new scope 3 administrative items, namely office furniture (included in "non-current assets"), meals served at the company canteen (included in "Inputs" and "Waste"), and purchases of services (included in "Inputs"). In addition, Angelotti was added to the Group's scope in 2023.

The methodology used in 2023 breaks down the greenhouse gas emissions specific to each entity and the emissions of administrative sites at which these entities are based.

This change in reporting scope between 2022 and 2023 partly explains the increase in the Group's administrative carbon footprint assessment. Based on the 2022 carbon footprint assessment, the 2023 carbon footprint decreased by 4.95% (22,699 tCO₂e).

The calculation of the 2023 administrative Bilan Carbone® carbon footprint is based on 90% of emissions which come from actual data vs. 10% from extrapolated data.

This study only takes into account the carbon impacts of Nexity's operations, and does not take into account the impacts related to Nexity's activities.

In 2023, the Group has 4 facilities classified for the protection of the environment (ICPE) subject to authorisation, 2 ICPEs subject to registration and 9 subject to other regimes.

Controls

Internal control

The CSR Department and the Human Resources Department in charge of data collection are responsible for the indicators provided. The audit is carried out at the time of consolidation (review of changes, inter-entity comparison, etc.).

External control

The Group has appointed one of its Statutory Auditors as an independent third party to carry out verification work on the non-financial information published in its management report.

The nature of the work carried out and the conclusions of this work are presented in Section 3.9 "Report by the independent third party on the consolidated Statement of non-financial performance included in the management report" of this chapter.

3.8 TAXONOMY ELIGIBILITY AND ALIGNMENT REGULATORY TABLES

Share of turnover from products or services associated with economic activities aligned with the taxonomy - Information for the year 2023

Economic activities (1)	Code(s) (2)	Absolute turnover (3)	Substantial contribution criteria							"Does Not Significantly Harm" (DNSH) criteria												
			Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of turnover aligned with (A.1) or eligible for (A.2) the taxonomy year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)			
		€m	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	%	E	T			
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																						
A.1. Environmentally sustainable activities (aligned with the taxonomy)																						
Construction of new buildings	CCM 7.1	645.6	16.3%	YES	NO	NO	NO	NO	NO		YES	YES	YES	YES	YES	YES	8.2%					
Renovation of existing buildings	CCM 7.2	22.3	0.5%	YES	NO	NO	NO	NO	NO		YES	YES	YES	YES	N/A	YES	0.4%		T			
Turnover from environmentally sustainable activities (taxonomy-aligned) (A.1)		667.9	16.8%	100%	0%	0%	0%	0%	0%							YES	8.6%					
Of which enabling		0	0%													YES	0%	E				
Of which transitional		22.3	0.5%													YES	0.4%		T			
A.2. Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																						
				EL/ N/EL	EL/ N/EL	EL/ N/EL	EL/ N/EL	EL/ N/EL	EL/ N/EL													
Construction of new buildings	CCM 7.1	2,371.8	59.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								71.6%					
Renovation of existing buildings	CCM 7.2 CE 3.2	40.9	1.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.6%					
Acquisition and exercise of ownership of buildings	CCM 7.7	262.8	6.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.1%					
Turnover from activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)		2,675.5	67.5%	100%	0%	0%	0%	0%	100%	0%							76.1%					
TOTAL (A.1 + A.2)		3,343.4	84.3%	100%	0%	0%	0%	0%	100%	0%												
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																						
Turnover from activities not eligible for the taxonomy (B)		620.9	15.7%																			
TOTAL (A + B)		3,964.3	100%																			

N/A means that no technical criteria are included in the European Regulation for this DNSH
The terms EL and N/EL mean Eligible and Non-Eligible respectively

Share of CapEx from products or services associated with economic activities aligned with the taxonomy - Information for the year 2023

Economic activities (1)	Code(s) (2)	Absolute CapEx (3)	Substantial contribution criteria							"Does Not Significantly Harm" (DNSH) criteria									
			Proportion of CapEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of CapEx aligned with (A.1) or eligible for (A.2) the taxonomy, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		€m	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO/ N/EL	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	%	E	T
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1. Environmentally sustainable activities (aligned with the taxonomy)																			
CapEx for environmentally sustainable activities (aligned with the taxonomy) (A.1)		0	0%	0%	0%	0%	0%	0%	0%								0%		
Of which enabling		0	0%														0%	E	
Of which transitional		0	0%														0%		T
A.2. Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																			
				EL/ N/EL	EL/ N/EL	EL/ N/EL	EL/ N/EL	EL/ N/EL	EL/ N/EL										
Transport by motorcycles, passenger cars and light commercial vehicles	CCM 6.5	9.4	3.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%		
Acquisition and exercise of ownership of buildings	CCM 7.7	226.2	78.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								79.3%		
CapEx of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)		263.6	82.2%	100%	0%	0%	0%	0%	0%								80.1%		
CAPEX OF ACTIVITIES ELIGIBLE FOR THE TAXONOMY (A.1 + A.2)		235.6	82.2%	100%													80.1%		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
CapEx of activities not eligible for the taxonomy (B)		51.1	17.80%																
TOTAL (A + B)		286.7	100%																

N/A means that no technical criteria are included in the European Regulation for this DNSH

The terms EL and N/EL mean Eligible and Non-Eligible respectively

Share of OpEx concerning products or services associated with economic activities aligned with the taxonomy - Information for the year 2023

Substantial contribution criteria										"Does Not Significantly Harm" (DNSH) criteria									
Economic activities (1)	Code(s) (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of OpEx aligned with (A.1) or eligible for (A.2) the taxonomy, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		€m	YES/ NO/ N/ EL	YES/ NO/ N/ EL	YES/ NO/ N/ EL	YES/ NO/ N/ EL	YES/ NO/ N/ EL	YES/ NO/ N/ EL	YES/ NO/ N/ EL	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	YES/ NO	%	E	T
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1. Environmentally sustainable activities (aligned with the taxonomy)																			
OpEx of environmentally sustainable activities (aligned with the taxonomy) (A.1)		0	0%														0%		
Of which enabling		0	0%														0%	E	
Of which enabling		0	0%														0%		T
A.2. Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																			
				EL/ N/EL	EL/ N/EL	EL/ N/EL	EL/ N/EL	EL/ N/EL	EL/ N/EL										
Acquisition and exercise of ownership of buildings	CCM 7.7	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
OpEx of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
TOTAL (A.1 + A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
OpEx of activities not eligible for the taxonomy (B)		3,785.8*	100%																
TOTAL (A + B)		3,785.8*	100%																

* The amount of taxonomic OpEx according to definition 1.1.3.1 of Appendix 1 of the delegated regulation inherent to the calculation of the key indicators represents 0.3% of total OpEx, below the threshold of 5% of total OpEx. In this respect, Nexity has opted for a materiality exemption.

3.9 REPORT OF THE INDEPENDENT THIRD PARTY ON THE VERIFICATION OF THE CONSOLIDATED STATEMENT OF NON-FINANCIAL PERFORMANCE INCLUDED IN THE MANAGEMENT REPORT

For the year ended 31 December 2023

To shareholders,

In our capacity as independent third-party organisation, member of Mazars Group and accredited by COFRAC Inspection under number 3-1895 (accreditation including the list of sites and the scope are available on www.cofrac.fr), we have performed work to provide a reasoned opinion that expresses a limited level of assurance on the historical information (observed and extrapolated) of the consolidated statement of non-financial performance (hereinafter respectively the "Information" and the "Statement"), prepared in accordance with the Entity's procedures (hereinafter the "Procedures") for the financial year ended 31 December 2023, presented in the management report of the company Nexity (hereinafter the "Company" or "Entity") in application of the provisions of Articles L.225-102-1, R.225-105 and R.225-105-1 of the Commercial Code.

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" and the evidence we collected, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Comments

Without calling into question 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:

- Nexity details actions that mitigate the risk of serious incidents at construction sites but does not present any key performance indicators. The development of this indicator began in 2023 and is currently being rolled out.
- As mentioned in the methodological note, greenhouse gas emissions (absolute value) for the residential real estate development activity are estimated for 22% of the units for which the required parameters to calculate the emissions are not available (estimated for 38% of units in 2022).

Preparation of the non-financial performance statement

The lack of a commonly used framework or established practice on which to base the assessment and evaluation of information allows for the use of alternative accepted methodologies that may affect comparability between entities and over time.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement.

Restrictions associated with the preparation of the Information

The Information may contain inherent uncertainty about the state of scientific or economic knowledge and the quality of external data used. Some of the Information is dependent on the methodological choices, assumptions and/or estimates made in preparing the information and presented in the Statement.

The entity's responsibility

The Board of Directors is responsible for:

- Selecting or setting appropriate criteria for the preparation of the Information;
- Preparing a Statement that complies with legal and regulatory requirements, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented in light of these risks and the outcomes of said policies including key performance indicators, as well as the Information required by Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- And implementing internal control procedures deemed necessary to the preparation of information, free from material misstatements, whether due to fraud or error.

The Statement has been prepared in accordance with the entity's procedures Guidelines, as stated above.

Responsibility of the independent third-party organisation

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R.225-105 of the French Commercial Code;
- the accuracy of the historical information (observed or extrapolated) provided in accordance with Article R.225-105 I, 3° and II of the French Commercial Code, *i.e.* the outcomes of policies, including key performance indicators, and the measures implemented considering the principal risks.

We carried out work to enable us to prepare a report expressing a conclusion of limited assurance on the historical information, whether recorded or extrapolated.

As it is our responsibility to express an independent conclusion on the Information prepared by management, we are not authorised to be involved in the preparation of such Information, as this could compromise our independence.

This is not our responsibility to express an opinion on:

- the Entity's compliance with other applicable legal and regulatory requirements (in particular with regard to the Information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the due diligence plan and the fight against corruption and tax evasion);
- the truthfulness of the Information provided for in accordance with Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- the compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional standards

Our work described below was carried out in accordance with the provisions of Articles A.225-1 *et seq.* of the French Commercial Code, the professional standards issued by the French national institute of statutory auditors (CNCC) applicable to such engagements and with ISAE 3000 (revised). This report has been prepared in accordance with verification programme RSE_SQ_Programme de vérification_DPEF.

Independence and quality control

Our independence is defined by the requirements of Article L.822-11 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and the professional doctrine of the French National Association of Auditors.

Means and resources

Our work was carried out by a team of 4 people between February and March 2024 over a period of 5 weeks.

We conducted about ten interviews with the people responsible for preparing the Statement, representing the CSR Department, the Human Resources Department, the Client Satisfaction Department, the Training Department, the Compliance Department and the Strategic Marketing Department.

Nature and scope of our work

We planned and performed our work considering the risks of significant misstatement of the Information. We estimate that the procedures we have carried out in the exercise of our professional judgment enable us to provide a limited assurance conclusion:

- We obtained an understanding of all the consolidated entities and the description of the principal risks associated;
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, when appropriate;
- We verified that the Statement includes each category of social and environmental information set out in Article L.225-102-1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- We verified that the Statement provides the Information required under Article R.225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the Information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code;

- We verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including when relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- We referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and;
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important. These are presented in Appendix 1. Concerning certain risks "Mismatch between skills and changes in the Group's business lines", "Staff turnover", "Difficulty accessing housing", "Serious incidents at construction sites", and "Lack of quality of products / services", our work was carried out on the Consolidating entity, and for the other risks, our work was carried out on the Consolidating entity and on a selection of entities;
- We verified that the Statement covers the scope of consolidation, *i.e.* all the consolidated entities in accordance with Article L.233-16 of the French Commercial Code within the limitations set out in the Statement;
- We obtained an understanding of internal control and risk management procedures implemented by the Entity and assessed the data collection process to ensure the completeness and fairness of the Information;
- For the key performance indicators and other quantitative outcomes that we considered to be the most important (presented in Appendix 1), we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out centrally and covers between 21% and 100% of the consolidated data selected for these tests;
- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We are convinced that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

The Independent Third Party

Mazars SAS

Paris La Défense, 3 April 2024

Edwige REY

CSR Partner & Sustainability

3.10 CROSS-REFERENCE TABLE WITH DECREE NO. 2017-1265 OF 9 AUGUST 2017 ON THE PUBLICATION OF NON-FINANCIAL INFORMATION

Statement of non-financial performance themes			Section
Business model	2024: a year of profound transformation towards an urban operator model		1.4.3
Non-financial risks related to the Group's activities	Policies implemented to identify and attenuate these risks	Results of the policies implemented and performance indicators	
Failure to achieve the Group's strategic climate and biodiversity objectives	An ambitious environmental strategy	Meeting the environmental challenge	3.2
Risks related to climate change	An ambitious climate strategy	The Group's carbon footprint	3.2.2
		Carbon trajectory and ambitious objectives	3.2.2
		Being exemplary in terms of the carbon footprint of administrative sites and vehicles	3.2.2.1
		Be a leader in the decarbonisation of building/refurbishing	3.2.2.2
		Become a leading player in the energy renovation of housing and the low-carbon management of the commercial portfolio	3.2.2.3
Mismatching between skills and changes in the Group's business lines	Recruiting and developing talent and reinforcing employee commitment	Appeal	3.4.2.1
		Recruitment	3.4.2.2
		Talent and skills development	3.4.2.3
Turnover	Improving employee retention and enhancing the Company's appeal	Remuneration	3.4.1.1
		Nexity - a preferred company	3.4.1.2
Difficulty accessing housing	Promoting access to housing	Developing a social and thematic offer	3.3.2.1
		Promoting and developing solidarity actions	3.3.3
Non-compliance with environmental, social and societal requirements by suppliers	Increasing responsible purchasing and improving supplier relations	Responsible purchasing policy	3.5.3.1
		Monitoring and assessment of suppliers	3.5.3.2
		Affordable low-carbon partnerships	3.5.3.3
Lack of quality of products/services	Improving client satisfaction and boosting client support	Commitment to client satisfaction	3.5.2.1
		Special attention to the product and service quality	3.5.2.2
Non-compliance	Business ethics and compliance	Business ethics and stakeholder relations Prevention of corruption and influence peddling Combating money laundering and the financing of terrorism	2.1.6
Fight against tax evasion	Business ethics and compliance		2.1.6.5
Human rights	Duty of care	Prevention of violations of human rights and fundamental freedoms as part of the duty of care	3.1.2.3



Corporate governance

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Pursuant to Article L.225-37 of the French Commercial Code, the Board of Directors must present at the Shareholders' Meeting a corporate governance report, appended to the management report, containing information about governance, remuneration and factors likely to have an impact in the event of a takeover bid.

This report is prepared with reference to the Afep-Medef Corporate Governance Code for listed companies (the "Afep-Medef Code"), to which the Company adheres. The sections of this report relating to its composition, the conditions of preparation and organisation of the Board of Directors have been prepared on the basis of contributions from various Group departments, in particular the Finance Department, the Human Resources Department and the Legal Department. It was presented to the Remuneration, Appointments and CSR Committee.

This report describes the work of the Board of Directors, which is also governed by the Board's internal rules and regulations. These reiterate that directors are required to maintain discretion and confidentiality and that, for all transactions in securities, they must comply with the Insider Trading Prevention Guide adopted by the Company. The internal rules and regulations and the Insider Trading Prevention Guide are available on the Company's website.

The Board's internal rules and regulations were last updated on 1 January 2023. A proposal to amend this regulation will be made to the Board of Directors on 25 April 2024, in particular to propose the creation of a dedicated CSR Committee, separate from the Remuneration and Appointments Committee.

4.1 ADMINISTRATIVE AND EXECUTIVE MANAGEMENT BODIES

4.1.1 Board of Directors

A brief description of the main provisions of the Company's Articles of Association and the Board's internal rules and regulations can be found in Sections 4.2 *et seq.* of this chapter.

The members of the Board of Directors can be contacted at the Company's registered office: 19, rue de Vienne – TSA 50029 – 75801 Paris Cedex 08 – France.

The tables below include a summary of the composition of the Board of Directors and of its Committees at 31 December 2023.

BOARD OF DIRECTORS	BOARD OF DIRECTORS' SPECIALISED COMMITTEES	
12 directors ⁽¹⁾ Appointed for 4 years	Audit and Accounts Committee Chairwoman: Luce Gendry	6 members 67% independent directors 67% women 4 meetings in 2023 87% average attendance rate
55% women ⁽²⁾	Remuneration, Appointments and CSR Committee Chairman: Charles-Henri Filippi	4 members 100% independent directors ⁽²⁾ 67% women ⁽²⁾ 4 meetings in 2023 100% average attendance rate
55% independent members ⁽²⁾	Comité stratégique et des investissements Chairwoman: Véronique Bédague	7 members 43% independent directors 57% women 0 meetings in 2023

(1) Including 3 directors representing the employees and excluding the Honorary Chairman

(2) In accordance with the AFEP-MEDEF Code - Directors representing the employees (3 directors) are excluded from the calculation

	PERSONAL INFORMATION			EXPERIENCE			POSITION WITHIN THE BOARD		PARTICIPATION IN BOARD COMMITTEES			
	Age	Gender	Nationality	Number of shares held directly and indirectly	Number of appointments in other listed companies	Independence	Date first appointed	Date of term expiry after the Company's Shareholders' Meeting called to approve the financial statements for the fiscal year ended	Length of service on the Board	Audit and Accounts Committee	Remuneration, Appointments and CSR Committee	Strategy and Investment Committee
Executive company officer / Chairwoman of the Board												
Véronique Bédague	59	F	F	50,547	1		19/05/21	31/12/24	2.5			
Directors												
Luce Gendry Senior Independent Director	74	F	F	1,605	2	●	21/02/12	31/12/23	11	●		●
Charles-Henri Filippi	71	M	F	3,000		●	15/12/16	31/12/26	7		●	
Soumia Belaidi-Malinbaum	62	F	F	300		●	24/03/15	31/12/24	8	●	●	
Agnès Nahum	62	F	F	200		●	19/05/15	31/12/26	8	●	●	●
Magali Smets	50	F	F	300		●	31/05/16	31/12/23	7	●		●
Myriam El Khomri ⁽¹⁾	45	F	F	200	1	●	19/05/21	31/12/24	2.5		●	
Jérôme Grivet	62	M	F	200	1		23/07/15	31/12/23	8	●		●
Crédit Mutuel ARKEA represented by Bertrand Blanpain	61	M	F	2,653,597			19/05/21	31/12/24	2.5	●		●
La Mondiale represented by Bruno Angles	59	M	F	2,806,487			18/05/22	31/12/25	1.5			●
Director representing the shareholder employees												
Luc Touchet	50	M	F	198			18/05/22	31/12/23	1.5			
Directors representing employees												
Bruno Catelin	58	M	F	1,150			01/01/17	31/10/24	6		●	
Karine Suzzarini	48	F	F	1,130			01/11/20	31/10/24	3			

(1) Term of office ended on 14/12/2023

The table below lists the main areas of expertise declared by the directors and illustrates the broad range of expertise of the Board of Directors.

THE BOARD OF DIRECTORS' AREAS OF EXPERTISE

	Finance	10	★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ☆ ☆
	Strategy and investment	10	★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ☆ ☆
	Governance	7	★ ★ ★ ★ ★ ★ ☆ ☆ ☆ ☆ ☆ ☆
	Real estate and real estate financing	7	★ ★ ★ ★ ★ ★ ☆ ☆ ☆ ☆ ☆ ☆
	IT and Digital system	3	★ ★ ★ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆
	Financial services (banking and insurance)	6	★ ★ ★ ★ ★ ☆ ☆ ☆ ☆ ☆ ☆ ☆
	CSR	7	★ ★ ★ ★ ★ ★ ☆ ☆ ☆ ☆ ☆ ☆

Base: 12 members, including 3 directors representing employees and excluding the Honorary Chairman

Changes in the composition of the Company's Board of Directors and Committees during the fiscal year ended 31 December 2023

	Leaving	Appointment	Renewal	Comments
Executive Management	N/A	N/A	N/A	N/A
Board of Directors	Myriam El Khomri: 14/12/2023	Véronique Bédague: 01/01/2023		Chairwoman from 01/01/2023
Remuneration, Appointments and CSR Committee	Myriam El Khomri: 14/12/2023			
Strategy and Investment Committee		Véronique Bédague: 01/01/2023		Chairwoman of the Committee
It should be noted that Alain Dinin was appointed Honorary Chairman with effect from 1 January 2023.				

4.1.2 Members of the Board of Directors

The tables below show the members of the Company's Board of Directors as well as each member's main position in the Company, their main activities outside the Company, where material, as well as their other offices and positions held over the preceding five years, all as of 31 December 2023.

VÉRONIQUE BÉDAGUE

Chairwoman and Chief Executive Officer and Director



> **Chairwoman and Chief Executive Officer since 1 January 2023**

Nationality: French

Age: 59

Expertise: Finance, Strategy and Investment, Governance, Real estate and real estate financing, CSR, IT and digital systems

Date first appointed

19/05/2021

Date of term expiry

At the end of the Company's Shareholders' Meeting called to approve the financial statements for the fiscal year ended 31/12/2024.

Number of shares at 31 December 2023

50,547 held directly

Biography

Véronique Bédague has been Chairwoman and CEO of Nexity since 1 January 2023, having been a Director and Chief Executive Officer (from 19 May 2021 until 31 December 2022). A graduate of IEP Paris, ESSEC and a former student of ENA, Véronique Bédague joined the Nexity group in 2017 as General Secretary and member of the Executive Committee. She has been Chairwoman and CEO of Nexity Immobilier d'Entreprise since 2018, Deputy CEO of the Nexity group, in charge of the "Commercial and Local Authorities Clients" division since 2019, then of "Institutional Clients" since 2020. She has worked at the Ministry of the Economy and Finance, the International Monetary Fund, and the City of Paris. Before joining Nexity, she was Chief of Staff to the Prime Minister.

VÉRONIQUE BÉDAGUE**Chairwoman and Chief Executive Officer
and Director****Current appointments****> Outside the Group**

- Director and Vice-Chairwoman of the Fédération des Entreprises Immobilières
- Member of the Conseil d'État integration commission
- Director and member of the Audit and Accounts Committee of Véolia Environnement⁽¹⁾ since 27 April 2023
- Member of Medef since 17 July 2023

> Within the Group

- Director of Nexity Immobilier d'Entreprise
- President of SIG 30 Participations
- Deputy CEO of Villes et Projets and VP Participations
- Member of the Supervisory Board of Ægide
- Legal representative of Villes et Projets, Manager of SNC Aménagement Charras
- Legal representative of SIG 30 Participations, Director of SAS Eco-campus A Châtillon
- Legal representative of Nexity, Vice-Chairwoman of the Board of Directors, Chief Executive Officer and Director of SAS Eco-campus À Châtillon
- Legal representative of SAS Eco-campus À Châtillon, Chairwoman of SAS Mercedes
- Legal representative of Nexity, President of SAS Lilas Paul Meurice
- Legal representative of Nexity, Chief Executive Officer of En Invalides Gestion SAS
- Legal representative of SIG 30 Participations, Chairwoman of Neximmo 19, Neximmo 38, Neximmo 41, Neximmo 44, Neximmo 49, Neximmo 51, Neximmo 60, Neximmo 71, Neximmo 75, Neximmo 85, Neximmo 90, Neximmo 91, Neximmo 96, Neximmo 97, Neximmo 100, Neximmo 101, Neximmo 102, Neximmo 103, Neximmo 104, Neximmo 106, Neximmo 107, Neximmo 108, Neximmo 109, Neximmo 110, Neximmo 112, Neximmo 113, Neximmo 114, Neximmo 116, Neximmo 117, Neximmo 118, Neximmo 119, Neximmo 120, Neximmo 121, Neximmo 124, Neximmo 125, Neximmo 126, Neximmo 127, Neximmo 128, Neximmo 129, Neximmo 130, Neximmo 131, Neximmo 132, Neximmo 139, Nexprom, La Cité, Sari Investissement, Terrae Novae 1, Terrae Novae 2, SAS Porte de Montreuil
- Legal representative of SIG 30 Participations, Chief Executive Officer of Aqueduc, SAS Bagneux Briand, SAS Bagneux Victor Hugo
- Legal representative of SIG 30 Participations, Manager of Terrae Novae, Toulouse Bow, Montpellier Cambacérès, Garenne Développement, Toulouse Jolimont Bureaux
- Legal representative of Villes et Projets, Chairwoman of Presqu'île Hérouvillaise
- Legal representative of VP Participations, Chairwoman of Nexiville 1, Nexiville 2, Nexiville 4, Nexiville 5, Pontault Louvetière, Nexiville 8, Nexiville 9, Garenne Aménagement, Nexiville 11, Nexiville 14, Nexiville 19, Nexiville 20, Neximmo 42, Axioparc
- In her capacity as the legal representative of SIG 30 Participations and Sari Investissement, Véronique Bédague is also the legal representative of various non-trading companies and partnerships.

Expired appointments

- Director of Édouard Denis Développement (until 24/04/2023)
- Director of Électricité de France1 (until 12/05/2022), and of the BBKA association (until 29/11/2021)
- Chairwoman of the Board of Directors of Nexity Immobilier d'Entreprise (until 28/10/2022)
- Chairwoman of Nexity Logement (until 28/07/2022)
- Legal representative of VP Participations, President of Immocash 1, Immocash 2, Immocash 3 (until 20/05/2022)
- Legal representative of Nexity, President of SAS Nexity Franchises (until 12/01/2022)
- Legal representative of SIG 30 Participations, Chairwoman of Neximmo 48, Neximmo 54, Neximmo 65, Neximmo 72, Neximmo 73, Neximmo 80, Neximmo 81, Neximmo 82, Neximmo 86, Neximmo 87, Neximmo 88, Neximmo 111, Neximmo 122, Neximmo 133, Neximmo 134, Neximmo 136, Neximmo 137, Neximmo 138, Terrae Novae 3
- Legal representative of SIG 30 Participations, liquidator of SCI Boulogne Ville A3B (until 24/04/2023)
- Chairwoman and Chief Executive Officer of Nexity Immobilier d'Entreprise (until 25/11/2021), and of SIG 30 Participations (until 19/05/2021)
- Chairwoman of the Board of Directors and Director of Nexity Property Management (until 04/03/2021)
- President of Neximmo 78 (until 08/01/2021)
- Member of the Supervisory Committee of Bureaux à Partager (until 12/10/2021)
- Legal representative of Neximmo 78, Chairwoman of Service Personnel, Accessite, Hiptown, Nexity Solutions Digitales, Costame, Moreau Experts, Nexity Contractant Général, L'Étoile Property Management

(1) Listed company.

LUCE GENDRY**Vice-Chairwoman
Senior Independent Director**

- > Chairwoman of the Audit and Accounts Committee
- > Member of the Strategy and Investment Committee

Nationality: French**Age:** 74**Expertise:** Finance, Strategy and Investment, Governance, Financial Services (banking and insurance), CSR**Date first appointed**

21/02/2012

Date of term expiry

At the end of the Company's Shareholders' Meeting called to approve the financial statements for the year ending 31/12/2023.

Number of shares at 31 December 2023200 held directly
and 1,405 *via* a controlled company**Biography**

Luce Gendry began her career in the Générale Occidentale Group as Company Secretary and then Chief Financial Officer. She later joined the Bolloré group as Deputy Chief Executive Officer before moving to Banque Rothschild, where she was a managing partner until mid-2011. She is currently Senior Advisor at Rothschild & Co.

Current appointments

- Chairwoman of the Supervisory Board of IDI ⁽¹⁾ and Chairwoman of the Finance and Audit Committee
- Director at Peugeot Invest ⁽¹⁾, member of the CSR Committee and Chairwoman of the Investment Committee
- Director and Vice-Chairwoman of Béro SAS
- Member of the Supervisory Board of Sucres et Denrées (Sucden) and Chairwoman of the Audit Committee
- Member of the Supervisory Board of Rothschild Martin Maurel, Member of the Risk Committee and the Remuneration Committee
- Member of the Supervisory Committee of Vasgos

Expired appointments

- Chairwoman of Cavamont Holdings Ltd (until 2020)

(1) Listed company.

CHARLES-HENRI FILIPPI**Independent director**

- > Chairman of the Remuneration, Appointments and CSR Committee

Nationality: French

Age: 71

Expertise: Finance, Strategy and investment, Governance, Real estate and real estate financing, Financial Services (banking and insurance), CSR

Date first appointed

15/12/2016

Date of term expiry

At the end of the Company's Shareholders' Meeting called to approve the financial statements for the year ended 31/12/2026.

Number of shares at 31 December 2023

3,000 held directly

Biography

Charles-Henri Filippi is Co-Chairman France of Banque Lazard. He was previously Chairman of Citigroup France with effect from 1 January 2011. After holding several positions in French government agencies and ministerial departments, he joined CCF in 1987 and became its Chief Executive Officer in 1998. In 2001, he was appointed to HSBC's Executive Committee, with responsibility for major client activities across the entire group. He was named Chairman and CEO of HSBC France in March 2004, then non-executive Chairman from August 2007, a position he held until 31 December 2008. He was also Senior Advisor at CVC Capital Partners France until 31 December 2010, Partner at Weinberg Capital Partners until 31 December 2011, and founded the asset management companies Octagones and Alfina, serving as Chairman of both from 2008 to 2012.

Current appointments

- Director of Piasa, ADIE endowment fund (non-profit organisation), Fondation des Treilles (non-profit organisation), Fondation Bettencourt-Schueller (non-profit organisation)

Expired appointments

- Director of L'Oréal ⁽¹⁾ (until February 2018)
- Member of the International Advisory Board of Abertis (until 2018)
- Director and member of the Corporate Governance and Corporate Social and Environmental Responsibility Committee of Orange ⁽¹⁾ (until April 2020)

(1) Listed company.

JÉRÔME GRIVET**Director**

- > Member of the Audit and Accounts Committee
- > Member of the Strategy and Investment Committee

Nationality: French

Age: 62

Expertise: Finance, Strategy and investment, Governance, Real estate and real estate financing, Financial Services (banking and insurance)

Date first appointed

23/07/2015

Date of term expiry

At the end of the Company's Shareholders' Meeting called to approve the financial statements for the year ending 31/12/2023.

The renewal of the term of office is proposed.

Number of shares at 31 December 2023

200 held directly

Biography

Jérôme Grivet is Deputy CEO of Crédit Agricole SA in charge of the Crédit Agricole Group's Steering and Control Division, and Member of the Executive Committee and Management Committee of Crédit Agricole SA. He began his career as an inspector of finance, then served as a member of several French ministries before holding a number of positions at Crédit Lyonnais and the Crédit Agricole group.

Current appointments

- Deputy CEO in charge of the Steering and Control Division – Member of the Executive Committee and Management Committee of Crédit Agricole SA ⁽¹⁾
- Director of Crédit Agricole Assurances, Caceis, Caceis Bank France, CA Immobilier
- Director and Chairman of the Board of Directors of CACIF
- Chairman of the Supervisory Board, Member of the Fonds de Garantie des Dépôts et de Résolution (FGDR) (since 05/10/2023)
- Permanent representative of Crédit Agricole SA, Director of CA Immobilier
- Permanent representative of Prédica on the Board of Directors of Covivio ⁽¹⁾
- Permanent representative of Crédit Agricole SA, President of Evergreen Montrouge
- Permanent representative of Crédit Agricole SA, Manager of SCI Quentyvel
- Treasurer of Fondation Crédit Agricole Solidarité et Développement

Expired appointments

- Vice-Chairman of the Supervisory Board, Member of the Audit and Accounts Committee of the Fonds de Garantie des Dépôts et de Résolution (FGDR) (until 05/10/2023)
- Director of Korian ⁽¹⁾ (until 2020)

(1) Listed company.

SOUMIA BELAIDI-MALINBAUM**Independent director**

- > Member of the Audit and Accounts Committee
- > Member of the Remuneration, Appointments and CSR Committee

Nationality: French

Age: 62

Expertise: Finance, Strategy and investment, Governance, IT and Digital systems, CSR

Date first appointed

24/03/2015

Date of term expiry

At the end of the Company's Shareholders' Meeting called to approve the financial statements for the fiscal year ended 31/12/2024.

Number of shares at 31 December 2023

300 held directly

Biography

Soumia Belaidi-Malinbaum has been Chief Executive Officer of Business Development at the Keyrus group since 2018. Between 1991 and 2006 she was founder, Chairwoman and CEO of Specimen, Sales Director France for Hommes et Techniques de l'Informatique (HTI) and Account Manager in financing and leasing at International Brokerage Leasing (IBL). In November 2021, she was appointed Chairwoman of the Paris Chamber of Commerce and Industry.

Current appointments

- Chairwoman of the Paris Chamber of Commerce and Industry

Expired appointments

- Director and member of the Appointments Committee of the Lagardère SCA group ⁽¹⁾
- Director and Chairwoman of the Audit Committee of France Média Monde

(1) Listed company.

AGNÈS NAHUM**Independent director**

- > Member of the Audit and Accounts Committee
- > Member of the Remuneration, Appointments and CSR Committee
- > Member of the Strategy and Investment Committee

Nationality: French

Age: 62

Expertise: Finance, Strategy and Investment, Governance, Financial Services (banking and insurance), CSR

Date first appointed

19/05/2015

Date of term expiry

At the end of the Company's Shareholders' Meeting called to approve the financial statements for the year ended 31/12/2026.

Number of shares at 31 December 2023

200 held directly

4

Biography

Agnès Nahum has been, since December 1998, Co-Founder and Chairwoman of the Management Board of the investment company Access Capital Partners, which specialises in managing European private equity, infrastructure and private debt funds. Previously she was Senior Vice-President of Business Development at BNP Paribas Private Equity, Business Development Director at Financière Saint Dominique and Head of Investment and Development at MAAF.

Current appointments**> In France**

- Chairwoman of the Management Board of Access Capital Partners SA
- Managing Director of Monirouz

> Outside France

- Director of Access Capital SA (Belgium), Access Capital Partners Group SA (Belgium), Access Capital Private Assets US, Access Capital Partners II Ltd. (Guernsey), Access Co-Investissement Europe (Luxembourg), Access Capital Advisors Finland Oy, ACL 2 Sarl (Luxembourg), Castle SA (Luxembourg), ACF II SICAV-SIF (Luxembourg), Marigold ACP Sarl (Luxembourg), Bruegel ACP Sarl (Luxembourg), Chrysanthenum Sarl (Luxembourg), Havre Infrastructure Sarl (Luxembourg)

Expired appointments

- Director of the France Invest association (until 2020)

MYRIAM EL KHOMRI**Independent director
until 14/12/2023**

- > Member of the Remuneration, Appointments and CSR Committee until 14/12/2023

Nationality: French**Age:** 45**Expertise:** Strategy and Investments, CSR**Date first appointed**

19/05/2021

Date of term expiry

At the end of the Company's Shareholders' Meeting called to approve the financial statements for the fiscal year ended 31/12/2024.

Resigned as director on 14/12/2023**Number of shares at 14 December 2023**

200 held directly

Biography

Myriam El Khomri held various positions at the Paris City Hall for 19 years, focusing on child protection, prevention, security, urban policy and integration. She was Deputy Mayor of Paris for nearly seven years and a Paris councillor representing the 18th arrondissement for six years. She was Secretary of State for Urban Policy from 2014 to 2015, then Minister of Labour, Employment, Vocational Training and Social Dialogue from September 2015 to May 2017. After creating her own consulting company and having held the position of Senior Advisor at LHH Altedia, since March 2019, she has been Chairwoman of the Board of DIOT SIACI, a leader in property and personal insurance consulting and brokerage. She manages all human resources consulting activities (quality of life at work, social strategy, remuneration, professional training, HR communication, *etc.*).

In October 2019, following a voluntary mission entrusted to her jointly by the Ministers of Health and Labour, she submitted her "2020-2024 National mobilisation plan to promote the attractiveness of careers in the senior and autonomy sector" report and in 2023, coordinated the CNR workshops on "Ageing Well" businesses.

In July 2023, Myriam El Khomri also became Director of CSR Strategy of the DIOT SIACI group and member of the Executive Committee.

She holds a DESS in Public Law from the University of Paris I Panthéon-Sorbonne.

Current appointments

- Qualified person within the Fondation des Possibles
- Member of the ADP Stakeholders Committee ⁽¹⁾
- Member of the ADEO Stakeholders Committee
- Member of the VIVALTO SANTÉ Mission Committee
- Member of the Board of Directors of the ARPAVIE association
- Chairwoman of the Supervisory Board of CDC HABITAT

Expired appointments

- Qualified person on the Board of Directors of FEPEM (Fédération des Particuliers Employeurs)

(1) Listed company.

MAGALI SMETS**Independent director**

- > Member of the Audit and Accounts Committee
- > Member of the Strategy and Investment Committee

Nationality: French

Age: 50

Expertise: Finance, Strategy and investment, Governance, CSR

Date first appointed

31/05/2016

Date of term expiry

At the end of the Company's Shareholders' Meeting called to approve the financial statements for the year ending 31/12/2023.

The renewal of the mandate is proposed.

Number of shares at 31 December 2023

300 held directly

Biography

Magali Smets is Chief Executive Officer of France Chimie (professional organisation). She began her career in 1999 as a consultant at McKinsey & Company. In 2001, she joined the Strategy Department of Alstom T&D, later becoming Chief Strategy Officer of AREVA T&D. In 2007, she represented Areva at the European Union. In January 2013, she became Director, reporting to the Chairman, and Executive Secretary of Areva's Management Board, before she became Areva's Chief Strategy Officer in 2015. She actively contributed to the work of Medef, France Industrie and the French National Council of Industry (Conseil national de l'industrie).

Current appointments

- Chairwoman of Syndicat des Activités et produits divers en relation avec la Chimie et la Parachimie (APROCHIM) (since 25/07/2017)
- Vice-Chairwoman of Groupement des Industries Chimiques pour les Études et la Recherche (GICPER) (since 11/04/2017)
- Managing Director of SCI Immochim (since 19/12/2017)
- Director of CP Chimie Promotion (since 17/05/2017), Director of Universcience Partenaires (since 07/06/2017)

CRÉDIT MUTUEL ARKEA

Director

**Date first appointed**

19/05/2021

Date of term expiry

At the end of the Company's Shareholders' Meeting called to approve the financial statements for the fiscal year ended 31/12/2024.

Number of shares held by Crédit Mutuel Arkéa at 31 December 2023

2,653,597 held directly

Biography

Crédit Mutuel Arkéa is a cooperative banking group, bringing together the Crédit Mutuel de Bretagne and Sud-Ouest federations, as well as around 30 subsidiaries specialising in financial services. Crédit Mutuel Arkéa is a national player with strong regional roots, with a total equity of €8 billion, with around 11,000 employees serving nearly 5 million customers. Crédit Mutuel Arkéa has been a reference shareholder of Nexity since 2015, participating in the shareholders' concert organised around Alain Dinin.

BERTRAND BLANPAIN (PERMANENT REPRESENTATIVE OF CRÉDIT MUTUEL ARKEA)



- > Member of the Audit and Accounts Committee
- > Member of the Strategy and Investment Committee

Nationality: French**Age:** 61**Expertise:** Finance, Strategy and Investment, Real estate and real estate financing, Financial Services (banking and insurance)**Biography**

A graduate of ESCP Europe, with a Master's degree in economics and a DEA in political economy, Bertrand Blanpain joined Crédit Mutuel Arkéa in June 2015 as a member of the Management Board of Arkéa Banque and Commercial Director of Arkéa Banque Entreprises et Institutionnels, becoming Chairman of the Management Board in 2016. He has also been a member of the Executive Committee of Crédit Mutuel Arkéa and director of the Corporate and Institutional division since 2016. In 2021, he was appointed Deputy CEO of Crédit Mutuel Arkéa. Bertrand Blanpain began his professional career at Drouot Assurances (1986-1987) before moving on to the Caisse d'Épargne group (1987-2015) where he held various general management positions in the areas of sales, human resources, banking and finance.

BERTRAND BLANPAIN (PERMANENT REPRESENTATIVE OF CRÉDIT MUTUEL ARKEA)**Current appointments held by Bertrand Blanpain**

- Chairman of the Management Board of Arkéa Corporate and Institutional Bank
- Deputy Chief Executive Officer of Crédit Mutuel Arkéa
- Permanent representative of Crédit Mutuel Arkéa on the Board of Directors of SOFIOUEST

Expired appointments held by Bertrand Blanpain

- Permanent representative of Crédit Mutuel Arkéa on the Supervisory Board of New Port SAS (until 27/12/2022)
- Permanent representative of Crédit Mutuel Arkéa on the Supervisory Board of Clearwater (until 2021)
- Permanent representative of Arkéa Banque Entreprises et Institutionnels on the Board of Directors of Arkéa Public Sector SCF (until 2021)
- Member of the Supervisory Board of Budget Insight (until 2021)
- Permanent representative of Crédit Mutuel Arkéa on the Board of Directors of Aquiti Gestion SAS (until 2021)
- Member and Chairman of the Board of Directors of Arkéa Lending Services (until 2020)
- Permanent representative of Crédit Mutuel Arkéa on the Board of Directors of Sofiprotéol (until 2020)
- Permanent representative on the POLYLOGIS Management Committee (until 2019)

LA MONDIALE

Director



AG2R LA MONDIALE

Date first appointed

18/05/2022

Date of term expiry

At the end of the Company's Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2025.

Number of shares held by La Mondiale at 31 December 2022

2,806,487 held directly

Biography

La Mondiale is a mutual insurance company governed by the French Insurance Code, the constituent company of AG2R La Mondiale. It was created in 1905 in Lille and its registered office is located at 32 avenue Émile Zola in Mons-en-Baroeul. With its subsidiaries La Mondiale Partenaire, La Mondiale Europartner, ARIAL CNP ASSURANCES (joint venture shared with CNP Assurances, 60%-owned) and Domitys (67%-owned), La Mondiale covers the supplementary, individual and collective pension, savings, personal protection insurance and senior residences business lines.

In 2022, it generated consolidated life insurance revenue of €6.9 billion. Leader in its three major markets, it is mainly intended for professionals in individual pension schemes (€0.9 billion), large companies in collective pension schemes (€1.1 billion mainly *via* ARIAL CNP ASSURANCES) and high net-worth savings customers (€2.3 billion *via* La Mondiale Partenaire in France and €2.4 billion *via* La Mondiale Europartner in Luxembourg). Its products are distributed by an internal network of a thousand advisors and *via* private banking partners. At the end of 2022, La Mondiale's assets under management represented €105 billion, of which 31% were unit-linked and 69% were funds.

BRUNO ANGLES (PERMANENT REPRESENTATIVE OF LA MONDIALE)

- > Member of the Strategy and Investment Committee

Nationality: French

Age: 59

Expertise: Finance, Strategy and Investment, Real estate and real estate financing, Financial Services (banking and insurance)

4

Biography

Aged 59, an engineering graduate of the French Polytechnic Ponts et Chaussées and a graduate of the Collège des Ingénieurs, Bruno Angles began his career in 1988 in the construction industry, then at the French Ministry of Public Works, before joining the cabinet of Bernard Bosson, Minister of Public Works, Transport and Tourism as Technical Advisor (1993). In 1994, he was appointed Chief Executive Officer of Autoroutes et Tunnel du Mont-Blanc, then in 1996 he joined McKinsey, where he became Managing Partner in 2000. In 2004, he was appointed Chief Executive Officer of Vinci Énergies (27,000 employees). After serving as Senior Partner at Mercer Delta, he joined the Macquarie Group in 2007, a financial institution offering financing, financial advisory and investment services specialising in infrastructure, of which he was President for France from 2007 to 2016. From April 2016 to April 2021, he was President for France and Belgium of Crédit Suisse and Chairman of the Executive Committee of Crédit Suisse in France. From 2015 to 2019, he was Chairman and then, from 2019, Honorary Chairman of the Association of Alumni and Graduates of École Polytechnique (AX). He has been a director of RATP since 2016 and of the Fondation de France since 2019. Bruno Angles is an Officer of the Legion of Honour and a Commander of the National Order of Merit. Bruno Angles joined the Management Committee of AG2R La Mondiale Group on 5 May 2021 as Deputy CEO. He was appointed Chief Executive Officer of AG2R La Mondiale, succeeding André Renaudin, on 26 November 2021, effective 1 May 2022.

Current appointments

- Director of various entities of the AG2R La Mondiale Group
- Director of Fondation de France
- Director of RATP
- Co-Manager of SCI "DES ÎLES EN RÉ"
- Co-Manager of SCI "LES TOITS DE VARENNE"
- Director of Agricultural and real estate company Golf de Saint-Nom-la-Bretèche

Expired appointments

- Chairman of AX (2015-2019)
- Director of X and FX (2015-2019)
- President for France and Belgium of Crédit Suisse and Chairman of the Executive Committee of Crédit Suisse in France (2016-2021)
- Member of the Macquarie European Infrastructure Funds Advisory Panel (2016-2019)

LUC TOUCHET**Director representing the shareholder employees until 2 April 2024 ⁽¹⁾****Nationality:** French**Age:** 50**Expertise:** Finance**Date first appointed**

18/05/2022

Date of term expiry

At the end of the Company's Shareholders' Meeting called to approve the financial statements for the year ending 31/12/2023.

Number of shares at 31 December 2023

198 held directly

Biography

Luc Touchet is a senior accountant at Nexity Lamy and Chairman of the Supervisory Board of the FCPE Nexity Actions fund.

He began his career at BNP as a financial advisor and continued this activity within the Crédit Agricole and Caisse d'Épargne groups before joining Nexity Lamy in 2003. He has been involved in employee representation since 2006.

He is currently Secretary of the CSE of UES Nexity Lamy, CDFT coordinator of the Nexity group, Chairman of the Joint Committee on the National Collective Agreement for the Real Estate sector (CPPNI), Director and Co-Chairman of the Audit Committee of Opérateur de Compétences des Entreprises de Proximité (OPCO EP), Economic, Social and Environmental Advisor for the Occitanie region (CESER Occitanie) and Treasurer of the CFDT du Midi Toulousain services union.

Current appointments

- Director of Opérateur de Compétences des Entreprises de Proximité
- Chairman of the Supervisory Board of FCPE Nexity Actions
- Employee representative on the Supervisory Board of FCPE Amundi Label Equilibre Solidaire ESR

Expired appointments

- Chairman of the Supervisory Board of FCPE Nexity Levier 2017
- Advisor at CESER Occitanie

1) Following the sale of the property management for individuals business to Bridgepoint on 2 April 2024. See Chapter 5, Section 5.5 "Recent developments".

BRUNO CATELIN**Director representing the employees**

- > Member of the Remuneration, Appointments and CSR Committee

Nationality: French

Age: 58

Expertise: IT and Digital systems, Real estate and real estate financing

Date first appointed
01/01/2017

Date of term expiry
31/10/2024

Number of shares at 31 December 2023
1,150 held directly

Biography

Bruno Catelin is the director representing the Group's employees. He has been an employee of Nexity group since March 1991. He has been in charge of management tools training within the Residential Real Estate division since 1 September 2018.

Member of the Inclusion Committee

Current appointments

- Deputy Treasurer of the Economic and Social Committee
- Employee representative

KARINE SUZZARINI**Director representing the employees until 2 April 2024 ⁽¹⁾**

Nationality: French

Age: 48

Expertise: Real estate and real estate financing

Date first appointed
01/11/2020

Date of term expiry
31/10/2024

Number of shares at 31 December 2023
1,130 held directly

Biography

In 1999, after graduating in psychology and earning an Advanced Vocational Certificate in Real Estate and ICH from Conservatoire national des arts et métiers in Paris and a Master's degree in operational management at ESSEC, Karine Suzzarini began working as a co-ownership assistant then manager in a property management firm in Saint-Mandé (France) sold to the Lamy Group.

She then took over the management of this agency in 2005, then Head of the real estate agencies of PARIS OUEST.

In 2013, she was transferred to Saint-Raphaël where she has since held the position of manager of the VAR division of NEXITY LAMY. In March 2021, she was appointed regional ambassador for the PACA region and later Head of the PACA region.

1) Following the sale of the property management for individuals business to Bridgepoint on 2 April 2024. See Chapter 5, Section 5.5 "Recent developments".

ALAIN DININ**Honorary Chairman from 01/01/2023****Date first appointed as Honorary Chairman**

01/01/2023

Date of expiry of term of office as Honorary Chairman

Unlimited

Number of shares at 31 December 20231,469,683 held directly
and 15,406 *via* related persons

4.1.3 The Executive Committee

4.1.3.1 Composition at 31 December 2023

The Executive Committee, the Group's main governance body, is in charge of defining and managing Nexity's strategy and transformation.

During the 2023 fiscal year, the Executive Committee brought together the main members of the Group's Management team and Véronique Bédague, Chairwoman and Chief Executive Officer, and Chairwoman of this Committee.

Among the members, Jean-Claude Bassien has been a company officer since 19 May 2021.

The Executive Committee meets every month. As of 31 December 2023, it had 16 members, 37.5% of whom are women.

As of 31 March 2024, it had 15 members, 40% of whom are women.

The tables below present the biographies of each member of the Executive Committee as at 31 December 2023, it being specified that the biography of Véronique Bédague, Chairwoman and CEO, is presented in Section 4.1.2 "Members of the Board of Directors" of this chapter.

JEAN-CLAUDE BASSIEN

Deputy CEO – company officer



Biography

Jean-Claude Bassien held various executive positions at Crédit Agricole Cheuvreux between 1991 and 2010, before becoming its Chairman and CEO. He has developed a comprehensive expertise in European Equity brokerage for an international client base of institutional investors. He also served as Chief Operating Officer of the "Equities and Derivatives" business line and, from 2008 to 2012, was a member of the Executive Committee of Crédit Agricole-CIB, the Crédit Agricole Group's investment and financing bank. In 2012, Jean-Claude Bassien created KUBX, an investment holding company which he used to invest in high-tech start-ups and cultural enterprises. Jean-Claude Bassien joined Nexity in March 2019 as Deputy CEO of Nexity Solutions Entreprises. He has been Managing Director of Nexity Solutions Entreprises since July 2020. Jean-Claude Bassien is a graduate of the Institut d'Études Politiques de Paris and holds a Master's degree in public law.

JEAN-CLAUDE BASSIEN**Deputy CEO – company officer****Current appointments**

- Director of Bien'ici
- Member of the Supervisory Board of BIONATICS
- Member and Chairman of the Strategy Committee of Bureau à Partager
- Member of the Strategic Board of Intent and The Bosen Project
- President of Nexity Lamy, Multys Solutions, Euriel Invest, , Nexity Solutions, Nexity Retail 1, Nexity Retail 2
- Deputy Chief Executive Officer of ISélection SAS, Invest SAS and Perl SAS
- Legal representative of Nexity, President of Lilas Paul Meurice and SAS Arès 24
- Legal representative of Nexity, Chief Executive Officer of En Invalides Gestion
- Legal representative of Nexity Lamy, President of Actineuf, Immobilier Gestion Consultant, Baudry Immobilier

Expired appointments

- Permanent representative of Nexity Lamy, Director of Nexity Studéa (until 27/12/2023)
- Chairman of Oralia Partenaires (until 26/06/2023)
- Chairman of Richardière (until 30/06/2023)
- Legal representative of Richardière, President of Évidence Gestion (until 30/06/2023)
- Chairman of Société Française d'Accession à la Propriété "SOFAP-HELVIM" (until 10/11/2023)
- Legal representative of Société Française d'Accession à la Propriété "SOFAP-HELVIM", liquidator of SNC Des Arpents de Bondoufle (until 10/11/2023)
- Manager Director of Oralia Management (until 25/10/2022)
- Director and Chairman of the Board of Directors of Nexity Property Management (until 26/10/2022)
- President of Oralia Investissements (until 27/10/2022), Nexity Retail (until 14/10/2022), Neximmo 78 (until 14/10/2022), Neximmo 39 (until 09/03/2022)
- Legal representative of Neximmo 78, President of Service Personnel, Accessite, Nexity Solutions Digitales, Costame, Moreau Experts, Nexity Contractant Général, L'Étoile Property management, Hiptown, Weshop, Nexity Services Entreprise 3, Nexity Services Entreprise 4 (until 14/10/2022)
- Legal representative of Nexity, President of Nexity Franchises (until 12/01/2022)
- Director of NAXOS (until 12/05/2021)
- Chief Executive Officer of Nexity Solutions (until 01/06/2021), Nexity Retail 1 (until 08/06/2021), Nexity Retail 2 (until 08/06/2021)
- Legal representative of Neximmo 39, director of Century 21 (until 12/05/2021)
- Legal representative of Société Française d'Accession à la Propriété "SOFAP-HELVIM", Manager Director of SNC de Saint Maxime (until 25/02/2021), of Société Immobilière Le Naudet Lambda Omega (until 25/02/2021), SNC Les Arpents de Bondoufle (until 16/03/2021)

FABRICE AUBERT**Deputy CEO in charge of Institutional Clients, M&A and International****Biography**

At the beginning of his professional career, Fabrice Aubert was an auditor and then Master of Requests at the Council of State (Conseil d'État), before being Legal Advisor at the office of Pierre Moscovici at the Ministry of the Economy and Finance (2013-2014), then Legal Advisor to the office of Michel Sapin at the Ministry of Finance and Public Accounts. He joined Nexity in January 2016, where he was successively in charge of the Strategy Department and then Director of New Business Lines. From May 2017 to May 2019, he was advisor for institutions, public action and digital transition at the office of Emmanuel Macron, President of the French Republic. Fabrice Aubert was appointed Deputy CEO (non-company officer of Nexity SA) in charge of Institutional Clients, M&A and International in February 2022. Fabrice Aubert is a graduate of École Nationale d'Administration (ENA), a graduate of Institut d'Études Politiques de Paris and of Columbia University, a former student of the University of Chicago and a member of the Council of State.

PIERRE-HENRY POUHELON**Company Secretary in charge of Group finance****Biography**

After working for nearly 10 years at the audit firm Mazars, Pierre-Henry Pouchelon joined Nexity in 2016 as Business Controller of the Nexity branch network, before becoming General Secretary of the Real Estate Services to Individuals division in 2018 where he was notably in charge of the finances of these business lines. In October 2020, he was appointed Deputy Chief Executive Officer of the Services to Individuals division of Nexity and as such contributed to the success of its strategic redeployment. He was appointed Chief Operating Officer in February 2022 and Company Secretary in charge of Group finance in April 2023.

Pierre-Henry Pouchelon holds a Master's degree in Mathematics applied to the Social Sciences and a Master's degree in Insurance and Risk Management from the University of Paris-Dauphine.

JEAN BENUCCI**Deputy CEO of Nexity's Residential Real Estate Division****Biography**

Jean Benucci began his professional career in 1984 at the Moulet group in Nantes as Director of Business Development. In 1993, he joined Nexity group (CGIS) within Foncier Conseil to create a new property development subsidiary, Général Foy Investissement. In 2009, he became Chairman of Foncier Conseil and of GFI, which he oversaw as well as the Atlantic and Brittany subsidiaries from 2014. He was appointed Chief Operating Officer of Nexity Residential Real Estate in 2015, then Deputy Managing Director of Nexity Residential Real Estate in 2017. As Deputy Managing Director (non-company officer of Nexity SA) of Nexity Residential Real Estate since March 2018, he is in charge of the Atlantic, Brittany, Normandy, Foncier Conseil, Conseil et Patrimoine subsidiaries and of the Production and Cost Control Department. Jean Benucci has been Deputy CEO of Nexity's Residential Real Estate division since July 2020. Jean Benucci is a graduate of Audencia.

YVES CADELANO**Managing Director of the Nexity Entreprises Division****Biography**

Yves Cadelano was project manager for the Security Department of the Grand Stade de France from 1993 to 1995. He then took part in the extension of the Disney Village for Disneyland Paris, then became Director of Research at Club Méditerranée from 1999 to 2004. In 2004, he joined the Casino Group and helped create Mercialis, Casino Group's listed real estate company, of which he was Chief Executive Officer from 2006 to 2012. He then joined the Carrefour Group, created the listed real estate company Carmila, and became Real Estate Director of the Carrefour Group and Managing Director of Carmila. Previously Managing Director for France of the mixed-use urban development company Apsys, Yves Cadelano joined Nexity as Managing Director (non-company officer of Nexity SA) of the Nexity Entreprises Division in December 2021. Yves Cadelano holds a DPLG diploma in architecture.

STÉPHANE DALLIET**Managing Director of the Residential Development Division****Biography**

Stéphane Dalliet has been Managing Director (non-company officer of Nexity SA) of the Nexity Residential Real Estate division since June 2021. He is a graduate of the École Spéciale des Travaux Publics (ESTP) and holds a Master's degree from HEC Entrepreneurs. Director of Development at Bouygues Immobilier until 2008, he became Director of Development at Kaufman & Broad until 2011 before heading the Paris region for the group. In 2015, he was appointed Chairman of Cogedim Région Île-de-France and then Chairman and CEO of Pitch Promotion in 2019.

MARJOLAINE GRISARD**Corporate Social Responsibility Director****Biography**

Marjolaine Grisard joined the Nexity group in May 2021. She has extensive experience in environmental issues, first with experience at the consulting and engineering agency Saunier & Associés, then at Groupe ADP, which she joined in 2005. Marjolaine Grisard held various environmental and CSR positions before being appointed Head of the CSR division in 2018. She is a graduate of AgroParisTech and ENGREF (École Nationale du Génie Rural, des Eaux et des Forêts, the French National School of Rural Engineering, Water and Forestry).

STÉPHANIE LE COQ DE KERLAND**Group Legal Director****Biography**

Stéphanie Le Coq de Kerland began her career at Fidal in the Technical Department and then in the International Department before joining Nexity in 2012 as Legal Manager for Economic law, before being appointed Head of Legal Services and Network in 2015, then Operational Legal Director in 2019, and Group Legal Director since May 2021. She has also been the Group's Data Protection Officer (DPO) since May 2018. She holds a Master's degree in law, a Master's degree specialising in General Business law and is a graduate of the French Bar School of the Paris Court of Appeal (EFB).

KARINE OLIVIER**Managing Director of the Services to Individuals Division****Biography**

Karine Olivier began her career in auditing at Coopers & Lybrand before joining PwC Consulting. She held the position of Director of the Transaction Services Department of PwC until 2014 in Lyon. Karine Olivier then joined Oralia, at the time of the acquisition by Nexity, as Managing Director. She was appointed Chief Executive Officer (non-company officer of Nexity SA) of the Services to Individuals Division of Nexity in October 2020. Karine Olivier holds a Master's degree in Management, specialised in Business Finance, from École Supérieure de Commerce de Marseille-Provence (Kedge Business School), class of 1994. She is also a graduate of the EM Lyon Business School, a certification in corporate governance as a director. She is a member of Plurience (an association of real estate professionals), CNTGI (Conseil National de la Transaction et de la Gestion Immobilière) and Le Prisme (a managers club).

JEAN-LUC PORCEDO**Managing Director of the Transformation des Territoires Division****Biography**

Jean-Luc Porcedo has devoted his entire professional career to the challenges of the city. After several positions held in local authorities where he was in charge of public services for disadvantaged neighbourhoods, he took part in the creation of an urban sociology laboratory, Banlieuscopie, in 1992 and was an elected representative in Val d'Oise from 1995 to 2008. In 1998, he joined the office of the Minister of Urban Affairs as a technical advisor. In 2001, he was appointed Chief of Staff of the City of Pantin, then in 2004 Chief of Staff to the Chairman of the General Council of the Oise and, from 2008, Chief of Staff to the General Council of Seine-Saint-Denis. In June 2012, he was appointed Chief of Staff to the President of the National Assembly, Claude Bartolone. He joined Nexity in February 2017 as director of new urban uses, before becoming Managing Director of Nexity Villes & Projets in March 2018, then Chairman in June 2019. Since January 2022, he has been Chairman (non-company officer of Nexity SA) of Nexity Transformation des Territoires dedicated to helping local authorities plan, support, transform and develop all regions, the result of the merger of the two historical subsidiaries Villes & Projets and Foncier Conseil.

SOPHIE AUDEBERT**Human Resources Director****Biography**

Sophie Audebert began her career in a recruitment agency before quickly joining the Assurance Générales de France group (AGF), now Allianz, where she spent 15 years in various HR functions (recruitment, social relations, etc.) before becoming Deputy HR Director. She joined Nexity in November 2008 as HR Director in the Services Division of Lamy. In 2011, she was appointed HR Director for the Real Estate Services to Companies Division. In 2018, the Executive Committee appointed her Company Secretary of the HR Department and HR Director of the Holding Company. She was appointed Group HR Director in September 2019. Sophie Audebert holds a Master's degree in Economics - Paris I - Panthéon Sorbonne and a DESS in HR Management - Paris I - Panthéon Sorbonne.

JULIEN DROUOT-L'HERMINE**President of the Distribution Division (iSelection and PERL)****Biography**

Julien Drouot-L'Hermine is a graduate of ESSEC. He began his career at Cartier in New York before moving on to the real estate sector within the Pierre & Vacances group. After working in Cairo on the development of major residential projects, he joined Nexity group in 2013 as Chief Executive Officer and then Chairman of iSelection. Since 2020, he has also been Chairman of PERL, a leader bare ownership that has become the first company with an affordable housing mission, and is developing the distribution division of the Nexity group.

ANNE GINDT**Director of Communications and Branding****Biography**

Anne Gindt started her career in the field of customer relations - in the start-up Ucar and for Steeluser - then moved to the cultural sector: editor for Arte Magazine, for the Réseau Varèse, Learnorama, T&M at the Nanterre-Amandiers Theatre, then Head of Communications at the Scène Nationale in Saint-Quentin-en-Yvelines. Anne Gindt joined Nexity in 2012 as Head of Communications before being appointed Deputy Director of Communications in 2016. In 2018, she became a project manager for Véronique Bédague. She has been Director of Communications and Branding since January 2022. Anne Gindt holds a Master's degree in German Studies from the University of Marc Bloch in Strasbourg. She also studied literature in Paris (Hypokhâgne and Khâgne).

YANN LUDMANN**Director of Digital Solutions and Innovations****Biography**

Yann Ludmann began his career at Accenture in 1996. There he led the implementation of multiple process digitisation projects. He joined the public service at the Finance Department of the City of Paris in 2007, then the prefectural administration and the Ministry of Housing in 2011, where he originated the national system of registration for social housing and the national register of condominium properties, as Deputy Director of housing policies. He joined Nexity in May 2017 to manage the connected housing offer and organised the Development Department of the Residential Real Estate division. He has been the Group's Director of Digital Solutions and Innovations since July 2018. Yann Ludmann is a graduate of the École Nationale d'Administration and of ICN Business School.

GWÉNAËL MALARD**Head of Operations and Transformation****Biography**

Following an initial three-year experience at audit firm Ernst & Young, Gwénaél Malard joined the Audit Department of Nexity group in 2010, before taking charge of growth operations within the Strategy and Development Department in 2015. In 2018, he was appointed General Secretary of the Villes & Projets subsidiary and contributed to the creation of the Group's Planning Division, Nexity Transformation des Territoires, becoming its General Secretary in 2022. Gwénaél Malard holds a Master's degree in Management Sciences from the University of Paris-Sorbonne and a Specialised Master's degree in Audit and Management Control from Toulouse Business School.

4.1.3.2 Changes in the Executive Committee between 1st January 2024 and 31 March 2024

Stéphane Dalliet is no longer member of the Executive Committee as of 31 March 2024.

The Executive Committee now has 15 members, 40% of whom are women.

4.1.4 Disclosures relating to members of the Board of Directors and main executives

To the Company's knowledge there are no family ties linking any members of the Board of Directors to one another or to main executives.

To the Company's knowledge, over the last five years, no members of the Board of Directors or current top executives of the Company:

- Have been convicted of fraud;
- Have been involved in a bankruptcy, sequestration or compulsory liquidation, or placing of companies under judicial administration;
- Have been charged or been the object of an official public sanction by a statutory or regulatory authority (including designated professional organisations); and
- Have been banned from acting as a member of an administrative, management or supervisory body of a listed company or from being involved in the management or running of a listed company.

4.1.5 Conflicts of interest involving administrative and governing bodies

To the Company's knowledge, there are no potential conflicts between the private interests of the members of the Board of Directors and their duties toward the Company. The detection and declaration of conflicts of interest is formalised in the internal rules and regulations of the Board of Directors.

Each year, directors are asked to declare any potential or actual conflicts of interest. If no such conflicts are identified, they are asked to expressly declare that there are no potential conflicts between their private interests and their duties to the Company and the members of the Board of Directors.

Each director has an obligation to notify the Board of Directors of any conflict of interest situation, either potential or future, in which he or she is likely to find himself or herself and must abstain from participating in

any discussions or vote on related matters. The Senior Independent Director reviews all conflicts of interest, whether discovered independently or having been brought to his or her attention by the director(s) involved, and reports on them to the Board of Directors.

At the proposal of the Remuneration, Appointments and CSR Committee, the Board of Directors conducts an annual review, on a case-by-case basis, of each director's status with regard to the independence criteria set out in the Afep-Medef Code.

Lastly, the Board of Directors has adopted a charter relating to the procedure for entering into related-party agreements as provided for by Articles L.225-38 *et seq.* of the French Commercial Code (see Section 4.3 "Related-party transactions" in this chapter). It is also available on the Company's website.

4.2 PREPARATION AND ORGANISATION OF THE BOARD OF DIRECTORS' WORK

4.2.1 Organisation of the Board of Directors' work

The Company is a French public limited company (*société anonyme*) with a Board of Directors.

At 31 December 2023, the Board of Directors had 12 members, including two directors representing the employees (Article L.225-27-1 of the French Commercial Code) and one director representing the shareholder employees (Articles L.225-23 and L.22-10-5 of the French Commercial Code).

Directors are appointed for four-year terms, with the expiry of terms organised to allow for staggered renewals:

- Four terms of office will expire at the end of the Annual Shareholders' Meeting called in 2024 to approve the financial statements for the fiscal year ended 31 December 2023: Luce Gendry, Magali Smets, and Jérôme Grivet, as well as that of the director representing shareholder employees, Luc Touchet;
- Three terms of office will expire at the end of the Annual Shareholders' Meeting called in 2025 to approve the financial statements for the fiscal year ended 31 December 2024: Véronique Bédague, Soumia Belaidi-Malinbaum and that of Crédit Mutuel Arkéa;
- One term of office will expire at the end of the Annual Shareholders' Meeting called in 2026 to approve the financial statements for the fiscal year ended 31 December 2025: that of La Mondiale;
- Two terms of office will expire at the end of the Annual Shareholders' Meeting called in 2027 to approve the financial statements for the fiscal year ended 31 December 2026: Agnès Nahum and Charles-Henri Filippi; and
- Karine Suzzarini was appointed and Bruno Catelin was reappointed, with effect from 1 November 2020, as directors representing the employees by the Company's Group Works Council, for a period of four years from that date.

A single representative from the Social and Economic Committee participates in meetings of the Board of Directors, in accordance with the provisions of Article L.2312-75 of the French Labour Code. Emmanuel Brie was appointed in this capacity on 20 July 2023, for a period expiring during the election of employee representatives in the course of 2027.

The internal rules and regulations stipulate that, apart from the specific duties attributed to the Board of Directors by legal and regulatory provisions (the "law") and the Company's Articles of Association, the Board reviews and gives prior approval for any significant actions to be undertaken by the Company, and in particular:

- The Company's strategic direction and any actions that fall outside the strategy announced by the Company; and
- Acquisitions or disposals of equity interests or assets in material amounts liable to alter the Company's balance sheet structure, including any acquisition or disposal of equity interests or assets of an amount greater than or equal to €100 million.

The Company is also committed to promoting creation of value over the long term while considering the social and environmental implications of its activities.

A secure digital platform enables directors to receive the appropriate information and documents necessary to perform their duties and to prepare for the deliberations of the Board of Directors or its committees. This paperless platform is a place for the secure exchange of information and documents between the members of the Board of Directors. It also ensures the archiving of data.

The Board of Directors also undertakes controls and checks as it sees fit, and may obtain copies of any document it deems useful in fulfilling its role. In connection with the strategy it outlines, the Board of Directors regularly examines the opportunities and risks such as financial, legal, operational, social or environmental risks, as well as the actions taken as a consequence. For this purpose, it receives all the information necessary to carry out its mission. In addition, prior to any meeting, directors may request any additional documents that they deem useful.

Furthermore, each director may, if he or she so wishes, receive additional training in the Company's specific features and business lines, as well CSR matters and climate-related issues in particular.

Information sessions can be arranged for new directors to help them gain an understanding of Nexity group as quickly as possible. This programme includes a review of the Group's strategy and main businesses, key challenges in terms of growth, competitiveness and innovation, and also finance, research and development, human resources management, legal aspects, compliance and the general organisation of operations. It also includes site visits. All directors can take part in this programme if they so wish, in accordance with the relevant provisions of the Board's internal rules and regulations. The Board of Directors met seven times during the fiscal year ended 31 December 2023. The attendance at Board meetings was 97%.

Alain Dinin, Honorary Chairman, attended five meetings of the Board of Directors in 2023, and announced at the end of 2023 that he would only attend future meetings at the request of the Chairwoman of the Board of Directors.

The individual attendance rates at the meetings of the Board of Directors and its various Committees are detailed below:

	Attendance rate/body/person				Overall attendance rate/person
	Board of Directors (7 meetings)	Audit and Accounts Committee (5 meetings)	Remuneration, Appointments and CSR Committee (4 meetings)	Strategy and Investment Committee (0 meeting)	
Luce Gendry	100%	100%			100%
Véronique Bédague	100%				100%
Charles-Henri Filippi	100%		100%		100%
Jérôme Grivet	100%	100%			100%
Soumia Belaidi-Malinbaum	100%	100%	100%		100%
Agnès Nahum	100%	100%	100%		100%
Magali Smets	100%	60%			80%
Luc Touchet	100%				100%
Myriam El Khomri (until 14 December 2023)	100%		100%		100%
Crédit Mutuel Arkéa	100%	60%			80%
La Mondiale	100%				100%
Bruno Catelin	86%		100%		93%
Karine Suzzarini	71%				71%
TOTAL	97%	87%	100%	N/A	95%

During the fiscal year, in the following areas, the Board of Directors:

1. Financial and accounting information:

- Reviewed the conclusions of the Audit and Accounts Committee on matters within its remit,
- Approved the financial statements for the fiscal year ended 31 December 2022, the 2023 half-year financial statements and revenue for the first and third quarters of 2023,
- Regularly reviewed the Group's financial position and changes in its debt, discussed appropriate financing arrangements or the extension and adaptation of existing financing arrangements and reviewed and approved management forecasts,
- Approved the renewal of the corporate credit facility for a period of five years and for an increased amount of €800 million, up from €500 million,
- Decided to adjust the rights of holders of convertible bonds and sub-delegate to the Deputy Chief Executive Officer the power to determine the new ratios, to inform the holders of 2021 OCEANE bonds and 2018 ORNANE bonds,
- Decided to implement a new share buyback programme;

2. Governance, remuneration and CSR

- Discussed reports from the Remuneration, Appointments and CSR Committee,
- Deliberated on the independence of the members of the Board of Directors and the members of the various Board committees as well as on gender parity,

- Approved the agenda and convened a Combined Shareholders' Meeting to approve the Parent Company financial statements for the fiscal year ended 31 December 2022, and renewed the terms of office of two directors,
- Authorised the signature of related-party agreements,
- Discussed the assessment of the Board of Directors' work,
- Defined the remuneration policy for company officers,
- Approved the remuneration of the Chairwoman of the Board of Directors and Chief Executive Officer, and of the Deputy CEO as well as the remuneration of the members of the Board of Directors and its distribution,
- Decided on the free share award plans,
- Reviewed the progress made on commitments related to the climate and biodiversity,
- Deliberated on gender equality within the Group, as well as Diversity and the new Disability and Seniors equality action plan;

3. Strategy

- Discussed the Group's strategy and main partnership projects,
- Authorised the disposal of the Group's Property management activities,

4. Securities - Guarantees

- Authorised the issuance of guarantees.

Moreover, the Board of Directors is kept informed, using all possible means, of the Company's financial position and commitments as well as any significant events and projects concerning the Company as well as risks to which the Group is exposed.

Lastly, Board meetings are held without the presence of executive company officers ("executive sessions"). They are convened at least once a year by the Chairman or Vice-Chairman (or Vice-Chairmen) of the Board of Directors,

who freely determine the agenda and the participants. The Vice-Chairman or Vice-Chairmen report on such meetings at the following Board meeting.

4.2.2 Executive Management approach

The choice of Executive Management approach is discussed every year as part of the Board of Directors' annual review.

Since its creation, the Company has been managed by a Chairman-Chief Executive Officer (Alain Dinin, its Founder).

After a period during which the functions of Chairman of the Board of Directors and Chief Executive Officer were separated, the Board of Directors, at its meeting of 25 April 2020 had to decide, as a matter of urgency, to reunify the functions of Chairman of the Board of Directors and Chief Executive Officer to enable Alain Dinin to oversee the transition of Executive Management following the sudden death of Jean-Philippe Ruggieri.

At the end of this transitional phase, the functions of Chairman and CEO were once again separated. Véronique Bédague was appointed Chief Executive Officer on 19 May 2021 and Alain Dinin maintained his position as Chairman of the Board of Directors.

Upon the resignation of Alain Dinin from his term of office as Director and Chairman of the Board, in an uncertain economic context, the Board decided to once again combine the functions of Chairman and Chief Executive Officer with effect from 1 January 2023.

By recombining these functions, after consulting the Remuneration, Appointments and CSR Committee, the Board wished to ensure the stability of the Company and rapid decision making by entrusting the chairmanship to its Chief Executive Officer, Véronique Bédague. It believes that her knowledge of the Group and its business lines should enable her to respond with agility to the challenges facing the Group.

In the context of this combination of the functions of Chairwoman of the Board of Directors and Chief Executive Officer, the balance within the Board of Directors and its enlightened functioning remain guaranteed by:

- The significant presence of independent directors (5), *i.e.* an independence ratio of 55% ⁽¹⁾;
- The establishment of specialised committees tasked with preparing the Board's work in the fields of remuneration, appointments and audits (chaired by independent directors);
- The review of certain subjects, in particular the independence of the members of the Board of Directors, the manner in which Executive Management is exercised and parity within the bodies, strictly without the presence of the executive members;

- The periodic meeting of non-executive directors without the presence of executive or internal directors in order to carry out an assessment of the performance of the executive company officers ("executive sessions");
- The presence of a senior independent director Vice-Chairwoman who oversees the proper functioning of the governance bodies, in particular through the active participation of independent directors in the work of the Board and its committees; and
- Length of service and stability of the members of the Board of Directors.

The Chairman is elected by the Board of Directors from amongst its individual members for a duration not exceeding the electee's term of office.

The Chairman of the Board of Directors must be under the age of 75. When this age limit is reached during the term of office, the latter is automatically deemed to have resigned at the end of the next Annual Ordinary Shareholders' Meeting. The Board of Directors determines the Chairman's remuneration. It may also dismiss the Chairman at any time.

The Chairman organises and directs the Board's activities and reports on them at Shareholders' Meetings. The Chairman oversees the proper functioning of the Company's corporate bodies and specifically ensures that the directors are in a position to fulfil their duties.

The Chief Executive Officer must be under the age of 72, including when he/she also serves as Chairman of the Board of Directors. When this age limit is reached during the term of office, the Chief Executive Officer is automatically deemed to have resigned at the end of the next Annual Ordinary Shareholders' Meeting.

The Chief Executive Officer is vested with the broadest possible powers to act in all circumstances on behalf of the Company. He/she exercises his/her powers within the confines of the corporate purpose and subject to any powers expressly assigned by law to the shareholders or the Board of Directors. He/she represents the Company in its dealings with third parties.

The Articles of Association and the Board of Directors do not provide for any particular limitation on the powers of the Chief Executive Officer or the Deputy Chief Executive Officer, which are exercised in accordance with the laws and regulations in force, the Articles of Association, the internal rules and regulations, and the guidelines approved by the Board of Directors.

Since 19 May 2021, Jean-Claude Bassien has assumed the duties of Deputy CEO with the same executive powers as the Chief Executive Officer.

1) Based on nine directors, excluding the two directors representing the employees and the director representing the shareholder employees.

4.2.3 Vice-Chairman and Senior Independent Director

The Board of Directors may appoint one or more Vice-Chairmen chosen from among the independent directors, for a term of office that may not exceed that of their appointment as director.

Luce Gendry has held this position since 17 February 2015. She was reappointed in May 2020 following the renewal of her term of office as director by the Shareholders' Meeting of 19 May 2020. Luce Gendry, who has been an independent director since 21 February 2012, no longer meets the conditions for this independence since 21 February 2024, as her independent director status is lost on the 12-year anniversary date.

The Vice-Chairman or Vice-Chairmen may convene meetings of the Board of Directors should the Chairman be unable to do so.

The Vice-Chairman or Vice-Chairmen may request that the Chairman convene a meeting of the Board of Directors. The Vice-Chairman or Vice-Chairmen may submit a draft agenda for amendment and/or approval by the Chairman, as the case may be.

In the absence of the Chairman of the Board of Directors, the Vice-Chairman or Vice-Chairmen may also chair meetings of the Board of Directors.

Similarly, the Vice-Chairman or Vice-Chairmen may convene executive sessions (see Section 4.2.2 above).

The Board may also elect a Senior Independent Director for the duration of his or her term of office, who may also be appointed Vice-Chairman.

The Senior Independent Director must be independent per the criteria laid down in the Board's internal rules and regulations. The duties, responsibilities, resources and prerogatives of the Senior Independent Director are described in the internal rules and regulations of the Board of Directors. In this capacity, he or she coordinates meetings of independent directors, supervises the formal assessment of the work of the Board of Directors and is the point of contact for Board members in the event of a conflict of interest.

The internal rules and regulations allow the Vice-Chairman (Vice-Chairmen) or, as the case may be, the Senior Independent Director to respond to requests of shareholders who want a direct dialogue with members of the Board. No such request was received in 2023.

Independent directors may meet at the initiative of any one of them, with such meetings chaired by the Senior Independent Director. He or she is responsible for gathering and passing on to the Board of Directors the opinions and positions of the independent directors.

4.2.4 Gender balance and diversity of the Board of Directors, the Executive Committee and Club 1797

4.2.4.1 The Board of Directors

At 31 December 2023, the Board of Directors had five women and four men among its members. Women therefore made up 55% of the Board at that date. In accordance with the law, the directors representing the employees, whether shareholders or not, are not included when calculating this percentage. This percentage of directors complies with the legal provisions and recommendations of the Afep-Medef Code since it entered into force. Taking into account the fact that the Company's activity is located primarily in France, the criteria of nationality was not deemed relevant.

The Board of Directors has also had a majority of independent directors since 2015. The same year, the Company organised a staggering schedule of director terms to allow for progressive replacement of the Board of Directors.

Following the assessment carried out in February 2023, it has been deemed that the diverse range of professional experiences of the members of the Board of Directors ensures that they have the necessary expertise to seize opportunities and address the risks to which Nexity is exposed.

4.2.4.2 Nexity's Executive Committee

At 31 December 2023, the Executive Committee was composed of 16 members, including six women, *i.e.* 37.5% women. At 31 March 2024, it had 15 members, six of whom (40%) are women.

4.2.4.3 Club 1797

Club 1797 is the standard for governing bodies at Nexity and includes those positions with the most responsibility referred to in Article L.22-10-10 of the French Commercial Code.

Increasing the number of women in Club 1797 is one of the four objectives of the Group's "Gender Equality and Diversity" policy, with a target rate of 40% by 2023.

The percentage of women in Club 1797 has risen from 28% in 2017 to 41% at 31 December 2023. The target level of 40% by 2023 has therefore been achieved.

4.2.4.4 Gender diversity policy

The change in the percentage of women on Nexity's governing bodies over recent years is the result of a proactive policy of gender equality and gender balance among directors and executive officers.

Various measures have been rolled out:

- An internal exchange and work network, set up in 2018, which is composed of more than 100 members, women and men from all of the Group's business lines;
- To support women in their career progression, there has been a specific focus on identifying high-potential employees and candidates for the talent development and future executives training programme (Next);
- A mentoring programme, set up in 2020, the content of which was enhanced in 2023. The launch of its new version will take place in early 2024 to the benefit of approximately fifteen female employees;
- In order to ensure that women are represented when recruiting executives, all new contracts entered into with recruitment firms include a clause whereby the shortlist of candidates must be in proportion to the number of female applications received, and consistent with the proportion of qualified women in that particular business sector.

- In 2022, an allocation criterion linked to equality has been included in the executives' individual free share award plans (achievement of the rate of 40% of women within Club 1797 and no gender pay gap exceeding 10%, for an equivalent profile, position and situation).

This committed policy, and its results, have been recognised with Nexity's inclusion in the Bloomberg Gender-Equality Index, in which the Group has been included for the fifth consecutive year, and Nexity's ranking in the SBF 120's ranking of female representation on governing bodies (7th place).

In addition, in accordance with the Law of 24 December 2021 to accelerate economic and professional equality, Nexity Lamy, which has over 1,000 employees, published the percentage of women on its governing bodies during the first quarter of 2024: 50% of its Executive Management Committee are women and 30% of its senior executives are women.

Lastly, in order to go one step further, on 25 January 2023, Nexity joined the #StOpE initiative, a collective that seeks to combat ordinary sexism in the workplace.

4.2.5 Independent directors

Generally speaking, a director is considered independent when he or she has no relationship with the Company, the Group or management (other than a non-significant shareholding) that could compromise his or her freedom of judgement. The criteria for directors' independence laid down in the Board of Directors' internal rules and regulations are aligned with the following criteria set out in the Afep-Medef Code, under which an independent director may not:

1. Be an employee or executive company officer of the Company, or an employee executive company officer or a director of a parent company, *i.e.* any company that has sole or joint control over the Company, or any company consolidated by such a parent company, or any company consolidated by the Company and may not have been such at any time during the previous five years;
2. Be an executive company officer of an entity in which the Company holds a directorship, whether directly or indirectly, or in which an employee designated as such or an executive company officer of the Company (in office at any time during the last five years) serves as a director;
3. Be a client, supplier, commercial banker, advisor, a banker with significant investment in the Company or one for which the Company represents a significant part of its business.

When a business relationship exists, the Board of Directors assesses on a case-by-case basis whether or not the relationship between the director in question and the Company or Group is significant. The Board of Directors reviews the business relationship taking into account (i) a quantitative criterion of the extent of the relationship and (ii) qualitative criteria such as whether the relationship is one of economic dependence, the role played by the director in question in the business relationship (*e.g.* whether the director has executive responsibilities; whether he or she personally receives financial compensation, and if so, how much; whether he or she has decision-making powers over the contract(s) on which the business relationship is based; whether he or she is involved in managing the relationship on a day-to-day basis), as well as the duration and current length of the business relationship (in particular whether the business relationship predated the appointment of the director in question);

4. Be a close relative of a company officer;
5. Have been an auditor of the Company at any time during the last five years; or
6. Have been a member of the Company's Board of Directors for more than 12 years at the start of his or her current term of office. A director is no longer considered independent after 12 years;

Preparation and organisation of the Board of Directors' work

7. Moreover, the Board may consider that, although a director meets the above independence criteria, he or she cannot be qualified as independent in view of his or her particular situation or that of the Company, considering his or her shareholding (in particular if said director or his or her group owns 5% or more of the Company's share capital) or for any other reason; and
8. Lastly, in accordance with the Afep-Medef Code, to which the Company is a member, a non-executive company officer cannot be considered independent if he or she receives variable remuneration in cash, securities, or any Company performance-related remuneration.

The table below presents a summary of the position of each of the directors at 31 December 2023, with regard to the aforementioned independence criteria and numbered from 1 to 8, it being specified that the Chairwoman and Chief Executive Officer, an executive company officer, is not considered independent and receives performance-related remuneration from the Company.

The table also summarises the position of one director whose term of office expired on 14 December 2023.

Independence criterion number satisfied (•)	1	2	3	4	5	6	7	8
Luce Gendry	•	•	•	•	•	•	N/A	N/A
Véronique Bédague			•	•	•	•	N/A	N/A
Charles-Henri Filippi	•	•	•	•	•	•	N/A	N/A
Soumia Belaidi-Malinbaum	•	•	•	•	•	•	N/A	N/A
Agnès Nahum	•	•	•	•	•	•	N/A	N/A
Magali Smets	•	•	•	•	•	•	N/A	N/A
Myriam El Khomri (until 14 December 2023)	•	•	•	•	•	•	N/A	N/A
Crédit Mutuel Arkéa (Bertrand Blanpain)	•	•		•	•	•	•	N/A
La Mondiale (Bruno Angles)	•			•	•	•	•	N/A
Luc Touchet		•	•	•	•	•	N/A	N/A
Bruno Catelin		•	•	•	•	•	N/A	N/A
Karine Suzzarini		•	•	•	•	•	N/A	N/A
Jérôme Grivet	•	•		•	•	•	N/A	N/A

The Board of Directors assesses directors' independence annually after consulting the Remuneration, Appointments and CSR Committee.

At its meeting held on 22 February 2024, the Remuneration, Appointments and CSR Committee discussed the criteria for independence of the members of the Board of Directors. The Committee analysed each director's circumstances in light of these criteria, particularly the materiality of any business relationships that they may have with the Company.

On the basis of this discussion, the Board of Directors, at its meeting of 28 February 2024, considered the following five directors to be independent as at 31 December 2023: Luce Gendry, Soumia Belaidi-Malinbaum, Agnès Nahum, Magali Smets, and Charles-Henri Filippi. It should be noted that Luce Gendry, who has been an independent director since

21 February 2012, no longer meets the criteria for independence with effect from 21 February 2024. Her status as an independent director will therefore come to an end on this 12-year anniversary date.

On the basis of the criteria presented above, the Board of Directors noted that none of the independent directors had any material business relationships with the Company or the Group, and that the application of the procedure to authorise regulated agreements enabled conflicts of interest to be avoided. Furthermore, all of the above directors declared that they had not identified any conflicts of interest between their activities and their duties to the Company and/or any of its other directors.

The percentage of independent directors on the Board of Directors at 31 December 2023 is therefore 55% ⁽¹⁾.

1) Percentage determined in accordance with the Afep-Medef Code, which stipulates that directors representing the employees should not be included in the calculation.

4.2.6 Specialised committees of the Board of Directors

The internal rules and regulations of the Board allow it to set up one or more permanent or temporary Committees to facilitate the Board's work and contribute effectively to its decision-making process.

The Board of Directors has set up three Committees: the Audit and Accounts Committee, the Strategy and Investment Committee and the Remuneration, Appointments and CSR Committee.

The Committees are responsible for studying matters that the Board of Directors or its Chairman may submit to them,

analysing and preparing the Board of Directors' work concerning these matters, and reporting their findings to the Board of Directors in the form of summaries, proposals, information or recommendations.

The Committees may commission external technical reviews on matters falling within their respective remits, at the Company's expense, after informing the Chairman of the Board of Directors or the Board of Directors itself and subject to reporting progress to the Board.

The Committees have an advisory role.

At 31 December 2023, the Committees are composed as follows:

Audit and Accounts Committee	Remuneration, Appointments and CSR Committee	Strategy and Investment Committee
6 members of whom 4 independent	5 members 4 members of whom 1 director representing the employees	7 members of whom 3 independent
Luce Gendry* - Chairwoman Magali Smets* Agnès Nahum* Soumia Belaidi-Malinbaum* Jérôme Grivet Crédit Mutuel Arkéa	Charles-Henri Filippi* - Chairman Agnès Nahum* Soumia Belaidi-Malinbaum* Myriam El Khomri* (until 14/12/2023) Bruno Catelin	Véronique Bédague - Chairwoman Luce Gendry* Agnès Nahum* Magali Smets* Jérôme Grivet Crédit Mutuel Arkéa La Mondiale

* Independent.

Audit and Accounts Committee

The Audit and Accounts Committee performs the Audit Committee functions described under Article L.823-19 of the French Commercial Code. The Committee's duty in terms of risk management consists particularly in ensuring that there is an established system to prevent and detect

corruption and influence peddling. The Committee may call on external experts if it so wishes. The Statutory Auditors are invited to all the Committee's meetings. Its main duties in accordance with or addition to those established by law are as follows:

Concerning the Parent Company and consolidated financial statements and internal control

- Review the interim and annual Parent Company and consolidated financial statements, including notes, as well as the management report where applicable, and to render an opinion;
- Ensure that the regulatory accounting policies used in preparing the Parent Company and consolidated financial statements are appropriate and properly applied;
- Verify the accounting treatment of significant transactions;
- Review significant off-balance sheet commitments;
- Ensure that the Group has in place internal procedures for collecting and controlling financial, non-financial and accounting information that ensure the quality and reliability of the Group's accounts, internal and external audits, and Management's responses;
- Review the scope of consolidation and, as the case may be, the reasons for which companies may fall outside it;
- Review all financial and accounting matters; and
- Present to the Board of Directors any finance- or accounting-related observations it considers worthwhile.

Concerning external audits

- Submit recommendations to the Board of Directors on the selection of the Statutory Auditors (audit firms and networks);
- Analyse and give an opinion on the nature of their duties, fees, scope and timetable of activities, recommendations and action taken;
- Approve, in accordance with the provisions of Article L.822-11-2 of the French Commercial Code, the services provided by the Statutory Auditors or their networks, other than the auditing of financial statements and other mandatory duties of the Statutory Auditors

Concerning financial and non-financial disclosures

- Review draft financial press releases (interim and annual financial statements, quarterly updates on revenue and business activity).

At its meeting held on 28 February 2024, the Board of Directors noted that all of the Committee's members had expertise in finance or accounting and that Luce Gendry, Soumia Belaidi-Malinbaum, Agnès Nahum and Magali Smets meet the independence criteria as set out in the Afep-Medef Code. As such, at 31 December 2023, two-thirds of the Committee's members were independent directors.

Biographies of the Committee members are presented in Section 4.1.2 "Members of the Board of Directors" of this chapter.

The Committee may request any and all accounting or financial documents it deems necessary to carry out its duties.

The Audit and Accounts Committee met five times in 2023.

The Audit and Accounts Committee reviewed in particular the Parent Company financial statements for the fiscal year ended 31 December 2022, the interim financial statements at 30 June 2023, and revenue for the first and third quarters of 2023. A specific meeting was dedicated to the presentation of the risk management and control system.

The Audit Committee also reviewed the procedures relating to the preparation and processing of the Group's non-financial information. In particular, it reviewed the European CSRD (Corporate Sustainability Reporting

pursuant to applicable regulations to ensure that these do not include any prohibited services, and, as part of this duty, delegate authority to the executive company officers each year to order and approve the budget, assignments authorised by the Committee as part of the services provided by the Statutory Auditors or their network; and

- Review all finance- and accounting-related matters submitted by the Chairman of the Board of Directors, as well as any matters concerning independence or conflicts of interest that might be brought to its attention.

Directive) and presented a recommendation on the appointment of the firm currently responsible for the certification of the financial statements as Statutory Auditors responsible for the certification of sustainability reporting.

The Committee regularly monitored:

- The progress of the work conducted by the Enterprise Risk Management Department and the Compliance Department, and the updating of the major risk mapping;
- The deployment of internal control procedures within the Group and the state of progress of action plans concerning compliance and ethics;
- The conclusions of various internal audits completed during the fiscal year as well as follow-up to recommendations;
- A specific report was prepared on the fees and duties of the Statutory Auditors within the framework of the delegation given to the company officers;
- The monitoring of the Group's crisis management action plans; and
- The renewal of corporate credit agreements, the European taxonomy and new reporting obligations, the progress of the overhaul of IT tools and IT security, were also the subject of specific points.

The Committee also met once with the Statutory Auditors with Executive Management not in attendance.

Remuneration, Appointments and CSR Committee

The Remuneration, Appointments and CSR Committee is tasked with:

As the Remuneration Committee

- Reviewing and submitting proposals on remuneration paid to company officers, particularly as regards (i) variable remuneration, by proposing rules to the Board of Directors on the determination of variable remuneration based on company officers' performance during the fiscal year under review, and the Company's and Group's medium-term strategy, and monitoring compliance with those rules, and (ii) benefits in kind, share subscription and purchase options and free share awards received from all Group companies, as well as provisions for retirement and benefits of any kind;
- Proposing to the Board of Directors an overall amount for the remuneration of the directors to be proposed to the Company's Shareholders' Meeting; the rules for distributing this remuneration and the individual amounts of the payments to be made in this respect to the directors, taking into account the attendance of the directors at the Board of Directors and Committees;
- Offering the Board of Directors its opinion on the general policy for awarding share subscription and/or purchase options and/or free shares, as well as any share option or free share award plans put forward to the Group's Executive Committee and employees in light of applicable rules and recommendations; inform the Board of Directors of its proposals regarding share purchase or subscription options or free share awards, including the reasons for and consequences of this proposal; and
- Reviewing all matters submitted to it by the Chairwoman and CEO pertaining to the above matters or to capital increases reserved for employees.

As the Appointments Committee

- The selection of new directors: the Committee is tasked with making proposals to the Board of Directors after notably reviewing the following factors: ideal balance of the composition of the Board of Directors, the composition and changes in the Company's shareholding structure, and establishing a balanced representation of men and women, finding and evaluating potential candidates, and assessing the appropriateness of reappointments; and
- Succession of executive company officers: as part of the Company's risk prevention plan, the Committee must prepare a succession plan to ensure that it is in a position to propose succession options to the Board of Directors in the event of an unforeseen executive vacancy. This plan is described in the internal rules and regulations of the Board of Directors. This plan was reviewed by the Committee and the Board of Directors in March 2023.

As the CSR Committee

- Reviewing the Group's CSR strategy at least once a year; and
- Providing the Board of Directors with an opinion on non-financial CSR-related matters to be included in the management report, as provided for in Articles L.225-102-1 and L.22-10-36 of the French Commercial Code.

The Remuneration, Appointments and CSR Committee met four times in 2023 and deliberated on the independence of the directors, the remuneration of company officers, the implementation of free share award plans, and the vesting such shares, as well as the allocation of directors' remuneration. The Committee also examined the Group's strategy and statement of non-financial performance, the Group's gender equality and inclusion policy and all the actions implemented by the Company as part of its CSR strategy (in particular related to the Climate and Biodiversity).

The Remuneration, Appointments and CSR Committee presented to the Board of Directors, which approved them, the ex ante 2023 remuneration principles for Nexity's executive company officers: a fixed remuneration for the Chairwoman and Chief Executive Officer and the Deputy Chief Executive Officer, as well as variable annual remuneration based entirely on the achievement of quantitative and qualitative financial, client satisfaction and CSR objectives.

In more general terms, the Committee reviewed the composition of the Board of Directors, that of its various

Committees, and the appointment of these Committees' members, and made its recommendations to the Board of Directors.

Detail of the remuneration and benefits paid to the executive company officers is shown in Section 4.4 "Remuneration and benefits for the executive company officers" of this chapter.

Plans are in place to set up a dedicated CSR Committee, separate from the Remuneration and Appointments Committee, prior to the Shareholders' Meeting of 23 May 2024.

Strategy and Investment Committee

The Strategy and Investment Committee is tasked with giving an opinion on the essential components of the Company's and the Group's strategy, in particular the medium-term plan and the image and communication policy guidelines. It can also examine and give its opinion on the market conditions and outlook as well as the annual budget and its updates.

It can also look into all transactions involving (i) an acquisition, equity investment or disposal of shares in any type of company involving more than €50 million of investment or divestment, or (ii) a real estate transaction or real estate project worth more than €50 million in property or asset value.

The Committee delegates to its Chairwoman the approval of the investment and transaction proposals referred to in (i) and (ii) above, which are of a value of between €50 million and €100 million. The investments or transactions referred to in (i) and (ii) above of a value of more than €100 million require a meeting to be called and a formal recommendation from the Committee for authorisation by the Board.

Any banking or bond financing of an amount in excess of €200 million must be submitted to the Committee.

The Strategy and Investment Committee meets as many times as it deems necessary prior to any commitment by the Company requiring the opinion of the Committee. The Strategy Committee meets on an exceptional basis for the review of the medium-term strategic guidelines and, for this purpose, its composition may be extended to include other directors.

The Strategy and Investment Committee did not meet in 2023. The proposed investments and transactions referred to in (i) and (ii) above, which are between €50 million and €100 million, were committed by the Chairwoman on the Committee's delegation. The Chairwoman then informed the Board as such, which confirmed their validation.

4.2.7 Assessment of the functioning of the Board

The Board's internal rules and regulations provide that each year the Board devotes an item on the agenda to a discussion of its operating procedures in order to improve its efficiency. To do this, the Board carries out its own assessment, under the supervision of the Senior Independent Director, with a focus on the following three areas: (i) taking stock of its organisation and operating procedures, (ii) verifying that important issues are properly prepared and debated, and (iii) measuring the effective contribution of each director to its work through his or her competence and involvement in the discussions.

In addition, the internal rules and regulations require that a formal assessment of the Board of Directors be carried out by an independent external consultant, under the supervision of the Senior Independent Director, every three years. The last assessment by a specialist firm took place in 2021. At its meeting of 14 December 2023, the Board of Directors decided to have the work of the Board of Directors assessed by a consultant specialising in governance studies under the supervision of the Senior Independent Director.

At the Board of Directors' meeting of 3 April 2024, the Senior Independent Director presented the report on the assessment of the Board's work after having reviewed it during an Executive Session on the same day.

In summary, this resulted in a positive assessment of the role and missions of the Board and the assets on which the Board can capitalise were identified:

- A very high level of commitment from all directors, with a desire to support the Chairwoman and Chief Executive Officer and her strategy through the period of crisis currently being experienced by the Group and the Real Estate sector.
- The appointment of the Chief Executive Officer, Véronique Bédague, as Chairwoman and Chief Executive Officer, which quickly created a new dynamic within the Board of Directors and demonstrated a strong ability to facilitate dialogue and seek challenge.
- A highly efficient Board that continues to act with professionalism and improve its functioning with the committees, optimally preparing the various topics to be dealt with.

- The pleasure that the directors have in participating on the Board, almost all describing the Board of Directors as friendly and pleasant.

The main improvements proposed at the end of this assessment were as follows:

- With regard to the composition of the Board of Directors, it was proposed to improve the diversity of profiles and skills with a strategy of complementarity-compatibility, and to provide for a structured programme of integration. The Remuneration, Appointments and CSR Committee worked with a specialist firm to recruit two new directors who will be presented at the next Shareholders' Meeting and who have more industrial profiles, complementary to the other directors. They will be offered a structured programme of integration and targeted training.
- Strengthening the committee procedure through the creation of a specific CSR Committee to give more visibility to the CSR strategy within the Board. This change was approved by the Board of Directors on 3 April 2024.
- Board dynamics and strategic agenda: in addition to discussing necessary financial issues based on the situation, it would be a question of fuelling the discussions within the Board with an agenda and tailor the length of meetings to allow for a focus on the medium to long term, covering a greater diversity of topics (competitive landscape, SWOT, Artificial Intelligence, digital technology, talent, succession plan, etc.). The Board's agenda will be amended accordingly.
- Strengthen the relationship between the Board of Directors and the members of the Executive Committee to provide the latter with greater visibility and a better understanding of operational issues. The Executive Management team decided to strengthen the dialogue between the members of the Board of Directors and the Executive Committee through specific meetings organised on a regular basis.

Composition of the Board

Strengths:

- Adequate composition (number of seats and balance between independent and non-independent directors)
- Financial profiles

Changes recorded by the Board:

- Expansion of the Board's skills in the context of future renewals
 - Two directors with profiles that are both complementary and compatible with the other directors will be presented at the next Shareholders' Meeting
- Strengthening of the integration programme for new directors
 - Tailored integration pathways and targeted training will be offered to them

Board committee procedure

Strengths:

- Very positive assessment of the contribution of the Audit and Accounts Committee and the Remuneration, Appointments and CSR Committee
- This very high level of trust between the Board and these Committees enables efficient decision-making during Board meetings

Recommendations:

- Creation of a dedicated CSR Committee

Changes approved by the Board:

- Committee created on 3 April 2024

Board function and dynamics

Strengths:

- Unanimously seen as welcoming and professional
- The evolution of its functioning since the appointment of Véronique Bédague as Chairwoman and Chief Executive Officer is highly appreciated

Improvements:

- Some directors would like to see more in-depth discussion of medium and long-term issues

Changes approved by the Board:

- Adaptation of the Board agenda to allow for a focus on the medium-long term with a greater diversity of topics
- Strengthening of the dialogue between members of the Board of Directors and the Executive Committee through dedicated events

4.2.8 Compliance with the AFEP-MEDEF Code

No exceptions have been identified at the date of this report.

4.3 RELATED-PARTY TRANSACTIONS

The reports relating to the 2021, 2022 and 2023 fiscal years are incorporated by reference.

Note 35 in Section 5.1 “Consolidated financial statements at 31 December 2023” of this Universal registration document details related-party information.

Regulated agreements are presented in Section 4.3.1 “Statutory Auditors’ Report on related-party agreements” of this chapter.

There is no other significant transaction with related parties.

4.3.1 Statutory Auditors’ Report on Related Party Agreements

This is a free translation into English of the Statutory Auditors’ Report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

Shareholders’ Meeting held to approve the financial statements for the year ended 31 December 2023

To the Shareholders of Nexity, at the Shareholders’ Meeting,

As Statutory Auditors of your Company, we hereby present our report on related party agreements.

It is our responsibility to inform you, on the basis of the information provided to us, of the terms and conditions, the purpose and benefits to the Company of the agreements brought to our attention or which we encountered during our engagement. It is not our role to determine whether they are beneficial or appropriate or to ascertain whether any other agreements exist. It is your responsibility, under the terms of Article R.225-31 of the French Commercial Code, to assess the merit of these agreements with a view to approving them.

It is also our responsibility to provide you, where appropriate, with the information required by Article R.225-31 of the French Commercial Code relating to the execution, during financial year 2023, of the agreements already approved at the Shareholders’ Meeting.

We conducted the work we deemed necessary in accordance with the professional standards issued by the French national institute of statutory auditors (CNCC) relating to this engagement. Our work entailed verifying that the information provided was consistent with the documents from which it was derived.

1. AGREEMENTS SUBMITTED FOR APPROVAL AT THE ANNUAL GENERAL MEETING

Agreements authorized and entered into during the financial year

Pursuant to Article L.225-40 of the French Commercial Code, we have been informed of the following agreements entered into during financial year 2023, which were previously approved by the Board of Directors:

- **Service and brand licensing agreements with Bureaux à Partager and Bien’Ici**

Persons concerned:

Company	Jean-Claude Bassien
	<i>In his capacity as:</i>
Nexity	Deputy CEO
Bureaux à Partager	Member of the Supervisory Board
Bien’Ici	Director

Terms and conditions:

At its meeting on 14 December 2023, the Board of Directors authorized the continuation in 2024 of the service agreements with the companies listed below:

- Bureaux à Partager: the amount of the agreement remains at €544 thousand
- Bien’Ici: the amount of the agreement remains at €240 thousand

2. AGREEMENTS PREVIOUSLY APPROVED AT A SHAREHOLDERS' MEETING

Agreements approved in prior financial years that continued to apply in the financial year

Pursuant to Article R.225-30 of the French Commercial Code, we were informed of the following agreements that continued to apply during the financial year under review, which had been approved at a Shareholders' Meeting in a prior year.

- **Service and brand licensing agreements with Bureaux à Partager and Bien'Ici**

Persons concerned:

Société	Jean-Claude Bassien
	<i>In his capacity as:</i>
Nexity	Deputy CEO
Bureaux à Partager	Member of the Supervisory Board
Bien'Ici	Director

Terms and conditions:

At its meeting on 15 December 2022, the Board of Directors authorized the continuation in 2023 of the service agreements with the companies listed below:

- Bureaux à Partager: the fee recognized in financial year 2023 amounted to €544 thousand
- Bien'Ici: the fee recognized in financial year 2023 amounted to €240 thousand

Paris La Défense, 3 April 2024

The Statutory Auditors

KPMG Audit IS
Stéphanie Millet
Partner

MAZARS
Claire Gueydan-O'Quin
Partner

4.3.2 Nexity group's internal charter on related-party and current agreements

The charter on related-party and current agreements was updated by the Board of Directors on 26 March 2020. It sets out the procedure for evaluating said agreements. This charter is also available on the Company's website.

Introduction

This charter (the "Charter"), adopted on 17 February 2015, was updated by the Company's Board of Directors at its meeting of 26 March 2020. It was prepared pursuant to AMF recommendation No. 2012-05 of 2 July 2012 amended on 29 April 2021 (the "AMF Recommendation"), the study by the French national institute of statutory auditors (CNCC) of February 2014 on "Related-party and current agreements" (the "CNCC study") and Act No. 2019-486 of 22 May 2019 on the growth and transformation of companies, and Order No. 2019-1234 of 27 November 2019 on the remuneration of company officers of listed companies.

The purpose of the Charter is to specify the application of the principles applicable to related-party and current agreements, for the Company and for the Group. Thus, the following are of main concern within the Group: public limited companies (Articles L.225-38 *et seq.* and L.225-86 *et seq.* of the French Commercial Code), simplified joint stock companies (Articles L.227-10 *et seq.* of the French Commercial Code) and the relevant limited liability companies (Articles L.223-19 *et seq.* of the French Commercial Code). The Charter may be updated if necessary to take into account any legislative or regulatory changes.

A - Unrestricted agreements

Not all agreements are subject to the rules governing related-party agreements.

1 Current transactions carried out under normal terms and conditions

1.1 Current transactions

Current transactions are those usually carried out by a company as part of its activities:

- Relating to its ordinary course of business; and
- Or subject to contracts comparable to those entered into by any other operator in the same situation.

To assess whether transactions are of a current nature in the Group and whether their terms and conditions are normal, the Group relies on case law and on the CNCC Study. It can nevertheless adopt a more stringent position based on the opinion of the Finance Department and the Legal Department.

1.2 Carried out under normal terms and conditions

To determine whether these terms and conditions are normal, consideration is given to the terms and conditions under which the relevant agreements are usually entered into in the relevant activity sector. According to a reply from the Minister for Justice, transactions carried out under normal terms and conditions are those carried out by a company "under the same terms and conditions as those it usually applies in its dealings with third parties".

The current nature and normal terms and conditions of transactions are considered as a whole and are not mutually exclusive. Otherwise, the agreement must be considered as subject to the related-party agreement procedure.

2 Intra-Group agreements considered as unrestricted within Nexity group

Based on the above principles, the following agreements are considered as current and entered into under normal terms and conditions within Nexity group. This is not however an exhaustive list.

2.1 Usual business transactions

These agreements relate to the Group's activity in the real estate and services sector.

Their subject matter relates to the construction of buildings (CPI, VEFA, etc.) or all other ancillary agreements which are usual for this type of transaction.

2.2 Other current transactions within a group of companies

The purpose of these agreements is:

- Current financial transactions: shareholder current account advance agreements, cash management agreements;
- Bank financing contracts entered into with bank consortiums, of which only some would have common executives or shareholding ties with the Company;
- Agreements for services rendered by one company to other companies as part of the provision of premises or staff; and
- Agreements for the provision and maintenance of office equipment and software.

These agreements set out balanced considerations for the contracting companies. Their terms and conditions are therefore presumed to be normal. Failing that, they will be submitted to the Board of Directors of Nexity or of the relevant entity for approval and/or submitted for the approval of shareholders in accordance with the procedure set out in C below.

The Board of Directors ensures through regular reporting that these points are reviewed by all Commitment Committees of the Group.

The Legal and Finance Departments ensure that these agreements comply with the established frameworks so that they maintain their current nature. They also review the normal terms and conditions of these agreements. If these agreements are not of a current nature and their terms and conditions are not normal, they must be submitted to the Board of Directors for prior authorisation.

3 Agreements between a parent company and a wholly-owned subsidiary

The main change brought about by Order No. 2014-863 of 31 July 2014, as regards related-party agreements, consisted in excluding from the scope of the related-party agreement procedure those agreements entered into

between a French public limited company (*société anonyme*) or a partnership limited by shares and one of its subsidiaries, of which it holds directly or indirectly 100% of voting rights.

To take account of the need to have more than one partner in certain corporate forms, the regulations take into account the fact that a number of units or shares must be held by a third-party other than the parent company.

This condition is interpreted restrictively. As it stands, this exemption does not apply to SASUs or EURLs. The agreement will therefore be considered unrestricted for French public limited companies, but as a related-party agreement for an SASU or EURL.

B - Agreements subject to a special authorisation procedure

Certain agreements are also not subject to the related-party agreement procedure because they are subject to specific procedures that aim to protect the interests of shareholders.

These are primarily agreements concerning the following transactions:

- Mergers and related transactions (demergers and contributions of assets subject to the regime applicable to demergers);
- Purchase of an asset belonging to a shareholder; and
- Directors' remuneration in respect of their terms of office as Chairman of the Board of Directors, Chief Executive Officer and Deputy CEOs which fall under the specific competence of the Board of Directors.

C - Related-party agreements

1 Notion of related-party agreement

Any agreement that does not meet the criteria set out above and entered into, directly or indirectly or through an intermediary, between the Company and one of the persons mentioned in 2. hereinafter is concluded with a "related-party".

2 Targeted persons

This covers the following agreements entered into between the Company and the following persons:

2.1 Agreements entered into between the Company and an executive or a shareholder

These executives or shareholders are:

- In a French public limited company (*société anonyme*): directors (individuals, legal entities or their representatives), members of the Management Board and the Supervisory Board, the Chief Executive Officer, Deputy CEOs, a shareholder, individual or legal entity, holding more than 10% of voting rights;
- In a private limited company (SARL): the manager(s) or partner(s); and
- In a simplified joint stock company (SAS): the Chairman, Chief Executive Officer, Deputy CEO or the other executives.

2.2 Agreements entered into between companies with executives in common

Agreements entered into by a company and another company if the CEO, one of the Deputy CEOs or one of the directors of the Company is the owner, partner with unlimited liability, manager, director, member of the Supervisory Board or, generally, an executive of the Company or contracting company.

2.3 Notion of indirectly interested persons

Article L.225-38 of the French Commercial Code applicable to public limited companies refers to agreements between the Company and a third party of which the executive or shareholder is not personally a party but has an indirect interest.

On this point, the Company refers to the definition used in the AMF Recommendation (proposal No. 4.2 in AMF recommendation No. 2012-05): "Is considered to be indirectly interested in an agreement to which it is not a party, the person who, by virtue of the ties that he has with the parties and the powers he possesses to influence their conduct, derives an advantage from them."

3 Procedure

A so-called related-party agreement must:

- Obtain the prior authorisation of the Board of Directors or the Supervisory Board and the authorisation must be justified for a listed company (justification of the benefit to the Company of the agreement). The director(s) concerned does/do not then take part in the vote or the discussions of the Board;
- Be covered by a Statutory Auditors' report;
- Be subject, in compliance with the applicable legal conditions, to the approval of partners or shareholders at the same time as the Statutory Auditors' report. The partners or shareholders concerned must refrain from voting; and
- Be subject of publicity measures stipulated by the regulations.

4.4 REMUNERATION AND BENEFITS OF THE EXECUTIVE COMPANY OFFICERS

In determining and presenting the remuneration of Nexity's executive company officers, the Company applies the Afep-Medef Code (available on the website www.medef.fr).

All decisions regarding the remuneration of the executive company officers in respect of their appointments comply with the "say on pay" procedure of the Sapin II Act, as amended by Order No. 2019-1234 of 27 November 2019.

Pursuant to Article L.22-10-9 of the French Commercial Code, a certain number of disclosures relating to the remuneration of company officers are presented in Section 4.4.1 of this Universal registration document. In accordance with Article L.22-10-34 of the French Commercial Code, the

Shareholders' Meeting of 23 May 2024 will be asked to approve, under the *ex post* "say on pay," a draft resolution on the disclosures thus presented, mentioned in Article L.22-10-9-I of the same Code. Under the *ex post* "say-on-pay" principle, and in accordance with Article L.22-10-34 of the French Commercial Code, the Shareholders' Meeting of 23 May 2024 will also be asked to approve the fixed, variable and long-term components of the total remuneration and benefits of any kind paid during or awarded in respect of the 2023 fiscal year to the Chairwoman and Chief Executive Officer and the Deputy CEO.

General principles applicable to the determination of the remuneration of executive company officers

In accordance with the provisions of the Afep-Medef Code, the Board of Directors, on the recommendation of its Remuneration, Appointments and CSR Committee, undertook to review the policy on remuneration paid or awarded to company officers during or in respect of the 2023 fiscal year, as approved by the Shareholders' Meeting held on 16 May 2023, in its 11th to 13th resolutions. In particular, the Board of Directors and the Remuneration, Appointments and CSR Committee have ensured that the remuneration of executive company officers contributes, in accordance with the applicable remuneration policy, to the long-term performance of the Company. In this respect, some criteria for the variable remuneration of executive company officers are measured over several fiscal years.

Pursuant to Article L.22-10-8 of the French Commercial Code, the remuneration policy for company officers for the 2024 fiscal year, determined by the Board of Directors and approved at its meeting of 3 April 2024 is presented in Section 4.4.2 "Remuneration policies applicable to Nexity's company officers for the 2024 fiscal year" of this Universal registration document. The remuneration policies applicable, respectively, to the members of the Board of Directors, the Chairwoman and CEO, and the Deputy CEO for the 2024 fiscal year will be subject to the approval of the Shareholders' Meeting of 23 May 2024 in accordance with Article L.22-10-8 of the French Commercial Code under the *ex ante* "say on pay".

Shareholder dialogue

Keen to uphold its commitment to greater transparency on key governance issues, the Company held discussions with its main shareholders prior to the work of the Board of Directors on the 2024 resolutions, in order to better understand the level of approval of the 12th and 13th resolutions at the Shareholders' Meeting of 16 May 2023 (scores of 57.46% and 61.91% respectively), and to take these into account in the assessment of the components of the remuneration of company officers for the 2023 fiscal year (*ex post*) and the determination of the remuneration policy for company officers for 2024 (*ex ante*).

More than 30% of the Group's shareholders⁽¹⁾ were invited to participate in these discussions, and 80% of them, including the Group's strategic shareholders belonging to the concert group, agreed to share their recommendations with Nexity. Proxy advisors ISS and Glass Lewis were also invited to present their recommendations, in particular concerning the remuneration policies for company officers.

During these discussions, it emerged that the main expectation of the shareholders was greater transparency on the thoughts of the directors on the *ex ante* 2023 remuneration policy for company officers.

It was specified that to carry out its deliberations, the Remuneration, Appointments and CSR Committee relied on a peer review carried out by Mercer⁽²⁾, the key points of which Nexity disclosed in its 2022 Universal registration document.

The resolutions proposed by the Remuneration, Appointments and CSR Committee, and approved by the Board of Directors on 3 April, were reviewed in the light of these constructive exchanges.

Other dialogue sessions with these same shareholders will take place after the publication of the resolutions, so as to demonstrate the highest level of transparency regarding the Board's reflections that led to the proposals submitted to the vote at the next Shareholders' Meeting, and described below.

1) Based on share capital at 30 November 2023.

2) This panel is made up of peers in terms of market capitalisation (Albioma, Elis, Gaztransport & Technigaz, M6 Métropole TV, TF1, Bic, Eramet, Ipsos, Vallourec, Coface, Eutelsat, Korian and Orpéa) and in terms of activity (Altea, Covivio, Kaufman & Broad, Mercialis, SFL).

4.4.1 Remuneration of Nexity's company officers in respect of or during the 2023 fiscal year (ex post)

4.4.1.1 Remuneration applicable to the Chairwoman and Chief Executive Officer

In light of the information presented above, the Board of Directors wished to rework the components of the remuneration of the Chairwoman and Chief Executive Officer with a view to moving towards a more balanced distribution of the fixed, annual variable and multi-year variable components.

Thus, in a resolution on the 2023 ex ante remuneration of the Chairwoman and Chief Executive Officer, the Board of Directors proposed to increase her fixed and annual target variable portion, in order to be closer to market comparables, while reducing the long-term portion of her remuneration, to take into account:

- The change in the nature of the duties entrusted to the Chairwoman and Chief Executive Officer at the time of the reunification of the functions as decided by the Board of Directors upon the resignation of the previous Chairman, in the context of the crisis detailed above (see Section 4.2.2 "Executive Management approach");
- A more balanced distribution of the components of her remuneration; and
- A significant allocation of free shares in 2022.

As part of the Board of Directors' review of the ex post 2023 remuneration of executive company officers, the directors noted that most of the criteria set one year ago, in line with their expectations in terms of corporate performance at the beginning of 2023, had become unattainable over the course of the year. The target thresholds (on all of the quantitative criteria) were set in the context of a market that has undergone a profound transformation (guidance revised in July 2023).

Thus, in the absence of qualitative criteria to take into account the responsiveness of Executive Management to the worsening of the crisis and/or of a clause allowing exceptional remuneration to be paid to executive company officers in the event of exceptional circumstances, the Board of Directors could not assess either the good management of the Company by the Chairwoman and Chief Executive Officer during a period of deep crisis in the sector, nor the handling of the major strategic challenges presented during 2023. It could only note that it had no legal means to align ex post the remuneration policy, drawn up in March 2023 and approved by the Shareholders' Meeting, with the Group's strategy, which is going through an historical real estate crisis.

Indeed, the ex post remuneration of the Chairwoman and Chief Executive Officer did not take into account:

- The achievement at the end of 2023 of the guidance revised in July, despite the continued worsening of the crisis during the second half of 2023 (revenue of €4.3 billion and operating profit of €246 million, i.e. a margin of nearly 6%, making the Company one of the best in its sector), and a lower level of net debt than at the end of 2022 (-€43 million);
- The speed of execution of the strategic refocus that took place in October 2023 on urban regeneration and the deployment of the serviced property activities:
 - the entry into exclusive negotiations with Bridgepoint on 22 December 2023 on the disposal of the Property management business is based on an enterprise value of €440 million and will significantly accelerate the reduction of net debt, and
 - the disposals of the development subsidiaries in Poland and Portugal carried out in the summer of 2023 were made under very favourable price and time-frame conditions, enabling Nexity to reduce its debt by €100 million as of the 2023 fiscal year and to recognise a capital gain of €40 million in non-current operating profit;
- The creation of the Villes et Commerces property venture with Carrefour in November 2023, to regenerate 76 sites throughout France, and giving the Company a contribution of €2 billion in revenue and approximately €140 million in operating profit over the next 10 years; and
- The signing of a partnership with Mirabaud AM, allowing for the outsourcing of the carrying risk of up to 90% on large-scale urban regeneration projects (investment budget of €200 million over five years).

The Board of Directors, on the proposal of the Remuneration, Appointments and CSR Committee, accordingly noted the mathematical achievement of the quantifiable ex post remuneration criteria detailed below, while also noting that the remuneration policy for company officers in 2023 risked not retaining or motivating permanent executives, at the very time when they are most committed to transforming the Company.

Véronique BÉDAGUE - Chief Executive Officer - Remuneration for the 2023 fiscal year (*ex post* vote)

Component of the remuneration policy	Amounts awarded or to be paid (<i>ex post</i> vote) in respect of the 2023 fiscal year or accounting value	Presentation
Fixed remuneration	€750,000	
Annual variable remuneration	€227,500 <i>i.e.</i> 35% of the annual maximum variable remuneration in 2023	€650,000 (<i>i.e.</i> 87% of the annual fixed remuneration) in the event of the 100% achievement of the target objectives with the possibility of outperformance to 110%. The award, level and payment are subject to the achievement of the performance targets below, and whose achievement was assessed by the Board of Directors, after consultation with the Remuneration, Appointments and CSR Committee. Payment after favourable <i>ex-post</i> vote at the Shareholders' Meeting of 23 May 2024. These items are subject to a so-called “clawback” clause applicable in the event of fraud or proven serious or gross misconduct by the Chairwoman-Chief Executive Officer having a significant adverse impact in terms of image and reputation and/or in financial terms on the Company and its Group, or if the financial, accounting data or quantitative data used to measure performance were obviously and intentionally distorted.

Component of the remuneration policy	Amounts awarded or to be paid (<i>ex post</i> vote) in respect of the 2023 fiscal year or accounting value	Presentation
Annual variable remuneration	€227,500	€650,000 in the event of 100% achievement of the target objectives with the possibility of outperformance to 110%
	0% of target achieved	50% in respect of the Group's 2023 current operating profit (i.e. a target amount of €325,000) based on the following scale: - if COP is > €320 million = 110% - if COP is between €310 and €320 million = 105% - if COP is between €290 and €310 million = 100% - if COP is between €270 and €290 million = 80% - if COP is between €260 and €270 million = 50% - if COP is < €260 million = 0 --> 2023 COP = €246 million; €0 awarded
	0% of target achieved	15% maximum in respect of the leverage ratio: net debt/EBITDA excluding IFRS 16 at 31 December 2023, excluding international and external growth (i.e. a target amount of €97,500) : - if less than 2 = 110%, - if between 2 and 2.25 = 100%, - if between 2.25 and 2.5 = 50%, - if greater than 2.5 = 0 --> 2023 Ratio = 2.5; €0 awarded
	100% of the carbon target achieved	25% maximum in respect of HR and CSR criteria (i.e. a target amount of €162,500), broken down as follows : 15% for carbon performance in relation to the 2023 ER 2020 thresholds for building permits submitted in 2023, broken down as follows: - If level compared to ER 2020 is < -20% = 100% - If level compared to ER 2020 is between -10% and -20% = 80% - If level compared to ER 2020 is greater than or equal to -10% = 0 --> Carbon performance of building permits submitted in 2023 = -27%; €97,500 awarded
	110% of the diversity target achieved	10% for the progress of the Group's gender diversity policy as measured by the percentage of women in the Group's governing bodies (Club 1797): - if the percentage of women in governing bodies is > 41% = 110% - if the percentage of women in governing bodies is between 40% and 41% = 100% - if the percentage of women in governing bodies is between 39% and 40% = 50% - if the percentage of women in governing bodies is < 39% = 0 --> Percentage of women in the Group's governing bodies (Club 1797) = 41.03%; €71,500 awarded

Component of the remuneration policy	Amounts awarded or to be paid (<i>ex post</i> vote) in respect of the 2023 fiscal year or accounting value	Presentation
Annual variable remuneration	100% of target achieved	• 5% in respect of the Group's market share in new Residential Real Estate in France (i.e. a target amount of €32,500) based on the following scale: • If market share is greater than 15.5% = 110% • If market share is between 14.8% and 15.5% = 100% • If market share is between 14.1% and 14.8% = 80% • if market share is between 13.4% and 14.1% = 50% • if market share is below 13.4% = 0 --> 2023 Market share = 15.4% ⁽¹⁾; €32,500 awarded
	80% of target achieved	• 5% in respect of the increase in revenue from managed real estate in France (i.e. a target amount of €32,500) based on the following scale: • If revenue from managed real estate in France exceeds €270 million = 100% • If revenue from managed real estate in France is between €265 and €270 million = 80% • If revenue from managed real estate in France is between €260 and €265 million = 50% • If revenue from managed real estate in France is less than €260 million = 0 --> Revenue from managed real estate = €270 million; €26,000 awarded
Exceptional remuneration		No exceptional remuneration
Stock options, performance shares or any other component of long-term remuneration		20,000 shares based on the authorisation submitted for the approval of the Shareholders' Meeting of 16 May 2023. Vesting in H1 2027 (three-year vesting period) subject to performance criteria and conditions for all shares. Details of amounts and thresholds are not provided for reasons of confidentiality. Conditions will be based on a number of indicators which measure the Group's financial and stock market performance, and its CSR policy: • 35% of the shares granted on the basis of the cumulative current operating profit for the period 2023-2024-2025, • 10% of the shares on the backlog at 31 December 2025, • 15% of the shares granted according to a leverage ratio limit (net debt to EBITDA excluding IFRS 16), • 25% of the shares awarded based on CSR/HR criteria: • 15% on the reduction of the carbon footprint (trajectory at the end of 2025) compared to 2019 • 5% on the percentage of women on the governing bodies (Club 1797) • 5% on the lack of gender pay discrimination • 15% of the shares granted according to the relative level of TSR (total shareholder return) against the SBF 120 during the period.
Remuneration as a director		None

1) The Group's market share in Residential Real Estate calculated on the basis of 14,602 new home reservations published in a new home market communicated by the FPI on 15 February 2024 and which amounts to 94,828 reservations.

Component of the remuneration policy	Amounts awarded or to be paid (<i>ex post</i> vote) in respect of the 2023 fiscal year or accounting value	Presentation
Valuation of benefits of any kind		€171/month from January to August 2023 €385/month from September to December 2023 Company car
Supplementary pension scheme		Absence of supplementary pension plan
Severance benefits and non-competition indemnity		Employment contract terminated Non-competition clause of one year: • Indemnity equal to half of the average gross annual remuneration of any kind (fixed and annual variable component) paid by the Company during the two years preceding his effective departure date; and • The Board of Directors reserves the right, at the time of the departure, to not request the application of this non-compete clause, and therefore not to pay the corresponding amount. End-of-service benefits An indemnity (other than indemnity under the non-competition clause) equal to 1.5x average gross annual remuneration of any kind (fixed and annual variable component) paid by the Company during the last two years preceding the effective departure date. Overall cap 2x average gross annual remuneration of any kind (fixed and annual variable part) including any indemnity received for the termination of the work contract, in accordance with the provisions of the Afep-Medef Code. Amounts awarded and performance criteria conditioning the granting of benefits: • 100% if: • Average stock market price in the six months preceding the termination of functions (ASM) at least equal to the average stock market price of the six months preceding the vote by the Shareholders' Meeting on the principle of these indemnities; and • Consolidated current operating profit (using comparable accounting standards) (COP) over the two years preceding the termination of office in line with the forward-looking data for the same period provided to the market and approved by the Shareholders' Meeting; • 65% if the COP goal is achieved but the share price has declined; and • 35% if the share price goal is achieved but the COP goal is not. Trigger event: final departure from the Group following: • Termination (except for serious or gross misconduct as defined by analogy with legal precedent under employment law) during the term of office; • Non-renewal of the term of office; and • Resignation (before the end of the term of office) due to a disagreement of opinion with the Board of Directors (and after discussion within the Board to understand the objective reasons for this disagreement and its impact on the duties and responsibilities of the company officer).

Remuneration and benefits of the executive company officers

In summary, the remuneration awarded to Véronique Bédague, Chairwoman and Chief Executive Officer, in respect of the 2022 and 2023 fiscal years, or paid during these fiscal years, breaks down as follows:

Véronique Bédague (in euros)	Fiscal year 2023 ⁽¹⁾		Fiscal year 2022 ⁽¹⁾	
	Amounts awarded ⁽²⁾	Amounts paid ⁽³⁾	Amounts awarded ⁽²⁾	Amounts paid ⁽³⁾
Remuneration for company officer duties				
Fixed remuneration	750,000	750,000	600,000	600,000
Annual variable remuneration	650,000	455,000	500,000	308,000
Long-term incentive remuneration	None	None	None	None
Exceptional remuneration	None	None	None	None
Total remuneration	1,400,000	1,205,000	1,100,000	908,000
Remuneration as a director				
Nexity	None	None	None	None
Other controlled companies	None	None	None	None
Total remuneration as a director	0	0	0	0
Other remuneration				
Benefits in kind (vehicle, accommodations, etc.)	2,052	2,908	1,932	2,022
Valuation of long-term incentive remuneration	None	None	None	None
Value of options awarded during the fiscal year	None	None	None	None
Value of free shares awarded during the fiscal year ⁽⁴⁾	238,200	None	1,228,800	None
Valuation of other long-term remuneration plans	None	None	None	None
TOTAL	1,640,252	1,207,908	2,330,732	910,022

(1) Amounts due or paid by Nexity or the companies it controls within the meaning of Article L.233-16 of the French Commercial Code.

(2) Remuneration **awarded** to the executive company officer in respect of their duties over the course of the fiscal year, **irrespective of the payment date**.

(3) Total remuneration **actually paid during the fiscal year** to the executive company officer in respect of their duties.

(4) Valuation based on the method used for the consolidated financial statements.

Véronique Bédague receives no remuneration from other Group companies for her duties at Nexity.

Other information concerning Véronique Bédague

Shares granted prior to her term of office and that vested during the fiscal year to Véronique Bédague			
Plan	Vesting date	Number of shares vested during the 2023 fiscal year	Performance conditions
18/05/2020	18/05/2023	19,200	100% of awards subject to presence and performance 80% of shares awarded No shares shall vest if one of the objectives is less than 80% achieved (current operating income 2021, current operating income 2022, leverage ratio 2021 and 2022, carbon footprint, gender equality index, customer satisfaction, creation of stock market value)
19/05/2020	18/05/2023	35	Presence conditions only (general plan as defined in Section 3.4.1.1)

Performance shares awarded to Véronique Bédaque

Plan	Number of shares awarded	Valuation according to the method used for the consolidated financial statements (in euros)	Vesting date	Availability date	Performance conditions
30/03/2021	N/A	34.01	01/07/2024	01/07/2024	Maximum number of shares: 30,000 100% of the awards are subject to presence and performance No shares shall vest if one of the objectives is less than 95% or 100% achieved (Cumulative COP 21-22-23, backlog at 31/12/2023, Net debt to EBITDA ratio 2021-2022-2023, carbon footprint, gender equality index, client satisfaction, relative level of TSR (stock market value creation))
18/05/2022	N/A	20.48	30/06/2025	30/06/2025	Maximum number of shares: 60,000 100% of the awards are subject to presence and performance No shares shall vest if one of the objectives is less than 80% or 100% achieved (cumulative COP 22-23-24, backlog at 31/12/2024, Net debt to EBITDA ratio 2022-2023-2024, carbon footprint, gender equality index, client satisfaction, relative level of TSR (stock market value creation)).
28/02/2024	N/A	11.91	28/02/2027	28/02/2027	Maximum number of shares: 20,000 100% of the awards are subject to presence and performance No shares will vest if one of the objectives is less than 80% or 100% achieved depending on the criteria (cumulative France COP 2023-2024-2025, backlog at 31/12/2025, net debt/EBITDA ratio 2023-2024-2025, carbon footprint, gender equality index, client satisfaction, relative level of TSR (stock market value creation))

4.4.1.2 Remuneration of Jean-Claude Bassien, Deputy CEO

The remuneration of Jean-Claude Bassien for the 2023 fiscal year was set by the Board of Directors at its meeting of 29 March 2023, on the proposal of the Remuneration, Appointments and CSR Committee.

In light of the information presented in the introduction to Section 4.4 of this chapter on shareholder dialogue, as well as detailed peer review work for the study of the Chairwoman and Chief Executive Officer's remuneration (see Section 4.4.1.1 of this chapter), the Board of Directors wished to rework the components of the Deputy Chief Executive Officer's remuneration with a view to moving towards a more balanced distribution of the fixed, annual variable and multi-year variable components.

Thus, in a resolution on the ex ante 2023 remuneration of the Deputy Chief Executive Officer, the Board of Directors proposed to increase his fixed and annual target variable portion, in order to be closer to market comparables, while reducing the long-term portion of his remuneration, to take into account:

- The change in the nature of duties entrusted to the Deputy Chief Executive Officer in 2023 (cross-functional duties within the Company);
- A more balanced distribution of the components of his remuneration; and
- A significant allocation of free shares in 2022.

As part of the Board of Directors' review of the ex post 2023 remuneration of executive company officers, the directors noted that most of the criteria set one year ago, in line with their expectations in terms of corporate performance at the beginning of 2023, had become unattainable over the course of the year. The target thresholds (on all of the quantitative criteria) were set in the context of a market that has undergone a profound transformation (guidance revised in July 2023).

Thus, in the absence of qualitative criteria to take into account the responsiveness of Executive Management to the worsening of the crisis and/or of a clause allowing exceptional remuneration to be paid to executive company officers in the event of exceptional circumstances, the Board of Directors could not assess either good management of the Company by the Deputy Chief Executive Officer during a period of deep crisis in the sector, nor the handling of the major strategic challenges presented during 2023. It could only note that it had no legal means to align ex post the remuneration policy, drawn up in March 2023 and approved by the Shareholders'

Meeting, with the Group's strategy, which is going through an historical real estate crisis.

Indeed, the ex post remuneration of the Deputy Chief Executive Officer did not take into account:

- The achievement at the end of 2023 of the guidance revised in July, despite the continued worsening of the crisis during the second half of 2023 (revenue of €4.3 billion and operating profit of €246 million, i.e. a margin of nearly 6%, making the Company one of the best in its sector), and a lower level of net debt than at the end of 2022 (-€43 million);
- The speed of execution of the strategic refocus that took place in October 2023 on urban regeneration and the deployment of the serviced property activities:
 - the entry into exclusive negotiations with Bridgepoint on 22 December 2023 on the disposal of the Property management business is based on an enterprise value of €440 million and will significantly accelerate the reduction of net debt, and
 - the disposals of the development subsidiaries in Poland and Portugal carried out in the summer of 2023 were made under very favourable price and time-frame conditions, enabling Nexity to reduce its debt by €100 million as of the 2023 fiscal year and to recognise a capital gain of €40 million in non-current operating profit;
- The creation of the Villes et Commerces property venture with Carrefour in November 2023, to regenerate 76 sites throughout France, and giving the Company a contribution of €2 billion in revenue and approximately €140 million in operating profit over the next 10 years; and
- The signing of a partnership with Mirabaud AM, allowing for the outsourcing of the carrying risk of up to 90% on large-scale urban regeneration projects (investment budget of €200 million over five years).

The Board of Directors, on the proposal of the Remuneration, Appointments and CSR Committee, accordingly noted the mathematical achievement of the quantifiable ex post remuneration criteria detailed below, while also noting that the remuneration policy for company officers in 2023 risked not retaining or motivating permanent executives, at the very time when they are most committed to transforming the Company.

Jean-Claude Bassien – Deputy CEO – Remuneration policy for the 2023 fiscal year (*ex post* vote)

Component of the remuneration policy	Amounts awarded or to be paid (<i>ex post</i> vote) in respect of the 2023 fiscal year or accounting value	Presentation
Fixed remuneration	€500,000	
Annual variable remuneration	€140,000 <i>i.e.</i> 35% of the annual maximum variable remuneration in 2023	€400,000 (<i>i.e.</i> 80% of the annual fixed remuneration) for 100% achievement of objectives and possibility of outperformance at 110%, taking into account the economic context. The award, level and payment are subject to the achievement of the performance objectives below, with achievement assessed by the Board of Directors, after consultation with the Remuneration, Appointments and CSR Committee. Payment following a favourable <i>ex post</i> vote by the Shareholders' Meeting called to approve the financial statements for the fiscal year ended 31 December 2023 (L.22-10-34 II of the French Commercial Code). As stated above, these items are subject to a clawback clause applicable in the event of fraud or proven serious or gross misconduct by the Deputy CEO having a significant adverse impact in terms of image and reputation and/or in financial terms on the Company and its Group, or if the financial, accounting or quantitative data used to measure performance were to be obviously and intentionally distorted.
	€140,000	€400,000 in the event of 100% achievement of the target objectives with the possibility of outperformance to 110%:
0% of target achieved		• 50% in respect of the 2023 current operating profit (<i>i.e.</i> a target amount of €200,000) based on the following scale: • if COP is > €320 million = 110% • if COP is between €310 and €320 million = 105% • if COP is between €290 and €310 million = 100% • if COP is between €270 and €290 million = 80% • if COP is between €260 and €270 million = 50% • if COP is < €260 million = 0 --> 2023 COP = €246 million; €0 awarded
0% of target achieved		• 15% in respect of the leverage ratio: net debt/EBITDA excluding IFRS 16 at 31 December 2023, excluding international and external growth (<i>i.e.</i> a target amount of €60,000); • if less than 2 = 110% • if between 2 and 2.25 = 100% • if between 2.25 and 2.5 = 50% • if greater than 2.5 = 0 --> 2023 Ratio = 2.5; €0 awarded

Component of the remuneration policy	Amounts awarded or to be paid (ex post vote) in respect of the 2023 fiscal year or accounting value	Presentation
Annual variable remuneration	100% of the carbon target achieved	25% maximum in respect of HR and CSR criteria (i.e. a target amount of €100,000), broken down as follows: 15% for carbon performance compared to the 2023 thresholds of ER 2020 for building permits submitted in 2023, broken down as follows: - If level compared to ER 2020 is < -20% = 100% - If level compared to ER 2020 is between -10% and -20% = 80% - If level compared to ER 2020 is greater than or equal to -10% = 0 --> Carbon performance of building permits submitted in 2023 = -27%; €60,000 awarded
	110% of the diversity target achieved	10% for the progress of the Group's gender diversity policy as measured by the percentage of women in the Group's governing bodies (Club 1797): - if the percentage of women in governing bodies is > 41% = 110% - if the percentage of women in governing bodies is between 40% and 41% = 100% - if the percentage of women in governing bodies is between 39% and 40% = 50% - if the percentage of women in governing bodies is < 39% = 0 --> Percentage of women in the Group's governing bodies (Club 1797) = 41.03%; €44,000 awarded
Annual variable remuneration	100% of target achieved	5% in respect of the Group's market share in new Residential Real Estate in France (i.e. a target amount of €20,000) based on the following scale: - if market share is greater than 15.5% = 110% - if market share is between 14.8% and 15.5% = 100% - if market share is between 14.1% and 14.8% = 80% - if market share is between 13.4% and 14.1% = 50% - if market share is below 13.4% = 0 --> 2023 Market share = 15.4% ⁽¹⁾; €20,000 awarded
	80% of target achieved	5% in respect of the increase in revenue from managed real estate in France (i.e. a target amount of €20,000) based on the following scale: - if revenue from managed real estate in France exceeds €270 million = 100% - if revenue from managed real estate in France is between €265 and €270 million = 80% - if revenue from managed real estate in France is between €260 and €265 million = 50% - if revenue from managed real estate in France is less than €260 million = 0 --> Revenue from managed real estate = €270 million; €16,000 awarded

1) The Group's market share in Residential Real Estate calculated on the basis of 14,602 new home reservations published in a new home market communicated by the FPI on 15 February 2024 and which amounts to 94,828 reservations.

Component of the remuneration policy	Amounts awarded or to be paid (ex post vote) in respect of the 2023 fiscal year or accounting value	Presentation
Exceptional remuneration		No exceptional remuneration
Stock options, performance shares or any other component of long-term remuneration		12,000 shares based on the authorisation submitted for the approval of the Shareholders' Meeting of 16 May 2023. Vesting in H1 2027 (three-year vesting period) subject to performance criteria and conditions for all shares: Details of amounts and thresholds are not provided for reasons of confidentiality. Conditions will be based on a number of indicators which measure the Group's financial and stock market performance, and its CSR policy: • 35% of the shares granted on the basis of the cumulative current operating profit for the period 2023-2024-2025; • 10% of the shares on the backlog at 31 December 2025; • 15% of the shares granted according to a leverage ratio limit (net debt to EBITDA excluding IFRS 16); • 25% of the shares awarded based on CSR/HR criteria: • 15% on the reduction in the carbon footprint (trajectory at the end of 2025) compared to 2019, • 5% on the percentage of women on the governing bodies (Club 1797), and • 5% on the lack of gender pay discrimination; and • 15% of the shares granted according to the relative level of TSR (total shareholder return) against the SBF 120 during the period.
Remuneration as a director		None
Valuation of benefits of any kind		€90/month – Company car
Supplementary pension scheme		Absence of supplementary pension plan

Component of the remuneration policy	Amounts awarded or to be paid (ex post vote) in respect of the 2023 fiscal year or accounting value	Presentation
Severance benefits and non-competition indemnity		Employment contract terminated Non-competition clause of one year: • Indemnity equal to half of the average gross annual remuneration of any kind (fixed and annual variable component) paid by the Company during the two years preceding his effective departure date; and • The Board of Directors reserves the right, at the time of the departure, to not request the application of this non-compete clause, and therefore not to pay the corresponding amount. End-of-service benefits An indemnity (other than indemnity under the non-competition clause) equal to 1.5x average gross annual remuneration of any kind (fixed and annual variable component) paid by the Company during the last two years preceding the effective departure date. Overall cap 2x average gross annual remuneration of any kind (fixed and annual variable component) including any indemnity received for the termination of the work contract, in accordance with the provisions of the Afep-Medef Code. Amounts awarded and performance criteria conditioning the granting of benefits: • 100% if: • Average stock market price in the six months preceding the termination of functions (ASM) at least equal to the average stock market price of the six months preceding the vote by the Shareholders' Meeting on the principle of these indemnities; and • Consolidated current operating profit (using comparable accounting standards) (COP) over the two years preceding the termination of office in line with the forward-looking data for the same period provided to the market and approved by the Shareholders' Meeting; • 65% if the COP goal is achieved but the share price has declined; and • 35% if the share price goal is achieved but the COP goal is not. Trigger event: final departure from the Group following: • Termination (except for serious or gross misconduct as defined by analogy with legal precedent under employment law) during the term of office; • Non-renewal of the term of office; and • Resignation (before the end of the term of office) due to a disagreement of opinion with the Board of Directors (and after discussion within the Board to understand the objective reasons for this disagreement and its impact on the duties and responsibilities of the company officer).

In summary, the breakdown of the remuneration awarded to Jean-Claude Bassien, Deputy CEO, in respect of the 2022 and 2023 fiscal years, or paid in those fiscal years, is as follows:

Jean-Claude Bassien (in euros)	Fiscal year 2023 ⁽¹⁾		Fiscal year 2022 ⁽¹⁾	
	Amounts awarded ⁽²⁾	Amounts paid ⁽³⁾	Amounts awarded ⁽²⁾	Amounts paid ⁽³⁾
Remuneration for company officer duties				
Fixed remuneration	500,000	500,000	450,000	450,000
Annual variable remuneration	400,000	223,800	250,000	147,200
Long-term incentive remuneration	None	None	None	None
Exceptional remuneration	None	None	None	None
Total remuneration	900,000	723,800	700,000	597,200
Remuneration as a director				
Nexity	None	None	None	None
Other controlled companies	None	None	None	None
Total remuneration as a director	0	0	0	0
Other remuneration				
Benefits in kind (vehicle, accommodations, etc.)	1,080	1,080	1,080	1,080
Valuation of long-term incentive remuneration	None	None	None	None
Value of options awarded during the fiscal year	None	None	None	None
Value of free shares awarded during the fiscal year ⁽⁴⁾	142,920	None	819,200	None
Valuation of other long-term remuneration plans	None	None	None	None
TOTAL	1,044,000	724,880	1,520,280	598,280

(1) Amounts due or paid by Nexity or the companies it controls within the meaning of Article L.233-16 of the French Commercial Code.

(2) Remuneration **awarded** to the executive company officer in respect of their duties over the course of the fiscal year, **irrespective of the payment date**.

(3) Total remuneration **actually paid during the fiscal year** to the executive company officer in respect of their duties.

(4) Valuation based on the method used for the consolidated financial statements.

No remuneration is paid by any other Group company to Jean-Claude Bassien for his duties within Nexity.

Other information concerning Jean-Claude Bassien

Shares granted prior to his corporate office and that vested during the fiscal year to Jean-Claude Bassien			
Plan	Vesting date	Number of shares vested during the 2023 fiscal year	Performance conditions
19/05/2020	18/05/2023	35	Presence conditions only (general plan as defined in Section 3.4.1.1)

Performance shares awarded to Jean-Claude Bassien					
Plan	Number of shares awarded	Valuation according to the method used for the consolidated financial statements (in euros)	Vesting date	Availability date	Performance conditions
30/03/2021	N/A	34.01	01/07/2024	01/07/2024	Maximum number of shares: 17,000 100% of the awards are subject to presence and performance No shares shall vest if one of the objectives is less than 95% or 100% achieved (Cumulative COP 21-22-23, backlog at 31/12/2023, Net debt to EBITDA ratio 2021-2022-2023, carbon footprint, gender equality index, client satisfaction, relative level of TSR (stock market value creation))
18/05/2022	N/A	20.48	30/06/2025	30/06/2025	Maximum number of shares: 40,000 100% of the awards are subject to presence and performance No shares shall vest if one of the objectives is less than 80% or 100% achieved (cumulative COP 22-23-24, backlog at 31/12/2024, Net debt to EBITDA ratio 2022-2023-2024, carbon footprint, gender equality index, client satisfaction, relative level of TSR (stock market value creation)).
28/02/2024	N/tA	11.91	28/02/2027	28/02/2027	Maximum number of shares: 12,000 100% of the awards are subject to presence and performance No shares will vest if one of the objectives is less than 80% or 100% achieved depending on the criteria (cumulative France COP 2023-2024-2025, backlog at 31/12/2025, net debt/EBITDA ratio 2023-2024-2025, carbon footprint, gender equality index, client satisfaction, relative level of TSR (stock market value creation))

4.4.1.3 Comparison of the remuneration of the executive company officers with the Company's performance and the average and median remuneration of the Company's employees

In accordance with Article L.22-10-9-I, 6° and 7°, of the French Commercial Code, the table below shows, for each executive company officer of Nexity, the ratios of their remuneration level to, firstly, the average remuneration on the full-time equivalent basis of employees other than company officers and, secondly, the median remuneration on the full-time equivalent basis of employees other than

company officers; and the annual change in remuneration of each executive company officer, the Company's performance, the average remuneration on the full-time equivalent basis of employees other than executive company officers, and the above-mentioned ratios, over the five most recent fiscal years.

Change in equity ratios between 2019 and 2023

	2019	2020	2021	2022	2023	2019-2023
REMUNERATION OF EMPLOYEES						
Average remuneration of employees (in thousands of euros) ^{(1) (2)}	56.4	56.0	57.0	60.0	56.8	
Change compared to the prior fiscal year – in %	-3.1%	-0.7%	1.8%	5.3%	-5.3%	0.8%
Median remuneration of employees (in thousands of euros) ^{(1) (2)}	41.7	43	43	46.1	46.1	
Change compared to the prior fiscal year – in %	2.5%	3.2%	-0.1%	7.1%	-0.1%	10.4%
CALCULATION OF RATIOS						
CHAIRMAN OF THE BOARD OF DIRECTORS						
Remuneration of Alain Dinin (in thousands of euros) ^{(3) (4)}		1,518	1,519	1,144		
Change compared to the prior fiscal year – in %		-24.7%	0.1%	-24.7%		
Ratio to the average remuneration of employees		27	27	19		
Change compared to the prior fiscal year – in %		-24.2%	-1.7%	-28.5%		
Ratio to the median remuneration of employees		35	35	25		
Change compared to the prior fiscal year – in %		-27%	0.1%	-29.7%		
CHAIRMAN AND CEO						
Remuneration of Alain Dinin (in thousands of euros) ^{(3) (4)}	2,016					
Change compared to the prior fiscal year – in %	-27.7%					
Ratio to the average remuneration of employees	36					
Change compared to the prior fiscal year – in %	-29.9%					
Ratio to the median remuneration of employees	48					
Change compared to the prior fiscal year – in %	-29.5%					
Remuneration of Alain Dinin (in thousands of euros) ^{(3) (4)}	2,016	1,518	1,519	1,144		
Remuneration of Véronique Bédague (in thousands of euros) ^{(3) (6)}					1,446	
Change compared to the prior fiscal year – in %					-32.4%	
Ratio to the average remuneration of employees					25	
Change compared to the prior fiscal year – in %					-28.6%	
Ratio to the median remuneration of employees					31	
Change compared to the prior fiscal year – in %					-32.3%	
CHIEF EXECUTIVE OFFICER						
Remuneration of Jean-Philippe Ruggieri (in thousands of euros) ⁽⁵⁾	751	750				
Change compared to the prior fiscal year – in %	-0.2%	0.1%				
Ratio to the average remuneration of employees	13	13				
Change compared to the prior fiscal year – in %	-26.1%	0.6%				
Ratio to the median remuneration of employees	18	17				
Change compared to the prior fiscal year – in %	-25.7%	-3.2%				
Remuneration of Véronique Bédague (in thousands of euros) ^{(3) (6)}			1,772	2,139		
Change compared to the prior fiscal year – in %				20.7%		
Ratio to the average remuneration of employees			31	36		
Change compared to the prior fiscal year – in %				14.6%		
Ratio to the median remuneration of employees			41	46		
Change compared to the prior fiscal year – in %				12.6%		

Remuneration and benefits of the executive company officers

	2019	2020	2021	2022	2023	2019-2023
REMUNERATION OF EMPLOYEES						
DEPUTY CHIEF EXECUTIVE OFFICER						
Remuneration of Julien Carmona (in thousands of euros) ^{(3) (7)}	750	2,028	723			
Change compared to the prior fiscal year – in %	-0.1%	170.3%	-64.4%			
Ratio to the average remuneration of employees	13	36	13			
Change compared to the prior fiscal year – in %	-26.1%	172.3%	-65%			
Ratio to the median remuneration of employees	18	47	17			
Change compared to the prior fiscal year – in %	-25.7%	162%	-64.3%			
Remuneration of Jean-Claude Bassien (in thousands of euros) ^{(3) (8)}			1,180	1,417	868	
Change compared to the prior fiscal year – in %				20.2%	-38.8%	
Ratio to the average remuneration of employees			21	24	15	
Change compared to the prior fiscal year – in %				14.1%	-35.4%	
Ratio to the median remuneration of employees			27	31	19	
Change compared to the prior fiscal year – in %				12.1%	-38.7%	
FINANCIAL PERFORMANCE						
Consolidated net profit attributable to equity holders of the parent company before non-recurring items (Company performance) (in thousands of euros)	162,700	116,061	187,712	187,770	19,206	19,206
Change compared to the prior fiscal year – in %	-17.7%	-28.7%	61.7%	0%	-89.8%	-88.2%

- (1) To be representative, the employees used for the calculation of the median and average remuneration are those present on 31 December of each fiscal year considered, who hold a permanent employment contract and have done so for at least 365 days. This method neutralises the effects of employees joining or leaving that can impact the interpretation of the annual remuneration, in accordance with Afep's recommendations. The scope considered is that of the HR reporting managed in the Company's HRIS Payroll system over all the fiscal years considered. This approach makes it possible to cover more than 80% of the Group's workforce.
- (2) The following components of remuneration have been used for employees: fixed remuneration (including 13th month and contractual long-service bonus in FTE paid in the fiscal year); variable remuneration paid in the fiscal year; benefits in kind; components of multi-year variable remuneration (inclusion and valuation of amount in the year of the award); free shares awarded; and the employee saving scheme (gross amount of the share of employee profit-sharing, excluding employer matching contributions and monetisation of leave credit/work time savings account).
- (3) The following components of remuneration have been used for executive company officers: fixed remuneration (including 13th month and contractual long-service bonus in FTE paid in the fiscal year); variable remuneration paid in the fiscal year after approval from the Shareholders' Meeting; benefits in kind; components of multi-year variable remuneration (inclusion and valuation of the amount in the year of the award); free shares awarded measured at IFRS fair value.
- (4) Alain Dinin held the position of Chairman and CEO of the Company for the full fiscal years 2016 to 2018, and until 22 May 2019, when he became Chairman of the Board of Directors, following the separation of the positions of Chairman of the Board of Directors and Chief Executive Officer of the Company. Following the death of Jean-Philippe Ruggieri, Alain Dinin took over the duties of Chairman and CEO of the Company on 25 April 2020 until 19 May 2021, date on which he resumed his duties as Chairman of the Board of Directors, Véronique Bédague taking on the duties of Chief Executive Officer. All fixed, variable and exceptional remuneration paid after approval by the Shareholders' Meeting, performance shares granted, and benefits of any kind granted in respect of his corporate office are taken into account.
- (5) Jean-Philippe Ruggieri served as Deputy CEO of the Company from 31 May 2018 to 22 May 2019, then Chief Executive Officer of the Company until 23 April 2020. For the period covering 1 January 2018 to 31 May 2018, the remuneration components considered are those paid to Jean-Philippe Ruggieri in respect of his employment contract, based on the principles set out above (Note (2)). As from 31 May 2018, all fixed, variable and exceptional components of the remuneration paid, performance shares awarded, benefits of any kind in respect of his term of office were taken into account. In 2020, in order to have components of remuneration comparable to the numerator and denominator, the remuneration of Jean-Philippe Ruggieri was annualised.
- (6) Véronique Bédague has served as Chairwoman and Chief Executive Officer of the Company since 1 January 2023; she previously served as Chief Executive Officer from 19 May 2021. For the period covering 1 January 2021 to 19 May 2021, the remuneration components considered are those paid to Véronique Bédague in respect of her employment contract, based on the principles set out above (Note (2)). As from 19 May 2021, all fixed, variable and exceptional components of the remuneration paid, performance shares awarded, benefits of any kind in respect of her term of office were taken into account. All fixed, variable and exceptional components of remuneration paid following approval from the Shareholders' Meeting (except for the 2023 fiscal year, for which the variable remuneration will be paid following approval by the 2024 Shareholders' Meeting), performance shares granted, and benefits of any kind granted in respect of her corporate office are taken into account.
- (7) Julien Carmona held the position of Deputy CEO of the Company from his appointment on 31 May 2018 until 19 May 2021. For the period covering 1 January 2018 to 31 May 2018, the remuneration components considered are those paid to Julien Carmona in respect of his employment contract, based on the principles set out above (Note (2)). As from 31 May 2018 and until 19 May 2021, all fixed, variable and exceptional components of the remuneration paid, performance shares awarded, benefits of any kind in respect of his term of office were taken into account. In 2021, in order to have components of remuneration comparable to the numerator and the denominator, the remuneration of Julien Carmona was annualised. All fixed, variable and exceptional components of remuneration paid after approval by the Shareholders' Meeting, performance shares granted, and benefits of any kind granted in respect of his corporate office are taken into account.
- (8) Jean-Claude Bassien has served as Deputy CEO of the Company since his appointment on 19 May 2021. For the period covering 1 January 2021 to 19 May 2021, the remuneration components considered are those paid to Jean-Claude Bassien in respect of his employment contract, based on the principles set out above (Note (2)). From 19 May 2021, all fixed, variable and exceptional components of remuneration paid following approval from the Shareholders' Meeting (except for the 2023 fiscal year for which the variable remuneration will be paid following approval from the Shareholders' Meeting of 16 May 2024), performance shares awarded, and benefits of any kind awarded in respect of his corporate office are taken into account.

4.4.1.4 Remuneration of members of the Board of Directors, excluding the Chairwoman and Chief Executive Officer

The members of the Board of Directors did not receive, during and in respect of the 2023 fiscal year, any remuneration from the Company or Group companies other than the sum allocated to them as directors, with the exception of the directors representing the employees, whether or not they are shareholders, who do not receive any remuneration other than their salary, and of the Chairman of the Board of Directors and the Chief Executive Officer, whose remuneration in respect of the 2023 fiscal year are described in Sections 4.4.1.1 and 4.4.1.2 of this chapter.

The amount of the annual fixed sum allocated to the directors was set by the Shareholders' Meeting of 16 May 2023 at €400,000. This remuneration has not changed since May 2021.

In respect of the 2023 fiscal year, the rules for allocating this amount were set at the meeting of the Board of Directors of 29 March 2023 after consultation with the Remuneration, Appointments and CSR Committee. These were then approved by the Shareholders' Meeting of 16 May 2023 in its 11th resolution, by 99.66%.

The fixed annual amount was allocated among directors according to their appointment(s) on the various Committees and take into account the work done by each Committee.

The allocation is firstly based on the actual attendance at Board of Directors meetings and meetings of the Committees on which they serve (with no allowance for absences) as follows:

- €3,200 per Board of Directors meeting for each director;
- €2,600 per meeting of the Audit and Accounts Committee, and twice that amount for the Committee's Chairman;
- €1,800 per meeting of each other Committee, and twice that amount for each Committee Chairman; and
- €9,000 per year for the Vice-Chairwoman and Senior Independent Director.

In accordance with the allocation rules described above, the total amount allocated to all members of the Board of Directors, in consideration of their terms of office within the Company in respect of the 2023 fiscal year, based on a budget of €400,000, came to €291,800, of which €148,500 was paid during the 2023 fiscal year and the balance (i.e. €143,300) paid in February 2024.

The table below shows the amount awarded or paid to each director and non-voting Board member during or in respect of the 2022 and 2023 fiscal years. It is to be noted that in respect of the 2022 fiscal year, the total amount allocated to all members of the Board of Directors in consideration of their terms of office within the Company amounted to €323,000.

The table below does not present the remuneration awarded in respect of the 2023 fiscal year, or paid during the same fiscal year, to the Chairwoman and Chief Executive Officer. This is covered in Section 4.4.1.1 of this chapter.

(in euros)	Fiscal year 2023		Fiscal year 2022	
	Amount due	Amount paid	Amount due	Amount paid
Remuneration of non-employee directors				
Luce Gendry	57,400	61,500	62,400	59,900
Charles-Henri Filippi	36,800	41,800	43,600	36,600
Jérôme Grivet	N/A*	N/A*	N/A*	N/A*
Soumia Malinbaum	42,600	46,700	47,600	43,300
Agnès Nahum	42,600	43,500	44,400	43,300
Magali Smets	30,200	38,200	40,400	37,900
Myriam El Khomri (director until 14 December 2023)	29,600	32,800	29,200	20,800
Crédit Mutuel Arkéa	30,200	38,200	40,400	33,400
La Mondiale (director since 18 May 2022)	22,400	18,500	11,400	4,100
Pascal Oddo (non-voting director until 18 May 2022)	N/A	N/A	3,600	10,800
Subtotal	291,800	321,200	323,000	290,100
Annual remuneration of the employee directors with respect to their employment contracts				
Bruno Catelin	72,800	74,406	70,720	72,700
Karine Suzzarini	131,037	129,145	110,960	101,024
Jean-Paul Belot (director until 1 March 2022)	N/A	N/A	552,230**	592,230**
Luc Touchet (director since 18 May 2022)	37,048	37,048	33,581	33,581
Subtotal	240,885	140,599	767,491	799,535
TOTAL	532,685	561,799	1,090,491	1,089,635

* In accordance with the Crédit Agricole Group's policy, Jérôme Grivet does not receive remuneration in respect of his directorship.

** Including retirement benefits.

4.4.2 Remuneration policies applicable to Nexity's company officers for the 2024 fiscal year

Pursuant to Article L.225-37-2 II of the French Commercial Code, the Shareholders' Meeting called to approve the financial statements for the fiscal year ended

31 December 2023 will be asked to approve the remuneration policies applicable to the company officers for the 2024 fiscal year.

4.4.2.1 Principles common to all company officers

The remuneration policy applicable to the company officers of Nexity is determined by the Board of Directors following the recommendation of the Remuneration, Appointments and CSR Committee, and is then subject to the approval of the Shareholders' Meeting called to approve the Parent Company financial statements. The remuneration policy is reviewed on an annual basis by the Remuneration, Appointments and CSR Committee, and by the Board of Directors. The Remuneration, Appointments and CSR Committee also monitors this remuneration policy on an annual basis. The composition of this Committee complies with the recommendations of the Afep-Medef Code. Furthermore, the policy was determined by the Board of Directors in compliance with the Afep-Medef Code, in the absence of the concerned individuals.

The policy is determined taking into account the remuneration and employment conditions of the Company's employees. In particular, the Company complies with the recommendation of the Afep-Medef Code, based on which the membership of the Remuneration, Appointments and CSR Committee includes an employee Board member. The Board of Directors and the Remuneration, Appointments and CSR Committee also take into account, as part of the preparatory work to determine the remuneration policy, the ratios established pursuant to Article L.22-10-9 6° of the French Commercial Code. In particular, the Board of Directors ensures that the level of these ratios is in line with the level of ratios published by comparable listed companies in the same industry, for executives exercising comparable functions (see Section 4.4 above).

This policy is adopted by the Board of Directors once it has satisfied itself that it is in line with the Company's corporate interest, that it contributes to its sustainability and that it is in line with its business strategy.

In accordance with the recommendations of Afep-Medef, and the numerous discussions with investors in preparation for the next Shareholders' Meeting, the remuneration structure for executive company officers proposed for the 2024 fiscal year is stable, and its components have been reviewed in order to make them consistent with the Company's strategy and context.

The Board of Directors, on the proposal of the Remuneration, Appointments and CSR Committee, has endeavoured to propose ex ante remuneration criteria for executive company officers taking into account the new

market conditions that have resulted in a profound transformation of the Group over recent months, and the need, in this context, to adapt the Company in order to promote its performance and competitiveness over the medium and long term, and by incorporating several criteria related to corporate social responsibility, including at least one related to its climate objectives.

Thus, in view of the strategic challenges announced by the Company at the time of publication of its annual results for 2023, the Board of Directors proposes that the 2024 ex ante remuneration of the executive company officers be broken down as follows:

- Stability of fixed remuneration; and
- Stability of the target annual and long-term variable amounts of remuneration, with a change in the criteria to take into account the strategic challenges to tackled by the executive company officers in the short and medium term.

The following weighting of the variable remuneration criteria is therefore proposed:

- 80% of variable remuneration based on auditable quantitative objectives, composed of:
 - 65% quantifiable financial criteria, defined below, and
 - 15% quantifiable non-financial criteria, defined below;
- 20% of the variable remuneration to be based on qualitative objectives, which will be subject to an overall assessment by the Board of Directors on the proposal of the Remuneration, Appointments and CSR Committee, with regard to the individual objectives set out in the table below.

It is specified that the limit for the target variable portion may, as in 2023, reach 110% if certain objectives set by the Board of Directors are exceeded.

As mentioned in previous years, with regard to multi-year variable remuneration, it is proposed to grant a balanced mix of fixed, variable and multi-year remuneration. To this end, the Board has taken into account a premium on the current value of the security, based on the average price over the last 12 rolling months (approximately €16).

In the event of reappointment of company officers, and assuming that the remuneration policy applicable in respect of the reappointment has not been approved by the Shareholders' Meeting, the remuneration for these company officers is based on the last approved remuneration policy applicable to them. If the company officers are newly appointed and no applicable remuneration policy has been approved by the

Shareholders' Meeting, the Board of Directors applies, after consulting the Remuneration, Appointments and CSR Committee, the provisions of the last approved remuneration policy applicable to a company officer holding the same office or an office of the same nature, and, where necessary, adapts it to take account of the specific responsibilities of the concerned company officer.

4.4.2.2 Remuneration policy applicable to the Chairwoman and Chief Executive Officer

Subject to approval by the Shareholders' Meeting to be held on 23 May 2024, this remuneration policy would apply to any successor of the Chairwoman and Chief Executive Officer until a new decision by the Shareholders' Meeting.

Furthermore, Véronique Bédague must hold at least 10% of the shares resulting from free share awards in registered form.

The remuneration policy for the Chairwoman and Chief Executive Officer consists of a fixed component, a variable component and a multi-year variable component, described hereafter:

Véronique Bédague – Chairwoman and Chief Executive Officer – Remuneration policy for the 2024 fiscal year (ex ante vote)

Component of the remuneration policy	Presentation
Fixed remuneration	€750,000
Annual variable remuneration	€650,000 (i.e. 87% of the annual fixed remuneration) for 100% achievement of the objectives and possibility of outperformance on certain objectives to 110%. The award, level and payment are subject to the achievement of the performance targets set, with achievement assessed by the Board of Directors, after consultation with the Remuneration, Appointments and CSR Committee. Payment following a favourable <i>ex post</i> vote by the Shareholders' Meeting called to approve the financial statements for the fiscal year ended 31 December 2024 (L.22-10-34 II of the French Commercial Code). These items are subject to a clawback clause applicable in the event of fraud or proven serious or gross misconduct by the Chairwoman and Chief Executive Officer having a significant adverse impact in terms of image and reputation and/or in financial terms on the Company and its Group, or if the financial, accounting or quantitative data used to measure performance were to be obviously and intentionally distorted.

Component of the remuneration policy	Presentation
Annual variable remuneration	€650,000 in the event of 100% achievement of the target objectives with the possibility of outperformance on certain objectives to 110%. The details of the amounts and thresholds are not disclosed for reasons of confidentiality. Quantitative objectives: 80% (i.e. a target amount of €520,000) • 30% in respect of the Group's net debt, with the possibility of outperforming this target to 110% • The aim of this objective is to accelerate the downward trajectory of the Group's net debt • The level of net debt excludes debt on lease liabilities (IFRS 16), after application of IFRS 5 on discontinued operations • It will be calculated based on a decrease (in percentage) in the Group's net financial debt compared to 31 December 2023 • If there is less than a 10% decrease, no amount will be awarded. • 20% in respect of 2024 operating profit, with the possibility of outperforming this target to 110% • The latter, marking a financial low point, will have to remain positive • If the operating profit for 2024 is not positive, no amount will be awarded • Operating profit corresponds to current operating profit and exceptional non-recurring items (capital gains on disposals, costs of adjusting the offer to new market conditions and costs related to the reorganisation of the Group to enable a rebound in 2025). • 15% in respect of the number of strategic and financial partnerships entered into in 2024, highlighting the finalisation and ongoing search for partnerships in the service businesses; possibility of outperforming this objective to 110% • 15% in respect of CSR - HR criteria broken down as follows: • 10% for carbon performance compared to the 2023 thresholds of the ER 2020 for building permits submitted in 2024 (target of -30% compared to the ER 2020 for 100% achievement and outperformance of 110% if the decrease is greater than 30%) • 5% for the progress made on the Group's diversity policy as measured by the percentage of women in the Group's governing bodies. The rates of achievement must be the same or higher than the actual rates after the application of changes in scope.

Component of the remuneration policy	Presentation
Annual variable remuneration	Qualitative objectives: 20% (i.e. a target amount of €130,000) 10% for the deployment and management of the Group's accelerated transformation towards an urban operator model As the leader in a real estate market whose transformation is accelerated by the intensity of the crisis, Nexity must quickly and safely carry out the in-depth transformation of its organisation around a regional multi-product offering by accelerating towards urban regeneration and transformation. To this end, the Group's executives will have to define and implement the necessary changes in scope and organisational changes without weakening the production system and maintaining the commitment of their operational management. 10% for the overhaul of the organisation and the adaptation of the Company to the new context To improve the Company's future productivity, the Group's executives will need to continue to reduce the operational cost base imposed by new market parameters and changes in scope. They will have to ensure the proper management of the information-consultation process with the employee representative bodies to make these essential adjustments in a controlled social climate.
Exceptional remuneration	No exceptional remuneration
Stock options, performance shares or any other component of long-term remuneration	47,000 shares based on the authorisation submitted for the approval of the Shareholders' Meeting of 23 May 2024. - Vesting in 2027 (minimum three-year vesting period) subject to performance criteria and conditions for all shares; - Details of amounts and thresholds are not provided for reasons of confidentiality; - Conditions will be based on a number of indicators which measure the Group's financial and stock market performance, and its CSR policy: Quantitative financial criteria: 75% 20% of shares granted on net debt reduction 15% of shares granted on the basis of the cumulative operational cash flow for the period 15% of shares granted according to the relative level of TSR (total shareholder return) against the SBF 120 during the period 25% of shares awarded on the success of operational urban regeneration projects Non-financial quantitative criteria: 25% 25% of shares awarded based on CSR/HR criteria: 10% on the reduction of the carbon footprint (trajectory at end-2025) compared to 2019 10% in respect of the Net Promoter Score 5% on progress made in terms of diversity and inclusion
Remuneration as a director	None
Valuation of benefits of any kind	€171/month – Company car
Supplementary pension scheme	Absence of supplementary pension plan

Component of the remuneration policy	Presentation
Severance benefits and non-competition indemnity	Work contract terminated from 19 May 2021 Non-competition clause of one year: • Indemnity equal to half of the average gross annual remuneration of any kind (fixed and annual variable component) paid by the Company during the two years preceding his effective departure date; and • The Board of Directors reserves the right, at the time of the departure, to not request the application of this non-compete clause, and therefore not to pay the corresponding amount. End-of-service benefits An indemnity (other than indemnity under the non-competition clause) equal to 1.5x average gross annual remuneration of any kind (fixed and annual variable component) paid by the Company during the last two years preceding the effective departure date. Overall cap 2x average gross annual remuneration of any kind (fixed and annual variable component) including any indemnity received for the termination of the work contract, in accordance with the provisions of the Afep-Medef Code. Amounts awarded and performance criteria conditioning the granting of benefits: • 100% if: • Average stock market price in the six months preceding the termination of functions (ASM) at least equal to the average stock market price of the six months preceding the vote by the Shareholders' Meeting on the principle of these indemnities, • Consolidated current operating profit (using comparable accounting standards) (COP) over the two years preceding the termination of office in line with the forward-looking data for the same period provided to the market and approved by the Shareholders' Meeting; • 65% if the COP goal is achieved but the share price has declined; and • 35% if the share price goal is achieved but the COP goal is not. Trigger event: final departure from the Group following: • Termination (except for serious or gross misconduct as defined by analogy with legal precedent under employment law) during the term of office; • Non-renewal of the term of office; and • Resignation (before the end of the term of office) due to a disagreement of opinion with the Board of Directors (and after discussion within the Board to understand the objective reasons for this disagreement and its impact on the duties and responsibilities of the company officer).

4.4.2.3 Remuneration policy applicable to the Deputy Chief Executive Officer

Subject to approval by the Shareholders' Meeting to be held on 23 May 2024, this remuneration policy would apply to any successor of the Deputy Chief Executive Officer, until a new decision by the Shareholders' Meeting.

Furthermore, Jean-Claude Bassien must hold at least 10% of the shares resulting from free share awards in registered form.

The remuneration policy for the Deputy Chief Executive Officer consists of a fixed component, a variable component and a multi-year variable component, described hereafter:

Jean-Claude Bassien – Deputy Chief Executive Officer – Remuneration policy for the 2024 fiscal year (*ex ante* vote)

Component of the remuneration policy	Presentation
Fixed remuneration	€500,000
Annual variable remuneration	€400,000 (i.e. 80% of the annual fixed remuneration) for 100% achievement of objectives and possibility of outperformance on certain objectives to 110%. The award, level and payment are subject to the achievement of the performance targets set, with achievement assessed by the Board of Directors, after consultation with the Remuneration, Appointments and CSR Committee. Payment following a favourable <i>ex post</i> vote by the Shareholders' Meeting called to approve the financial statements for the fiscal year ended 31 December 2024 (L.22-10-34 II of the French Commercial Code). These items are subject to a clawback clause applicable in the event of fraud or proven serious or gross misconduct by the Deputy Chief Executive Officer having a significant adverse impact in terms of image and reputation and/or in financial terms on the Company and its Group, or if the financial, accounting or quantitative data used to measure performance were to be obviously and intentionally distorted.

Component of the remuneration policy	Presentation
Annual variable remuneration	€400,000 in the event of 100% achievement of the target objectives with the possibility of outperformance on certain objectives to 110%. The details of the amounts and thresholds are not disclosed for reasons of confidentiality. Quantitative objectives: 80% (i.e. a target amount of €520,000) • 30% in respect of the Group's net debt, with the possibility of outperforming this objective to 110% • The aim of this objective is to accelerate the downward trajectory of the Group's net debt • The level of net debt excludes debt on lease liabilities (IFRS 16), after application of IFRS 5 on discontinued operations • It will be calculated based on a decrease (in percentage) in the Group's net financial debt compared to 31 December 2023 • If there is less than a 10% decrease, no amount will be awarded. • 20% in respect of 2024 operating profit, with the possibility of outperforming this objective to 110% • The latter, marking a financial low point, will have to remain positive • If the operating profit for 2024 is not positive, no amount will be awarded • Operating profit corresponds to current operating profit and exceptional non-recurring items (capital gains on disposals, costs of adjusting the offer to new market conditions and costs related to the reorganisation of the Group to enable a rebound in 2025). • 15% in respect of the number of strategic and financial partnerships entered into in 2024, highlighting the finalisation and ongoing search for partnerships in the service businesses; possibility of outperforming this objective to 110% • 15% in respect of CSR - HR criteria broken down as follows: • 10% for carbon performance compared to the 2023 thresholds of the ER 2020 for building permits submitted in 2024 (target of -30% compared to the ER 2020 for 100% achievement and outperformance of 110% if the decrease is greater than 30%) • 5% for the progress made on the Group's diversity policy as measured by the percentage of women in the Group's governing bodies and the continued employment of seniors.

Component of the remuneration policy	Presentation
Annual variable remuneration	Qualitative objectives: 20% (i.e. a target amount of €130,000) 10% for the deployment and management of the Group's accelerated transformation towards an urban operator model As the leader in a real estate market whose transformation is accelerated by the intensity of the crisis, Nexity must quickly and safely carry out the in-depth transformation of its organisation around a regional multi-product offering by accelerating towards urban regeneration and transformation. To this end, the Group's executives will have to define and implement the necessary changes in scope and organisational changes without weakening the production system and maintaining the commitment of their operational management. 10% for the overhaul of the organisation and the adaptation of the Company to the new context To improve the Company's future productivity, the Group's executives will need to continue to reduce the operational cost base imposed by new market parameters and changes in scope. They will have to ensure the proper management of the information-consultation process with the employee representative bodies to make these essential adjustments in a controlled social climate.
Exceptional remuneration	No exceptional remuneration
Stock options, performance shares or any other component of long-term remuneration	28,000 shares based on the authorisation submitted for the approval of the Shareholders' Meeting of 23 May 2024. - Vesting in 2027 (minimum three-year vesting period) subject to performance criteria and conditions for all shares; - Details of amounts and thresholds are not provided for reasons of confidentiality; - Conditions will be based on a number of indicators which measure the Group's financial and stock market performance, and its CSR policy: Quantitative financial criteria: 75% 20% of shares granted on net debt reduction 15% of shares granted on the basis of the cumulative operational cash flow for the period 15% of shares granted according to the relative level of TSR (total shareholder return) against the SBF 120 during the period 25% of shares awarded on the success of operational urban regeneration projects Non-financial quantitative criteria: 25% 25% of shares awarded based on CSR/HR criteria: 10% on the reduction of the carbon footprint (trajectory at end-2025) compared to 2019 10% in respect of the Net Promoter Score 5% on progress made in terms of diversity and inclusion
Remuneration as a director	None
Valuation of benefits of any kind	€90/month – Company car
Supplementary pension scheme	Absence of supplementary pension plan

Component of the remuneration policy	Presentation
Severance benefits and non-competition indemnity	Work contract terminated from 19 May 2021 Non-competition clause of one year: • Indemnity equal to half of the average gross annual remuneration of any kind (fixed and annual variable component) paid by the Company during the two years preceding his effective departure date; • The Board of Directors reserves the right, at the time of the departure, to not request the application of this non-compete clause, and therefore not to pay the corresponding amount. End-of-service benefits An indemnity (other than indemnity under the non-competition clause) equal to 1.5x average gross annual remuneration of any kind (fixed and annual variable component) paid by the Company during the last two years preceding the effective departure date. Overall cap 2x average gross annual remuneration of any kind (fixed and annual variable component) including any indemnity received for the termination of the work contract, in accordance with the provisions of the AFEP-MEDEF Code. Amounts awarded and performance criteria conditioning the granting of benefits: • 100% if: • Average stock market price in the six months preceding the termination of functions (ASM) at least equal to the average stock market price of the six months preceding the vote by the Shareholders' Meeting on the principle of these indemnities; • Consolidated current operating profit (using comparable accounting standards) (COP) over the two years preceding the termination of office in line with the forward-looking data for the same period provided to the market and approved by the Shareholders' Meeting. • 65% if the COP goal is achieved but the share price has declined. • 35% if the share price goal is achieved but the COP goal is not. Trigger event: final departure from the Group following: • Termination (except for serious or gross misconduct as defined by analogy with legal precedent under employment law) during the term of office; • Non-renewal of the term of office; • Resignation (before the end of the term of office) due to a disagreement of opinion with the Board of Directors (and after discussion within the Board to understand the objective reasons for this disagreement and its impact on the duties and responsibilities of the company officer).

4.4.2.4 Remuneration policy applicable to the members of the Board of Directors excluding the Chairman of the Board of Directors

The remuneration policy for directors consists of specific elements which are described below. These specific elements are not applicable to the Chairwoman and Chief Executive Officer, whose remuneration policy is set out in Sections 4.4.2.2 of this chapter, nor to the directors representing employees, whether they are shareholders or not, who are remunerated in accordance with the terms of the work contract between them and the Company.

Directors, who are appointed for four-year terms, receive remuneration exclusively in the form of an annual fixed amount allocated to them by the Shareholders' Meeting. This amount was set at €400,000 on 18 May 2022.

The Shareholders' Meeting of 16 May 2023, based on a proposal from the Board of Directors and the Remuneration, Appointments and CSR Committee, approved the distribution rules between the directors and the non-voting Board member according to their appointment(s) to the various Committees and taking into account the work carried out by each Committee.

The allocation is based on the actual attendance at Board of Directors meetings and meetings of the Committees on which they serve (with no allowance for absences) as follows:

- €3,200 per Board of Directors meeting for each director;
- €2,600 per meeting of the Audit and Accounts Committee, and twice that amount for the Committee's Chairman;

- €1,800 per meeting of each other Committee, and twice that amount for each Committee Chairman; and
- €9,000 per year for the Vice-Chairwoman and Senior Independent Director.

As of the Shareholders' Meeting of 23 May 2024, the breakdown of the remuneration of the Vice-Chairman and the Senior Independent Director is amended as follows:

- €5,000 per year for the Vice-Chairman; and
- €5,000 per year for the Senior Independent Director.

Regarding the 2024 fiscal year, the payment of this amount will be made, on the basis of the €400,000 budgeted amount and according to the number of meetings held and effective attendance, as follows:

- Payment of a provisional amount in July 2024; and
- Regularisation at the end of the year with the payment of the balance in February 2025.

It is recalled that the payment of the amount allocated to the directors by way of remuneration for their work can be suspended, pursuant to the law, (i) under Article L.225-45-2 of the French Commercial Code, where the composition of the Board of Directors does not comply with Article L.22-10-3-1 of the same Code, and (ii) under the conditions of Article L.22-10-34-I of the French Commercial Code, where the Shareholders' Meeting does not approve the draft resolution on the disclosures mentioned in Article L.22-10-9-I of the French Commercial Code.

4.5 PENSIONS AND OTHER BENEFITS

At 31 December 2022, there were no contractual agreements (apart from those, as the case may be, recognised in provisions for employee benefit obligations) in connection with pensions or related benefits for the members of the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer or the Deputy Chief Executive Officer and company officer.

Interests of executive company officers and members of the Board of Directors in the Company's share capital

4.6 INTERESTS OF EXECUTIVE COMPANY OFFICERS AND MEMBERS OF THE BOARD OF DIRECTORS IN THE COMPANY'S SHARE CAPITAL

The directors and the executive company officers are required to hold all the shares they own in registered form.

At 31 December 2023, the members of the Board of Directors directly or indirectly held shares as shown in the table below:

Members of the Board of Directors	Number of shares ⁽¹⁾	Percentage of capital
Luce Gendry ⁽²⁾	1,605	NS
Véronique Bédague	50,547	NS
Charles-Henri Filippi	3,000	NS
Jérôme Grivet	200	NS
Soumia Belaidi-Malinbaum	300	NS
Agnès Nahum	200	NS
Magali Smets	300	NS
Myriam El Khomri	200	NS
Crédit Mutuel Arkéa	2,653,597	4.73%
Bruno Catelin	1,150	NS
La Mondiale	2,806,487	5.00%
Luc Touchet	198	NS
Karine Suzzarini	1,130	NS
TOTAL	5,518,914	9.83%

(1) According to statements made to the AMF and/or the Company.

(2) Of which 1,405 shares held *via* a controlled company.

With regard to Véronique Bédague, Chairwoman and Chief Executive Officer since 1 January 2023, and Jean-Claude Bassien, Deputy Chief Executive Officer and company officer, the Board of Directors has set a minimum threshold of 10% of free shares to be held in registered form.

Company officers and non-members of the Board of Directors ⁽¹⁾	Number of shares ⁽²⁾	Percentage of capital
Jean-Claude Bassien	12,370	NS

(1) And related persons.

(2) According to statements made to the AMF and/or the Company.

At 31 December 2023, the directors and company officers directly held 9.85% of the Company's share capital.

4.7 TRANSACTIONS IN SECURITIES

4.7.1 Transactions in securities by members of the Board of Directors and the main executives

First name/Surname	Capacity	Nature of the transaction	Description of the financial instrument	Number of securities	Unit price average (in euros)
Véronique Bédague	Chairwoman and Chief Executive Officer	Free share acquisition	Shares	19,235	N/A
Jean-Claude Bassien	Deputy Chief Executive Officer	Free share acquisition	Shares	35	N/A
Fabrice Aubert	Deputy CEO in charge of Institutional clients, M&A and International	Free share acquisition	Shares	35	N/A
Yann Ludmann	Director of Digital Solutions and Innovations	Free share acquisition	Shares	35	N/A
Pierre-Henry Pouchelon	Company Secretary in charge of Group Finance	Free share acquisition	Shares	35	N/A
Julien Drouot-L'Hermine	President of I-Sélection and Perl	Free share acquisition	Shares	35	N/A
Sophie Audebert	Human Resources Director	Free share acquisition	Shares	35	N/A
Jean Benucci	Deputy CEO of Nexity's Residential Real Estate division	Free share acquisition	Shares	35	N/A
Jean Benucci	Deputy CEO of Nexity's Residential Real Estate division	Disposal	Shares	2,600	16.99
Anne Gindt	Director of Communications and Branding	Free share acquisition	Shares	35	N/A
Stéphanie Le Coq de Kerland	Group Legal Director	Free share acquisition	Shares	35	N/A
Karine Olivier	Managing Director of the Services to Individuals Division	Free share acquisition	Shares	35	N/A
Karine Olivier	Managing Director of the Services to Individuals Division	Disposal	Shares	4,500	15.01
Jean-Luc Porcedo	Managing Director of the Transformation des Territoires Division	Free share acquisition	Shares	35	N/A
Jean-Luc Porcedo	Managing Director of the Transformation des Territoires Division	Pledge	Shares	8,065	19.03
Gwénaél Malard	Head of Operations and Transformation	Free share acquisition	Shares	35	N/A

Source: statements made to the AMF and/or the Company as at 31 December 2023.

4.7.2 Transactions in securities by shareholders holding more than 5% of the share capital

First name/Surname	Capacity	Nature of the transaction	Description of the financial instrument	Number of securities	Unit price average (in euros)
ACM Vie	Shareholder	Acquisition	Shares	23,504	ND

Source: statements made to the AMF and/or the Company as at 31 December 2023.

Stock options and free shares awarded to executive company officers

4.8 STOCK OPTIONS AND FREE SHARES AWARDED TO EXECUTIVE COMPANY OFFICERS

4.8.1 Share subscription and purchase option plans (stock options)

No share subscription or purchase option plans are in force for the executive company officers.

4.8.2 Free share awards

Véronique Bédague and Jean-Claude Bassien benefit from the free share award plans detailed in Chapter 3 “Non-financial performance” of this Universal registration

document and in Sections 4.4.1.2, 4.4.1.3, 4.4.2.2 and 4.4.2.3 above, subject to approval by the Shareholders’ Meeting of 23 May 2024.

4.9 MAJOR SHAREHOLDERS

4.9.1 Breakdown of share capital at 31 December 2023

The following table shows the number of shares and the percentage of share capital and voting rights held by all of the Company’s shareholders at 31 December 2023, as reported to the AMF and/or to the Company at that date, it being specified that there are no double voting rights:

Shareholders (at 31 December 2023)	Number of shares	% of share capital and theoretical voting rights	% of actual voting rights
Nexity managers belonging to the concert group ⁽¹⁾	4,097,165	7.30%	7.41%
Subtotal – Nexity Managers, members of the concert	4,097,165	7.30%	7.41%
FCPE Nexity Actions	1,439,722	2.56%	2.60%
Other employees	680,654	1.21%	1.23%
Subtotal – FCPE and other employees	2,120,376	3.78%	3.83%
CAA Predica + Spirica ⁽²⁾	3,603,925	6.42%	6.52%
CM Arkéa + Suravenir	3,910,977	6.97%	7.07%
La Mondiale	2,806,487	5.00%	5.07%
ACM VIE	2,834,495	5.05%	5.13%
Subtotal - Other shareholders holding more than 5% of the share capital	13,155,84	23.44%	23.79%
Free float	35,931,844	64.02%	64.97%
Treasury shares	823,455	1.47%	
TOTAL	56,129,724	100%	100%

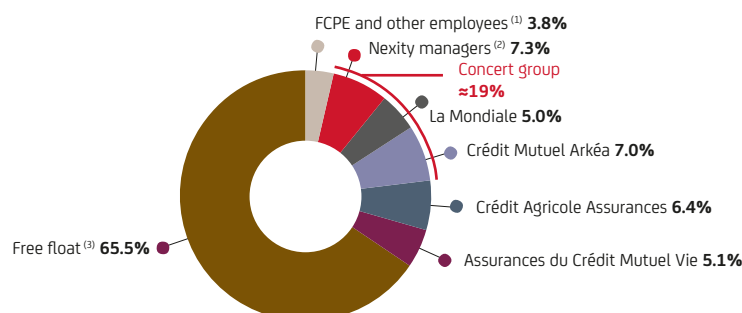
(1) Of which Alain Dinin and related persons: 2.6%

(2) Based on the email sent to the Company and including the shares held by Spirica

To the Company’s knowledge, there is no other shareholder holding, directly or indirectly, alone or in concert, more than 5% of the share capital or voting rights.

31 December 2023

56,129,724 shares



(1) Of which FCPE Nexity Actions: 2.56%

(2) A. Dinin (2.7%) and other Nexity managers belonging to the concert group

(3) Of which Treasury shares: 824,455 shares (1.47%)

A shareholders' concert group is based around Alain Dinin, and comprises the main executives of the Group, Crédit

Mutuel Arkéa, and La Mondiale, and represented 19.27% of the Company's share capital at 31 December 2023.

4.9.2 Changes in the share capital and shareholding structure over the past three years

The following table shows a breakdown of the Company's share capital and voting rights by date:

Shareholding structure ⁽¹⁾	2023			2022			2021		
	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights
Nexity managers belonging to the concert group ⁽²⁾	4,097,165	7.30%	7.41%	4,677,894	8.33%	8.43%	6,405,888	11.41%	11.60%
FCPE Nexity Actions	1,439,722	2.56%	2.60%	1,344,829	2.40%	2.42%	1,668,112	2.97%	3.02%
Other employees	680,654	1.21%	1.23%	517,977	0.92%	0.93%	330,332	0.59%	0.60%
CAA Predica + Spirica	3,603,925	6.42%	6.52%	3,603,925	6.42%	6.49%	3,603,925	6.42%	6.53%
CM Arkéa + Suravenir	3,910,977	6.97%	7.07%	3,910,977	6.97%	7.04%	2,999,451	5.34%	5.43%
La Mondiale	2,806,487	5.00%	5.07%	2,806,487	5.00%	5.05%	2,806,487	5.00%	5.08%
ACM Vie	2,834,495	5.05%	5.13%	2,810,991	5.01%	5.06%	-	-	-
Free float	35,931,844	64.02%	64.97%	35,846,691	63.87%	64.57%	37,397,975	66.63%	67.74%
Treasury shares ⁽³⁾	824,455	1.47%	0.00%	609,933	1.09%	-	917,554	1.63%	-
TOTAL	56,129,724	100%	100%	56,129,724	100%	100%	56,129,724	100%	100%

(1) According to the information presented in Section 4.9.3.

(2) Of which Alain Dinin and related persons: 2.7% in 2023.

(3) Including shares purchased as part of the liquidity contract and various share buyback programmes.

4.9.3 Threshold crossings and declarations under Article L.233-7 of the French Commercial Code and Article L.223-14 of the General Regulation of the AMF

During the 2023 fiscal year

In a declaration to the AMF on 25 January 2023 (AMF notice no. 223C0166), the concert composed of Crédit Mutuel Arkéa and Suravenir, executives of Crédit Mutuel Arkéa, La Mondiale and executives and managers of NEXITY declared

that it had crossed below the threshold of 20% of the Company's share capital and rights, on 18 January 2023, with 11,146,586 shares, i.e. 19.86% of the share capital and voting rights.

During fiscal year 2024 and until 3 April 2024

In a letter dated 1 February 2024 sent to the Company, T. Rowe Price declared that it had crossed above the statutory threshold of 3% of the Company's share capital and voting rights on 26 January 2024.

In a letter dated 7 March 2024 sent to the Company, T. Rowe Price declared that it had crossed above the statutory threshold of 4% of the Company's share capital and voting rights on 4 March 2024.

4.9.4 Shareholders' pact and agreement

At the date of this Universal registration document, the Company was not aware of any shareholders' agreements.

4.9.5 Control of the Company

At 31 December 2023, Nexity was not a controlled company within the meaning of Article L.233-3-II of the French Commercial Code.

4.9.6 Agreements potentially entailing changes in control of the Company

At the date of this Universal registration document, the Company was not aware of any agreements between shareholders that might entail a change in control of the Company.

Furthermore, some borrowings mentioned in Note 20 of "Consolidated financial statements at 31 December 2023"

in Chapter 5 of this Universal registration document contain change of control clauses.

There is no change of control clause in the employment contracts of members of the Executive Committee and other key executives of the Company.

4.10 INFORMATION ON THE SHARE CAPITAL

4.10.1 Share capital

At 31 December 2023, the Company's share capital totalled €280,648,620, divided into 56,129,724 fully paid-up shares with a nominal value of €5 each.

4.10.2 Securities not representing the capital

At the date at which this Universal registration document was filed, there were no securities that did not represent the Company's capital.

4.10.3 Treasury shares

At the Shareholders' Meeting of 16 May 2023, the shareholders voted to adopt a resolution authorising the Board of Directors, for a period of 18 months, to arrange for the Company to buy its own shares under the provisions of Articles L.22-10-61 *et seq.* of the French Commercial Code and in compliance with the conditions laid down in Articles 241-1 to 241-7 of the General Regulation of the AMF and in the directly applicable provisions of European Commission Regulation No. 596/2014 of 16 April 2014.

Under the terms of this authorisation, shares in the Company may be purchased, sold, transferred or exchanged, in compliance with applicable legislation and regulations, using any means or procedures, at any time, on one or more occasions, including by trading blocks of shares

or carrying out over-the-counter trades (which may account for the entirety of the associated programme), using financial contracts, warrants or securities conferring rights to shares in the Company, or by putting in place option-based strategies (provided that such approaches do not materially increase the volatility of the Company's shares), or by issuing securities which, by way of their conversion, exchange, redemption, the exercise of a warrant or by any other method confer rights to shares in the Company held by the latter, up to a maximum of 10% of the share capital. Where applicable, this threshold may be adjusted to reflect transactions affecting the Company's share capital after the Shareholders' Meeting of 16 May 2023.

This authorisation is intended to enable the Company to:

- Enhance liquidity in the Company's shares and increase the regularity with which the share price is listed or avoid price discrepancies not supported by market trends, under the terms of a liquidity contract entered into with an investment services provider acting independently in compliance with market practices accepted by the AMF;
- Allot the shares to company officers or employees of the Company and/or companies belonging to its group, under the terms and conditions laid down in applicable legislation and regulations, under (i) programmes intended to share the benefits of the Company's growth, (ii) the rules governing stock options laid down in Articles L.225-179 *et seq.* of the French Commercial Code, (iii) the rules governing the issue of free shares laid down in Articles L.225-197-1 to L.225-197-3 of the French Commercial Code and (iv) an employee savings scheme, as well as to enter into transactions intended to provide for such activities, under the conditions laid down by market authorities and at times considered appropriate by the Board of Directors or persons acting under its authority;
- Deliver the shares upon the exercise of rights attached to securities giving an immediate or future right to the allotment of shares in the Company *via* redemption, conversion, exchange, presentation of a warrant or any other method, and to enter into any transactions to provide for the issuance of such securities, under the conditions laid down by market authorities and at times considered appropriate by the Board of Directors or persons acting under its authority;
- Retire some or all of the shares by reducing the Company's share capital (in particular with a view to optimising cash management, return on equity or

earnings per share), subject to the approval of the 13th Resolution presented below at this Shareholders' Meeting; and

- Trade in its own shares for any other purpose already authorised or that should become authorised by applicable legislation and regulations or recognised by the AMF as an accepted market practice. In such cases, the Company would notify its shareholders *via* a press release.

On 16 May 2023, on the basis of an authorisation given by the Shareholders' Meeting held on that date, the Company launched a share buyback programme aimed primarily at enhancing liquidity in the Company's shares and increasing the regularity with which the share price is listed or avoiding price discrepancies which are not supported by market trends, under the terms of a liquidity contract entered into with an investment services provider acting independently in compliance with market practices accepted by the AMF.

This programme followed the one launched on 18 May 2022, based on the authorisation by the Shareholders' Meeting of the same day with an identical primary goal.

The shares acquired and sold by the Company in 2023 were acquired under:

- The liquidity contract entered into on 6 January 2021 with BNP Paribas Exane acting as Investment Services Provider (ISP); During the 2023 fiscal year, 685,402 shares totalling €13.1 million were bought back, and 574,100 shares totalling €11.0 million were sold; and
- As part of the mandate with BNP Paribas Exane, the Company bought back 383,000 shares for an amount of €5.2 million between 11 and 24 October 2023 (mandate signed on 10 October 2023).

Moreover, 277,530 free shares were awarded during the fiscal year as part of the vesting process for free shares.

Treasury shares				
(in number of shares)	Authorisations	o/w liquidity contract	o/w to cover free share award plans	Total holding (at transaction date)
Position at 31 December 2022	5,612,972	122,086	487,097	609,183
Purchase, sale and transfer of shares				
• <i>via</i> the liquidity contract entered into with an Investment Services Provider		111,302		111,302
• as part of the share buyback programme of treasury shares destined to be awarded under the free share award plans			383,000	383,000
• transfers during the fiscal year to cover free shares vested			(277,530)	(277,530)
Implementation of the programme authorised by the Shareholders' Meeting of 16 May 2023	10% of the adjusted capital according to its change			
POSITION AT 31 DECEMBER 2023	5,612,972	233,388	592,567	825,955
Fraction of capital	10%	0.4%	1.1%	1.5%
Portfolio value, at purchase price		3,265,964	13,421,951	16,687,915
Portfolio value, at the reporting date		3,932,588	9,984,754	13,917,342

4.10.4 Schedule of authorisations granted by the Company's Shareholders' Meetings

The outstanding authorisations to the Board of Directors granted at the Company's Shareholders' Meetings were as follows at 3 April 2024:

Purpose of the authorisation	Date and duration of the authorisation	Maximum nominal amount of capital increase ⁽¹⁾	Amount used and decision of use
Issues of shares			
1. Issues with preemptive subscription rights Capital increase, with preemptive subscription rights, through the issue of shares or other securities providing access to the share capital	Shareholders' Meeting of 18 May 2022 (23 rd resolution) 26 months, to 17 July 2024	25% of the share capital or €600 million in debt securities ⁽²⁾	Not used
2. Issues without preemptive subscription rights Capital increase through the issuance of shares or other securities providing access to the share capital	Shareholders' Meeting of 18 May 2022 (24 th resolution) 26 months, to 17 July 2024	With priority rights: 20% of the share capital or €600 million in debt securities ^{(2) (3) (4)} Without priority rights: 10% of the share capital or €300 million in debt securities ^{(2) (3) (4)}	Not used
3. Issues, without preemptive subscription rights, open to qualified investors (as described in Paragraph II of Article L.412-2 of the French Monetary and Financial Code) Capital increase through the issuance of shares or other securities providing access to the share capital	Shareholders' Meeting of 18 May 2022 (25 th resolution) 26 months, to 17 July 2024	10% of the share capital or €300 million in debt securities ^{(2) (3) (4)}	Not used
4. Overallotment option	Shareholders' Meeting of 18 May 2022 (26 th resolution) 26 months, to 17 July 2024	Up to the limit of 15% of the initial issue described in Points 1, 2 and 3 of this table, and at the same price ^{(2) (3) (4)}	Not used
5. Capital increase by capitalisation of reserves, earnings, premiums or other accounts	Shareholders' Meeting of 18 May 2022 (27 th resolution) 26 months, to 17 July 2024	25% of the share capital ⁽³⁾	Not used
6. Issue in exchange for contributions of equity securities or other securities giving access to the share capital through a public exchange offer initiated by the Company	Shareholders' Meeting of 18 May 2022 (28 th resolution) 26 months, to 17 July 2024	10% of the share capital ^{(2) (3) (4)}	Not used
7. Issue in exchange for contributions in kind*	Shareholders' Meeting of 18 May 2022 (29 th resolution) 26 months, to 17 July 2024	10% of the share capital ^{(2) (3) (4)}	Not used

Purpose of the authorisation	Date and duration of the authorisation	Maximum nominal amount of capital increase ⁽¹⁾	Amount used and decision of use
Issues reserved for eligible employees or company officers			
8. Free awards of new or existing shares	Shareholders' Meeting of 16 May 2023 (16 th resolution) 14 months, <i>i.e.</i> until 15 July 2024	1% of the share capital at the date on which the grant is decided by the Board of Directors ⁽⁵⁾	Award of 416,150 free shares granted by the Board of Directors at its meeting of 28 February 2024
9. Issues reserved for participants in Group company savings schemes	Shareholders' Meeting of 18 May 2022 (30 th resolution) 26 months, to 17 July 2024	1% of diluted share capital at 18 May 2022 ⁽⁵⁾	Not used
Share repurchase and reduction in share capital			
10. Repurchase by the Company of its own shares	Shareholders' Meeting of 16 May 2023 (14 th resolution) 18 months, <i>i.e.</i> until 15 November 2024	10% of the share capital, adjusted to reflect the transactions affecting the share capital after 16 May 2023	See Section 4.10.3 above for the liquidity contract and authorisation to purchase shares
11. Reduction in share capital via the retirement of treasury shares	Shareholders' Meeting of 16 May 2023 (21 st resolution) 18 months, <i>i.e.</i> until 15 November 2024	10% of the share capital per 24-month period	Not used

* The Board of Directors may not, without the prior authorisation of the Shareholders' Meeting, make use of this delegation as from the filing by a third party of a draft takeover bid for the Company's shares until the end of the offer period.

(1) In the event of a capital increase, the limit is expressed as a percentage of the number of shares making up the share capital at the date of the Shareholders' Meeting. Where debt instruments are issued, the maximum limit is stated in euros.

(2) Where debt securities are issued, the amount issued may result in a capital increase equal to the designated percentage (25%, 20% or 10%).

(3) This amount is counted against the maximum percentage of 25% or €600 million for issues with preemptive subscription rights.

(4) In the case of an issue of shares or debt securities without preemptive subscription rights and without priority rights, the amount of the issue without priority rights is deducted from the amount of the issue with priority rights and the amount of issues with preemptive subscription rights.

(5) Limit separate from the limits for the delegations of authority set at the Shareholders' Meeting of 18 May 2022.

4.10.5 Other securities giving access to the share capital

On 27 February 2018, the Company completed a private placement (as provided for in Paragraph II of Article L.411-2 of the version of the French Monetary and Financial Code applicable at that date) of 2,902,336 bonds with the option of redemption in cash and/or new and/or existing shares (the 2018 ORNANE bonds). The total amount issued was €200 million.

The 2018 ORNANE bonds were admitted for trading on the Marché Libre of Euronext Access Paris.

The initial conversion ratio was adjusted to 1.427 shares as of 25 May 2023, following the distribution approved at the Shareholders' Meeting of 16 May 2023.

Bondholders may request to have their securities converted into or exchanged for newly issued or existing shares at any time.

Unless redeemed early, exchanged or converted as laid down in the Terms and Conditions, the 2018 ORNANE bonds must be redeemed in full on 2 March 2025.

On 19 April 2021, the Company completed a €240 million private placement (as provided for in Paragraph II of Article L.411-2 of the version of the French Monetary and Financial Code applicable at that date) of 4,012,706 bonds with the option of redemption in cash and/or new and/or existing shares (the 2021 OCEANE bonds). This new issue made it possible to partially finance the buyback of the entire €270 million bond convertible into and/or exchanged for new and/or existing shares (OCEANE) issued in 2016.

The 2021 OCEANE bonds were admitted for trading on the Euronext Access Paris stock exchange.

The initial conversion ratio was adjusted as of 25 May 2023 to 1.272 shares, following the distribution approved at the Shareholders' Meeting of 16 May 2023.

Bondholders may request to have their securities converted into or exchanged for newly issued or existing shares at any time.

Unless redeemed early, exchanged or converted as set out in the Terms and Conditions, the 2021 OCEANE bonds must be redeemed in full on 19 April 2028.

	Detail of bond issues	
	OCEANE 2021	ORNANE 2018
Meeting date	19/05/2020	31/05/2016
Date of the Board of Directors' meeting	24/02/2021	20/02/2018
Total number of bonds issued as of the date of this document	4,012,706	2,902,336
of which subscribed by company officers:	None	None
Maturity date	19/04/2028	02/03/2025
Annual interest rate	0.875%	0.25%
Methods of conversion or exchange	<i>see Terms and Conditions</i>	<i>see Terms and Conditions</i>
Number of shares granted as of the date of this document	-	-
Cumulative number of cancelled or lapsed bonds	-	-
Number of bonds outstanding at the reporting date	4,012,706	2,902,336

4.10.6 Potential impact of securities giving access to share capital

At 31 December 2023	
Number of shares outstanding	56,129,724
Number of free shares awarded, not cancelled and not vested (less the number of treasury shares allocated to free share award plans)	924,820
Number of shares issued as part of the conversion of 100% of the 2018 ORNANE bonds	4,141,633
Number of shares issued as part of the conversion of 100% of the 2021 OCEANE bonds	5,104,162
TOTAL NUMBER OF SECURITIES AFTER THE ISSUANCE OF SECURITIES GIVING ACCESS TO THE SHARE CAPITAL	66,300,340

On the basis of the number of shares making up the share capital as at 31 December 2023, the issuance of all free share awards granted (less allocated treasury shares) and the conversion of 2018 ORNANE and 2021 OCEANE bonds would result in maximum potential dilution of 15.34%.

4.10.7 Pledges of shares

As of the registration date of this Universal registration document, the Company is unaware of any pledges of shares.

4.10.8 Conditional or unconditional options or agreements regarding the share capital of any Group member

Nexity holds 74.30% of the share capital of Hiptown. Under certain conditions, Nexity has mechanisms at its disposal giving it the option of ultimately acquiring the share capital in full.

On 29 June 2021, Nexity sold part of its stake in Ægide SA to La Mondiale. At 31 December 2022, Nexity held 18% of Ægide SA. Under certain conditions, Nexity benefits from mechanisms enabling it to sell the remainder of its stake to La Mondiale.

Nexity holds, after the purchase of the stake held by certain minority shareholders in July 2023, 91.82% in Bureaux à Partager (Morning Coworking). Under certain conditions, Nexity has mechanisms at its disposal giving it the option of ultimately acquiring the share capital in full.

Nexity holds a 65% of pantera AG. Under certain conditions, Nexity has mechanisms at its disposal giving it the option of ultimately acquiring the share capital in full.

Nexity holds 55% of Holding LPA (Angelotti). Under certain conditions, Nexity has mechanisms at its disposal giving it the option of ultimately acquiring the share capital in full.

After exercising the option in July 2022 on approximately 10% of the shares, Nexity holds 100% of the share capital and voting rights of Accessite.

Following the exercise of the option in April 2023 on 11% of the shares, Nexity holds 100% of the shares of Édouard Denis Développement, the parent company of the Édouard Denis real estate development group.

Following the exercise of the option in February 2024 on 17.5% of the shares, Nexity holds 100% of the share capital and voting rights of the company Prado Gestion (Primosud).

Given the relative size of the businesses concerned, these commitments pose no risk to the Group's financial structure.

4

4.11 STATUTORY PROVISIONS

In order to bring them into line with the law, the Company's Articles of Association were updated at the Combined Shareholders' Meeting of 18 May 2022.

4.11.1 Shareholders' Meetings (Article 19 of the Articles of Association)

Meeting Notice

Shareholders' Meetings shall be convened, and conduct business as laid down in law. The Company may fulfil the required formalities prior to Shareholders' Meetings using electronic communication methods, pursuant to Article R.225-63 of the French Commercial Code.

Shareholders' Meetings shall be held at the Company's registered office or at any other location indicated in the Notice of Meeting.

Shareholders may vote on resolutions at Ordinary, Extraordinary, Special or Combined Shareholders' Meetings, according to the type of resolution to be voted on.

Attendance

Under Article 19 of the Articles of Association, shareholders may attend and vote at any Shareholders' Meeting, in person or by proxy, pursuant to Article L.22-10-39 of the French Commercial Code.

Shareholders are entitled to attend Shareholders' Meetings insofar as the shares they own are fully accounted for, as follows, by the regulatory deadline (Article R.22-10-28 of the French Commercial Code):

- Owners of registered shares (actions nominatives) must have their shares registered in the Company's accounts by the deadline; and

- Owners of bearer shares (actions au porteur) must have their shares recorded in the accounts of their authorised intermediary by the deadline. The holding of bearer shares with an authorised intermediary is evidenced by an ownership certificate issued by that intermediary.

In accordance with the provisions of Article R.22-10-28 of the French Commercial Code, shares must be fully accounted for no later than 00:00 hours (Paris time) on the second business day preceding the meeting.

Shareholders may be represented by another shareholder, their spouse, their civil partner or any other natural or legal person of their choice. Shareholders may also vote by post, or electronically if applicable and subject to prior consent by the Board of Directors, using a form sent to them at their request as specified in the preliminary notice and in the Notice of Meeting, in accordance with applicable laws and regulations. Shareholders may send in and revoke their proxy forms electronically. Pursuant to the Board of Directors' decision indicated in the preliminary notice and the Notice of Meeting, the electronic signature of this form may be either (i) a secure electronic signature as defined in Decree No. 2001-272 of 30 March 2001 adopted pursuant to Article 1367 of the French Civil Code concerning electronic signatures, or (ii) provided using some other reliable identification process that meets the requirements of the first sentence of the second paragraph of the aforementioned Article 1367. A shareholder's attendance at a Shareholders' Meeting shall invalidate any vote made by post, electronically or by proxy. In the event of a conflict between a proxy vote and a postal vote, the proxy vote will shall have priority, regardless of when the votes were cast. Voting forms sent in by post shall not count towards the quorum unless they are duly completed and received by the Company at least three (3) calendar days before the date of the Shareholders' Meeting. Voting instructions granting proxy or power of attorney that are sent in electronically as laid down in law and as determined by the Board of Directors shall be executed if received by the Company by 3:00 p.m. (Paris time) the day before the Shareholders' Meeting.

Voting rights

Voting rights attached to shares are proportional to the portion of share capital those shares represent, with each share entitling its holder to one vote. No double voting rights have been granted pursuant to the last paragraph of Article L.10-10-46 of the French Commercial Code.

Form of shares and identification of shareholders

Fully paid-up shares may be held in registered or bearer form at the shareholder's option, subject to the legal and regulatory requirements and the Company's Articles of Association. Shares must be held in registered form until fully paid up.

Amendments to the Articles of Association

In accordance with Article L.225-96 of the French Commercial Code, the Extraordinary Shareholders' Meeting alone is authorised to amend the Articles of Association in all their provisions. Any clause to the contrary is deemed unwritten. However, it may not increase shareholders' commitments, subject to transactions resulting from a regularly carried out reverse stock split. It may only validly deliberate if the shareholders present or represented hold at least one quarter of the shares with voting rights on the first notice of meeting and one fifth on the second notice of meeting. Failing this, the second meeting may be extended to a date no later than two months after the date on which it was due to be held. It rules by a two-thirds majority of the votes cast by the shareholders present or represented. The votes cast do not include those attached to shares for which the shareholder did not take part in the vote, abstained or submitted a blank or invalid vote.

4.11.2 Threshold crossings (Article 10 of the Articles of Association)

Any natural or legal person, acting alone or in concert, that comes to hold a number of shares representing over 5%, 10%, 15%, 20%, 25%, 30%, 33^{1/3}%, 50%, 66^{2/3}%, 90% or 95% of the Company's share capital or voting rights shall inform the Company and the French Financial Markets Authority (AMF) of the total number of shares or voting rights held within four trading days after crossing above any of these ownership thresholds. This reporting requirement also applies when a shareholder crosses below any of these thresholds, in terms of share capital or voting rights.

Unless properly reported, any shares over and above the threshold that should have been reported in accordance with the aforementioned legal requirements will have no voting rights at any Shareholders' Meeting for a period of two years after the reporting requirement is met.

Furthermore, pursuant to the Company's Articles of Association, any natural or legal person, acting alone or in concert, who comes to hold, either directly or indirectly,

according to the same calculation methods and conditions as those laid down in Articles L.233-7 *et seq.* of the French Commercial Code and in the AMF's General Regulation, a number of shares representing over 3% of the Company's share capital and/or voting rights, and subsequently to this each additional 1% of the Company's share capital and/or voting rights including beyond the 5% threshold and all legal and regulatory reporting thresholds, shall notify the Company by registered post with acknowledgement of receipt within four trading days of the date on which the aforementioned threshold is exceeded, indicating the percentage of share capital and voting rights held and any securities that give or may in the future give the shareholder access to the share capital and the associated potential voting rights. This information is also reported, subject to the same requirements, whenever the percentage of the share capital or voting rights held falls below one of these thresholds.

At the request of one or more shareholders holding at least 3% of the Company's share capital or voting rights and duly recorded in the minutes of a Shareholders' Meeting, failure by a shareholder to observe these provisions may be sanctioned by the revocation of that shareholder's right to exercise the voting rights attached to the excess shares over and above the reporting threshold at any Shareholders' Meeting for a period of two years after the date on which the reporting requirement is met.

Subject to the exceptions laid down in legal provisions, any person who holds, either individually or in concert, in respect of one or more temporary sales of those shares or any transaction conferring the right or giving rise to the obligation to resell those shares or return them to the seller, a number of shares representing more than 0.5% of total voting rights, shall notify both the Company and the French

Financial Markets Authority (AMF) of the total number of shares temporarily held no later than 00:00 hours (Paris time) two business days before the date of the Shareholders' Meeting, provided that the contract arranging that transaction remains in force at that date. As well as the number of shares acquired under the terms of one of the aforementioned transactions, the notification must include the identity of the seller, the date and maturity of the contract governing the transactions and, where applicable, the voting agreement. The Company shall publish this information under the terms and conditions laid down in the AMF's General Regulation.

Unless properly reported, any shares purchased under one of the aforementioned transactions will be stripped of voting rights for the Shareholders' Meeting in question and for any other Shareholders' Meeting that might be held until such time as those shares are resold or returned.

4.11.3 Composition of the Board of Directors (Article 11 of the Articles of Association)

Information on the start and end dates of directors' terms of office is set out in Section 4.1.2 "Members of the Board of Directors" of this chapter.

The Board of Directors has no fewer than three and no more than eighteen members.

Board members are appointed at the Ordinary Shareholders' Meeting for four-year terms expiring at the end of the Ordinary Shareholders' Meeting held during the fiscal year in which their terms of office expire to approve the financial statements for the preceding fiscal year. The Board of Directors also includes two directors representing the Group's employees (Article L.22-10-7 of the French Commercial Code), with the number of directors appointed by the Shareholders' Meeting being greater than eight. These directors are appointed by the Group Work Council for a period of four years from the date of this appointment.

The Board of Directors also includes a director representing employee shareholders, when the Company's employees hold more than 3% of the share capital.

With the exception of the director representing the employees, according to the Articles of Association each member of the Board of Directors must own at least 200 shares and keep them in registered form for the entirety of his or her term of office. The number of shares held by serving directors is set out in Section 4.6 "Stakes held by executive company officers and the members of the Board of Directors in the Company" of this chapter.

Directors are always eligible for reappointment. No more than one third of the Board members may be aged 70 or over. If a director or permanent representative reaches the age of 70 when one third of the Board members have already reached that age, the oldest director or permanent representative will be deemed to have resigned as at the next Ordinary Shareholders' Meeting. Where a director is a legal entity, these age limits apply to that entity's permanent representative.

Article 11 of the Articles of Association has been amended to remove the option to appoint a non-voting Board member.

Chairman of the Board of Directors

The Board of Directors elects one of its individual members as Chairman for a duration not exceeding the electee's term of office as director. The Chairman must be under 75 years of age. If the Chairman of the Board of Directors reaches this age limit while in office, he or she will be deemed to have resigned at the end of the next Annual Ordinary Shareholders' Meeting. The Board of Directors determines the Chairman's remuneration. It may also dismiss the Chairman at any time.

The Chairman organises and directs the Board's activities and reports on them at Shareholders' Meetings. The Chairman oversees the proper functioning of the Company's corporate bodies and specifically ensures that the directors are in a position to fulfil their duties.

Vice-Chairman and Senior Independent Director

If deemed necessary, the Board of Directors may also appoint one or more Vice-Chairmen chosen from among the independent directors, for a term of office that may not exceed that of their appointment as director.

Luce Gendry has served in this position since 17 February 2015.

The Vice-Chairman may convene meetings of the Board of Directors should the Chairman be unable to do so.

In the absence of the Chairman of the Board of Directors, the Vice-Chairman may also chair meetings of the Board of Directors.

The Vice-Chairman is also the Senior Independent Director. It is specified that the Board of Directors intends, in any case before the Shareholders' Meeting of 23 May 2024, to separate the two functions. His duties, responsibilities, resources and prerogatives as such are described in the internal rules and regulations of the Board of Directors. In this capacity, he coordinates meetings of independent directors, supervises the formal assessment of the work of the Board of Directors and is the point of contact for Board members in the event of a conflict of interest.

Representative of the Social and Economic Committee

Following the appointment of a director representing the employees by the Works Council of UES Nexity Promotion Construction, in accordance with the provisions of Article L.2323-65 of the French Labour Code, a single representative of this Works Council attends meetings of the Board of Directors.

4.11.4 Duties and powers of the Board of Directors (Article 15 of the Articles of Association)

The Board of Directors sets the Company's business objectives and oversees their implementation, in accordance with its social interest, taking into account the social and environmental implications of its activities. Except for certain powers expressly allocated to

Shareholders' Meetings, and insofar as the corporate purpose allows, the Board of Directors addresses all issues pertaining to the running of the Company and votes on how to resolve matters concerning it. The Board of Directors undertakes any controls and checks it deems appropriate.

4.11.5 Form of shares and identification of shareholders and bondholders (Article 8 of the Articles of Association)

Ownership of the shares is established by registration in an account with the Company in accordance with the regulations in force. When the owner of the securities is not domiciled in France, an intermediary may be registered on behalf of this owner. This registration may be made in the form of a collective account or in several individual accounts each corresponding to an owner. The registered intermediary is required, at the time of opening an account with either the Company or the authorised financial intermediary holding an account, to declare that it is an intermediary holding securities on behalf of third parties, in accordance with the legal and regulatory provisions in force.

With a view to identifying holders of bearer shares, the Company or a third party appointed by it is entitled to request, at any time and in return for remuneration at its expense, under the conditions set by law, that the information concerning the owners of its shares and securities conferring immediate or future voting rights at its own Shareholders' Meetings be transferred to the Company. Any intermediary mentioned in paragraph I, 1° to 4° of Article L.228-1 of the French Commercial Code who

receives the request for information provided for in the first paragraph of the same article shall provide the information requested concerning the owners of securities and the intermediaries registered in its books, to the person named for this purpose in the application. In addition, it shall forward the request for information to the intermediaries registered in its books, unless expressly opposed by the Company or the third party appointed by the latter at the time of the request.

Any intermediary mentioned in paragraph I, 1° to 4° of Article L.228-1 of the French Commercial Code shall send to the Company or the third party appointed by the latter, at its request, the contact details of the intermediaries registered in its books who hold shares or securities conferring immediate or future voting rights at Shareholders' Meetings of the issuing company. In the case of registered securities giving immediate or future access to the share capital, the registered intermediary is required to disclose the information concerning the owners of these securities, at the simple request of the Company or its agent, which may be presented at any time.

As long as the Company or the third party appointed by it considers that certain holders whose identities have been communicated to them are acting on behalf of third-party owners of the securities, they are entitled to ask these holders to disclose the information concerning the owners of these securities, either under the conditions provided for in Article L.228-2 of the French Commercial Code for bearer securities or under the conditions provided for in the first paragraph of Article L.228-3 of the French Commercial Code for registered securities. Following this request, the Company may ask any legal entity that owns its shares and holds more than 2.5% of the share capital or voting rights, to inform it of the identity of the persons holding, directly or indirectly, more than one-third of the share capital or voting rights of the legal entity owning the Company's shares.

In the event of a breach in the obligations referred to above, the shares or securities giving access, immediately or in the future, to the share capital and for which these obligations have not been complied with, will be deprived of voting rights for any Shareholders' Meeting held until the date of settlement of the identification, and the payment of the corresponding dividend will be deferred until that date.

In addition, should the registered person knowingly disregard these obligations, the court in whose jurisdiction the Company has its head office may, at the request of the Company or one or more shareholders holding at least 5% of the share capital, announce the total or partial deprivation, for a total period not exceeding five years, of the voting rights attached to the shares that have been the subject of a request for information from the Company and, possibly and for the same period, of the right to payment of the corresponding dividend.

Unless there is a clause to the contrary in the bond issue agreement, the Company may request the identification of the holders of these securities, when they were issued on or after 3 August 2014, under the conditions set out in this article, it being specified that the provisions referring to the Shareholders' Meetings will be read as referring to the General Meetings of bondholders.



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5.1.1 Condensed consolidated financial statements

Consolidated balance sheet

ASSETS			
<i>(in thousands of euros)</i>	Notes	Balance at 31/12/2023	Balance at 31/12/2022
Non-current assets			
Goodwill	7	1,171,893	1,397,735
Other intangible assets	8	107,153	147,596
Right-of-use assets	8	748,343	715,798
Property, plant and equipment	8	81,505	80,484
Equity-accounted investments	9	132,795	109,326
Other financial assets	10	49,713	60,201
Deferred tax assets	31	25,342	15,899
Total non-current assets		2,316,744	2,527,039
Current assets			
Inventories and work in progress	12	1,909,849	1,973,399
Trade and other receivables	13	1,163,205	1,541,735
Tax receivable	31	16,138	10,400
Other current assets	14	700,453	1,653,293
Other financial receivables	22	370,296	361,118
Cash and cash equivalents	23	715,947	897,979
Total current assets		4,875,888	6,437,924
Assets held for sale	3.2	1,303,942	209,700
TOTAL ASSETS		8,496,574	9,174,663

LIABILITIES AND EQUITY			
<i>(in thousands of euros)</i>		Balance at 31/12/2023	Balance at 31/12/2022
Equity			
Share capital	16	280,649	280,649
Additional paid-in capital		521,060	521,060
Treasury shares held	19	(16,633)	(21,652)
Reserves and retained earnings		1,073,184	1,006,267
Net profit for the period		19,206	187,770
Equity attributable to equity holders of the parent company		1,877,466	1,974,094
Non-controlling interests	17	63,380	61,629
Total equity		1,940,846	2,035,723
Non-current liabilities			
Long-term borrowings and financial debt	21	581,780	665,481
Non-current lease liabilities	21	719,731	672,222
Employee benefits	26	10,928	20,815
Deferred tax liabilities	31	80,137	98,921
Total non-current liabilities		1,392,576	1,457,439
Current liabilities			
Short-term borrowings, financial liabilities and operating liabilities	21	1,161,677	1,227,563
Current lease liabilities	21	128,770	106,812
Current provisions	26	68,735	76,999
Trade and other payables		1,750,992	1,816,277
Current tax liabilities	31	4,693	21,263
Other current liabilities	15	890,033	2,267,852
Total current liabilities		4,004,900	5,516,766
Liabilities associated with assets held for sale	3.2	1,158,252	164,735
TOTAL LIABILITIES AND EQUITY		8,496,574	9,174,663

Consolidated income statement

<i>(in thousands of euros)</i>	Notes	31/12/2023 (12-month period)	31/12/2022 (12-month period)
Revenue	4	3,964,311	4,351,751
Purchases		(2,605,277)	(2,883,564)
Employee benefits expense	27	(664,045)	(671,481)
Other operating expenses	28	(283,409)	(256,252)
Taxes (other than income tax)		(35,657)	(33,275)
Depreciation, amortisation and impairment of non-current assets	29	(197,427)	(172,019)
Current operating profit		178,496	335,160
Non-current operating profit		39,624	-
Operating profit		218,120	335,160
Share of net profit of equity-accounted investments	9	18,570	25,730
Operating profit after share of net profit of equity-accounted investments		236,690	360,890
Financial expenses	30	(116,047)	(67,817)
Financial income	30	15,954	7,244
Net financial income/(expense)		(100,093)	(60,573)
Pre-tax recurring profit		136,597	300,317
Income tax	31	(50,780)	(88,770)
Share of net profit/(loss) from other equity-accounted investments	9	(49,086)	(7,441)
NET PROFIT		36,731	204,106
o/w: Attributable to equity holders of the parent company		19,206	187,770
o/w: Attributable to non-controlling interests		17,525	16,336
<i>(in euros)</i>			
Net earnings per share	32	0.35	3.40
Diluted earnings per share	32	0.33	2.98

Consolidated statement of comprehensive income

<i>(in thousands of euros)</i>	31/12/2023 (12-month period)	31/12/2022 (12-month period)
NET PROFIT	36,731	204,106
Change in value of derivative instruments for hedging	(2,656)	-
Foreign currency translation gains and losses	2,703	(433)
Gains and losses that may be recycled to net profit	47	(433)
Actuarial gains and losses on retirement benefits	2,150	3,870
Deferred tax on actuarial gains and losses	(555)	(999)
Other variations	-	106
Gains and losses that may not be recycled to net profit	1,595	2,977
TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX)	1,642	2,544
TOTAL COMPREHENSIVE INCOME	38,373	206,650
o/w: Attributable to equity holders of the parent company	20,848	190,314
o/w: Attributable to non-controlling interests	17,525	16,336

Change in consolidated equity

<i>(in thousands of euros)</i>	Share capital	Additional paid-in capital	Treasury shares held	Reserves and retained earnings	Other comprehensive income	Equity attributable to equity holders of the parent company	Non-controlling interests	Total equity
Movements in 2022								
At 1 January 2022	280,649	548,489	(34,066)	1,128,484	4,996	1,928,552	19,620	1,948,172
Treasury shares			12,414	(9,594)		2,820		2,820
Share-based payments				11,773		11,773		11,773
Impact of acquisitions or disposals of non-controlling interests after acquisition of control				(20,585)		(20,585)		(20,585)
Dividends paid by Nexity (€2.50 per share)				(138,100)		(138,100)		(138,100)
Total movements linked to relationships with shareholders	-	-	12,414	(156,506)	-	(144,092)	-	(144,092)
Net profit for the period				187,770		187,770	16,336	204,106
Other comprehensive income					2,544	2,544		2,544
Total comprehensive income	-	-	-	187,770	2,544	190,314	16,336	206,650
Dividends paid by subsidiaries						-	(9,960)	(9,960)
Impact of changes in scope				(680)		(680)	35,633	34,953
AT 31 DECEMBER 2022	280,649	548,489	(21,652)	1,159,068	7,540	1,974,094	61,629	2,035,723
Movements in 2023								
At 1 January 2023	280,649	548,489	(21,652)	1,159,068	7,540	1,974,094	61,629	2,035,723
Treasury shares			5,019	(9,488)		(4,469)		(4,469)
Share-based payments				2,032		2,032		2,032
Impact of acquisitions or disposals of non-controlling interests after acquisition of control				25,066		25,066		25,066
Dividends paid by Nexity (€2.50 per share)				(139,241)		(139,241)		(139,241)
Total movements linked to relationships with shareholders	-	-	5,019	(121,631)	-	(116,612)	-	(116,612)
Net profit for the period				19,206		19,206	17,525	36,731
Other comprehensive income					1,642	1,642		1,642
Total comprehensive income	-	-	-	19,206	1,642	20,848	17,525	38,373
Dividends paid by subsidiaries						-	(15,898)	(15,898)
Impact of changes in scope				(864)		(864)	124	(740)
AT 31 DECEMBER 2023	280,649	548,489	(16,633)	1,055,779	9,182	1,877,466	63,380	1,940,846

Consolidated statement of cash flows

<i>(in thousands of euros)</i>	Notes	31/12/2023 (12-month period)	31/12/2022 (12-month period)
Net profit attributable to equity holders of the parent company		19,206	187,770
Net profit attributable to non-controlling interests		17,525	16,336
Consolidated net profit		36,731	204,106
Elimination of non-cash income and expenses:			
Elimination of depreciation, amortisation and provisions		53,557	36,700
Elimination of depreciation of right-of-use assets		155,534	134,366
Elimination of gains and losses on asset disposals		(58,830)	547
Elimination of the impact of changes in fair value		-	-
Elimination of net profit from equity-accounted investments		(18,570)	(25,730)
Elimination of net profit from other equity-accounted investments		49,086	7,441
Elimination of the impact of share-based payments		2,032	11,773
Cash flow from operating activities after interest and tax expenses		219,540	369,203
Elimination of net interest expense/(income)		78,786	50,350
Elimination of tax expense, including deferred taxes and tax credits		49,507	87,465
Cash flow from operating activities before interest and tax expenses		347,833	507,018
Change in operating working capital	11	213	(186,717)
Dividends received from equity-accounted investments	9	26,089	36,644
Interest paid		(44,233)	(20,952)
Tax paid		(91,056)	(66,759)
Net cash from/(used in) operating activities		238,846	269,234
Purchase of subsidiaries, net of cash acquired	3.4	(6,763)	(23,446)
Proceeds from sale of subsidiaries, net of cash divested	3.5	134,820	1,274
Other changes in scope		(1,059)	245
Reclassification in accordance with IFRS 5	3.2	(14,852)	(45,395)
Purchase of property, plant, equipment and intangible assets		(59,738)	(69,135)
Purchase of financial assets		(52,837)	(10,381)
Proceeds from sale of property, plant, equipment and intangible assets		617	325
Proceeds from sale and redemption of financial assets		6,896	4,146
Net cash from/(used in) investing activities		7,084	(142,367)
Dividends paid to equity holders of the parent company		(139,241)	(138,100)
Dividends paid to minority shareholders of consolidated companies		(15,898)	(9,960)
Net disposal/(acquisition) of treasury shares		(7,065)	639
(Acquisitions)/disposals of non-controlling interests with no gain or loss of control		(114,642)	(46,329)
Proceeds from issuance of bonds		181,189	188,264
Redemption of bonds		(245,503)	(98,517)
Repayment of lease liabilities		(143,144)	(132,786)
Decrease in receivables and increase in short-term financial debt		27,678	(71,349)
Net cash from/(used in) financing activities		(456,626)	(308,138)
Impact of changes in foreign currency exchange rates		(113)	188
CHANGE IN CASH AND CASH EQUIVALENTS		(210,809)	(181,083)
Cash and cash equivalents at beginning of period		861,316	1,042,399
Cash and cash equivalents at end of period	23	650,507	861,316

5.1.2 Notes to the consolidated financial statements

Note 1 Information on the Company and significant developments

1.1 Presentation

Nexity is a global real estate operator harnessing the entire spectrum of property know-how and skills to serve private individuals, companies, institutional investors and local authorities. Covering all segments of the real estate development and services markets, Nexity is one of the top players in French real estate and offers its clients a unique range of expertise and advice, products, services and solutions to meet their evolving needs.

The Group is present throughout France, with some limited operations elsewhere in Europe.

It is organised around the following three business divisions:

- The Development division, which includes the following activities:
 - Residential real estate development, including the development of new homes and subdivisions in France, urban regeneration and, to a lesser extent, development in other European countries, and

- Commercial real estate development, corresponding to the development of office buildings, business parks, logistics platforms, shops and hotels;
- The Services division including:
 - Property management (property management and transactions for individuals and companies);
 - Serviced properties (management of student residences and coworking spaces);
 - Distribution (marketing of real estate products); and
- The Other activities division, which includes investment activities and the holding company.

Nexity's shares are listed on Eurolist by NYSE Euronext Paris.

1.2 Significant developments

The 2023 fiscal year was marked by the following events:

Business activity - Nexity outperforms the market

- New home reservations: -19% in volume in a market down by 26% year-on-year and by 41% over two years; and
- Continued strong **growth in serviced real estate** with revenue up 25%.

A busy 2023 to refocus the Group's roadmap

- **Pivot towards urban regeneration:**
 - first market deal with Carrefour and creation of the property venture, jointly owned by Carrefour (80%) and Nexity (20%). This is classified under equity-accounted investments. The revenue expected at completion on property development activities thanks to this partnership will be in excess of €2 billion over 10 years, and
 - launch of Nexity Héritage, a property development brand specialising in urban regeneration, and partnership with Mirabaud AM to develop property venture operations.

Disposal of international activities:

- Disposal of activities in Poland and Portugal.

Strategic and financial partnerships:

- In December 2023, Nexity entered into exclusive negotiations to sell its Services to Individuals business to Bridgepoint for an enterprise value of €440 million. The transaction is expected to close in the 1st half of 2024. In this respect, assets and liabilities of discontinued operations are presented on specific lines of the assets and liabilities of the consolidated statement of financial position under the headings "Assets held for sale" and "Liabilities held for sale" in accordance with IFRS 5 *Operations held for disposal* (Note 3.2.3).

GENERAL INFORMATION

Note 2 General principles

2.1 Statement of compliance

The consolidated financial statements of Nexity group as at 31 December 2023 are prepared in accordance with IFRS (International Financial Reporting Standards) and the interpretations and decisions of the IFRS IC (IFRS Interpretations Committee) as adopted in the European Union.

The accounting policies and principles applied to the consolidated financial statements at 31 December 2023 are identical to those used for the consolidated financial statements for fiscal year ended 31 December 2022, except for the points described in 2.2.

The Company's press releases and annual reports – including historical financial information about the Company and the consolidated financial statements – are available on the Company's website www.nexity.fr/en/group. Copies may also be obtained from Nexity's registered office at 19, rue de Vienne – TSA 50029 – 75801 Paris Cedex 8 (France).

The consolidated financial statements were approved by the Board of Directors on 28 February 2024 and will be submitted for approval at the Shareholders' Meeting of 23 May 2024.

2.2 New IFRS IC standards, interpretations and decisions

Pillar 2 or GloBE rules (finance law December 2023)

The aim of the "Global Anti-Base Erosion Rules" ("GloBE Rules" or "Pillar 2") is to ensure that groups of companies with revenue of at least €750 million are taxed at an effective rate of 15%.

To this end, these groups must determine, in each jurisdiction in which they operate, their effective GloBE tax rate and, if this is lower than the minimum rate, pay an additional tax.

No deferred tax in respect of Pillar 2 is recognised in the Group's financial statements at 31 December 2023 as a result of the application of the mandatory temporary

exemption introduced by the amendment to IAS 12 (published by the IASB on 23 May 2023, adopted by the EU on 8 November 2023) and applicable for accounting periods beginning on or after 1 January 2023.

In order to be as well prepared as possible for compliance with the new Pillar 2 obligations, the Group has followed OECD publications and legislative developments in the jurisdictions in which it operates. At this stage of our work, we consider that no significant additional tax cost is expected.

The other standards, amendments and interpretations adopted by the European Union in 2023 had no impact on the financial statements.

2.3 Estimates and assumptions

In the process of preparing the consolidated financial statements, the measurement of certain statement of financial position and income statement items calls for the use of assumptions or assessments based, in particular, on budgets for real estate projects. These are used to measure the operating margin, non-current assets, provisions, inventory impairment and accrued expenses, as well as the assets held for sale and the associated liabilities. Other items also require the use of estimates based on assumptions regarding business plans, or changes in the rates applied, and include provisions, goodwill, and put options granted to minority shareholders.

These assumptions, estimates or assessments are established and reviewed regularly on the basis of information available and the actual position of the Company on the date the financial statements are prepared, taking into consideration past experience and other relevant factors. Actual results may differ significantly from estimates due to changes in the underlying conditions and assumptions.

The assumptions, estimates and assessments used to prepare the financial statements for the year ended 31 December 2023 were made in the context of the real estate market crisis (sharp rise in interest rates impacting the purchasing power of real estate buyers, the announced end of the Pinel scheme, the scarcity of land, and changes of commercial property usage, etc.).

Nevertheless, in the medium term, basic housing needs in France will support demand and the Group's activity.

In addition, the Group's financial statements include the identified effects of issues and risks related to climate change. Given its activities, ESG (environmental, social and governance) issues are an essential part of Nexity group's growth and are factored into its financial decisions.

The Group is developing an ambitious strategy for a low-carbon, resilient city, helping to speed up the environmental transition in the real estate sector.

These commitments are reflected in the financial statements by:

- Including the costs of complying with certain building design and construction criteria into the real estate development programme budgets;
- Using methods to measure goodwill that rely on projected target margins for operations, including the costs described above; and

- Including a carbon footprint reduction criterion in variable remuneration targets for executives and free share plans.

Taking climate risk into account did not represent an issue for the managerial estimates made for the preparation of the financial statements.

2.4 Reporting date

Group companies are consolidated on the basis of their financial statements for the period ended 31 December 2023.

Note 3 Scope of reporting and business combinations

3.1 Consolidation and reporting

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has power over the entity, has rights to variable returns from its involvement with the entity, and has the ability to affect those returns through its power over the entity.

In assessing control, potential voting rights that the Group is able in practice to exercise are taken into account.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Associates and joint ventures

Associates are entities in which the Group has significant influence, but not control, over financial and operating policies.

Joint ventures are entities over whose activities the Group has joint control, established by contractual agreement. Most joint ventures are real estate development programmes (residential or commercial) undertaken with another developer (joint ventures).

The consolidated financial statements include the Group share of the total recognised gains and losses of associates and joint ventures on an equity-accounted basis, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

Transactions eliminated in the consolidated financial statements

The following are eliminated:

- intragroup receivables and payables; and
- intragroup balances and transactions (purchases, sales, dividends, internal margins, provisions recorded against consolidated companies, etc.).

3.2 Scope of reporting

3.2.1 Scope at 31 December 2023

Basis of reporting	Development	Services	Other activities	Total at 31/12/2023
Fully consolidated	1,615	90	25	1,730
Joint ventures	383	2	4	389
Associates	-	1	4	5
Equity-accounted	383	3	8	394
Total scope of reporting	1,998	93	33	2,124

3.2.2 Changes in scope

The number of consolidated companies was virtually stable at 2,124 companies, compared to 2,128 at 31 December 2022.

The deconsolidation of 65 companies is mainly due to the removal of completed real estate programmes that have become inactive.

61 companies were added to the scope of reporting during the fiscal year. These are mainly companies created to support the Group's real estate projects and companies resulting from external growth.

The Group carries out its new real estate projects in multi-programme companies, which explains the lower number of creations.

3.2.3 Assets and liabilities held for sale

A non-current asset or a group of directly related assets and liabilities is considered to be held for sale when its carrying amount will be recovered mainly through a sale and not through continued use. For this to be the case, the asset must be available for immediate sale and its sale must be highly probable.

To assess the highly probable nature of the transaction, the Group considers, on a case-by-case basis, the decision and authorisation process, the reasonableness and acceptability of the proposed price, as well as the market conditions and legal, regulatory and social constraints.

These assets or groups held for sale are valued at the lower of the carrying amount and the estimated sale price, net of disposal costs. They are no longer subject to depreciation. The associated assets and liabilities held for sale are presented on specific lines of the consolidated balance sheet.

When the group of assets held for sale constitutes on its own a presented reporting segment, *i.e.* a business line, or is part of a coordinated plan to dispose of a business line, it is then treated as a discontinued operation, and as such, the net profit and each category of cash flows are presented on dedicated lines of the income statement and consolidated statement of cash flows.

In December 2023, Nexity entered into exclusive negotiations to sell its Services to Individuals business to Bridgepoint for an enterprise value of €440 million.

Since these property management (ADB) activities do not constitute a business line, they are not treated as discontinued operations. The income statement has not been restated. However, given the probable sale within 12 months and the material nature of the assets and liabilities of these companies, they are presented at 31 December 2023 on specific lines under assets and liabilities on the consolidated statement of financial position.

Impact on the balance sheet

<i>(in thousands of euros)</i>	ADB
ASSETS	
Goodwill	230,000
Rights of use	45,223
Other non-current assets	53,666
Deferred tax assets	3,780
Non-current assets	332,669
Operating current assets	952,622
Cash and cash equivalents	18,651
Current assets	971,273
TOTAL ASSETS HELD FOR SALE	1,303,942
<i>(in thousands of euros)</i>	
LIABILITIES	
Non-controlling interests	-
Long-term borrowings and financial debt	-
Non-current lease liabilities	35,348
Employee benefits	10,171
Deferred tax liabilities	2,376
Non-current liabilities	47,895
Short-term borrowings, financial liabilities and operating liabilities	86,056
Current lease liabilities	11,474
Operating current liabilities	1,012,827
Current liabilities	1,110,357
TOTAL LIABILITIES HELD FOR SALE	1,158,252

Impact on the statement of cash flows

<i>(in thousands of euros)</i>	ADB
ASSETS	
Cash and cash equivalents	18,651
Total assets held for sale	18,651
LIABILITIES	
Bank overdraft facilities	3,799
Total liabilities held for sale	3,799
IFRS 5-RELATED RECLASSIFICATIONS ON THE STATEMENT OF CASH FLOWS	(14,852)

For the 2023 fiscal year, ADB's activities generated €305.4 million in revenue and €26.7 million in operating profit.

3.3 Additions to the scope**Property management firms**

In 2023, the Group acquired property management contract portfolios and firms in France for a purchase price of €8.2 million. These transactions generated provisional goodwill of €8.4 million.

3.4 Breakdown of company acquisitions reported in the consolidated statement of cash flows

<i>(In thousands of euros)</i>	Acquisitions 2023	Acquisitions 2022
Purchase price	8,213	82,563
Cash of subsidiaries acquired	(1,450)	(59,117)
ACQUISITIONS OF CONSOLIDATED COMPANIES, NET OF CASH ACQUIRED	6,763	23,446

In addition, acquisitions of companies carrying assets used to support development activities and not corresponding to business combinations in accordance with IFRS 3 are restated as a change in activity in the financial statements, and appear as a change in working capital requirement in the statement of cash flows.

3.5 Breakdown of company disposals reported in the consolidated statement of cash flows

<i>(In thousands of euros)</i>	Disposals in 2023	Disposals in 2022
Sale price received	135,438	1,274
Cash of subsidiaries sold	(618)	-
PROCEEDS FROM DISPOSALS OF CONSOLIDATED COMPANIES, NET OF CASH DIVESTED	134,820	1,274

In addition, disposals of companies carrying assets used to support development activities and not corresponding to business combinations in accordance with IFRS 3, to which IFRS 15 applies, are restated as a change in activity in the financial statements, and appear as a change in working capital requirement (WCR) in the statement of cash flows.

The disposals in 2023 correspond to the property development activities in Portugal and Poland for €128.8 million, classified under IFRS 5 as at 31 December 2022, and also to the disposal of a subsidiary in Belgium for the balance.

3.6 Geographical breakdown of revenue

The Group has a marginal international business in Europe (Germany, Belgium, Italy and Switzerland), which, in 2023, accounted for 1.4% of Group revenue (compared with 4.5% in 2022). The 2023 revenue also includes contributions from Poland and Portugal until the date of their disposal.

Fiscal year 2023

<i>(in thousands of euros)</i>	France	International	Total
Development	3,061,934	50,083	3,112,017
Services	845,988	6,307	852,295
	3,907,922	56,389	3,964,311

Fiscal year 2022

<i>(in thousands of euros)</i>	France	International	Total
Development	3,235,257	185,334	3,420,591
Services	921,474	9,686	931,160
	4,156,731	195,020	4,351,751

Note 4 Recognition of revenue and operating profit

Consolidated revenue represents the amount of activity of the Group's various divisions after elimination of intragroup transactions.

Development

Property development operations are carried out in France, in the form of VEFA off-plan sales or property development contracts. Revenue and margin from property development operations are then generated on the products sold as the stage of completion advances. The method is similar in Germany and Belgium.

Partially completed operations at the end of the fiscal year are recorded using the percentage-of-completion method on the basis of the most up-to-date estimates of the results of operations, discounted at year-end.

The percentage of completion is determined according to the commercial progress (notarised sales) and the percentage of costs completed on the reporting date.

If results on completion cannot be determined reliably, revenue is only recognised on recoverable costs.

The operating margin for the Group's development activities includes all costs directly attributable to contracts:

- Land acquisition costs;
- Site development and construction costs;
- Urban planning taxes and duties;
- Preliminary contract costs, which are capitalised only if the probability of obtaining the contract is high;
- Project ownership costs;
- Directly allocated marketing and selling costs (in-house and external sales commissions, etc.); and
- Financial expense directly attributed to operations (if the sale is not finished prior to completion).

The development activities' revenue generated by the percentage-of-completion method amounted to €2,929 million in 2023.

Revenue and profit from real estate development programmes undertaken in Italy are recognised at the time of sale, which is not possible until the building's completion.

Revenue from subdivision business (building land) and real estate development (purchase and then resale of land after obtaining authorisations) is recorded in the notarial deed.

Services and Other activities

Revenue is recognised when transactions are closed and over the period that services are provided.

Income for the distribution activities carried out by Perl and iSelection is recognised when the notarial deed is signed, depending on the contract, in the form of fees or sales of real estate products. Indeed, the sales contract follows the disposal of a VEFA off-plan sales contract acquired from a third-party developer, or sales on existing buildings.

Current operating profit

Current operating profit includes all operating profit items with the exception of items resulting from unusual, abnormal and infrequently occurring transactions. In particular, the impairment of goodwill and the remeasurement of equity-accounted investments following the acquisition of control are excluded from current operating profit, as are gains and losses on the disposal of assets held for sale.

Note 5 Alternative performance indicators

EBITDA acts as a measurement of operational cash flow generated (see Note 6.2.2). EBITDA is equal to current operating profit before depreciation, amortisation and impairment of non-current assets, net changes in provisions, share-based payment expenses and borrowing costs directly attributable to property development, transferred from inventory, plus dividends received from equity-accounted companies whose operations are an extension of the Group's business.

Depreciation includes right-of-use assets calculated in accordance with IFRS 16 and the neutralisation of internal margins for sale and leaseback transactions.

The Group also presents EBITDA after rents (before application of the standard on leases).

The Group uses working capital requirements (see Note 11) and net debt (see Note 20) to analyse its financial structure.

The backlog comprises the Group's already secured future revenue, expressed in euros, for its development activities (Residential Real Estate and Commercial Real Estate). The backlog includes reservations for which notarial deeds of sale have not yet been signed and the portion of revenue remaining to be generated on units for which notarial deeds of sale have already been signed (portion still to be built).

Note 6 Segment information

6.1 Segment definitions

Operating segments are subgroups of a company for which separate financial information is available and reviewed on a regular basis by Company Management with a view to allocating resources and assessing its economic performance.

Development

Residential Real Estate Development

- Real estate development; in France and abroad (Germany, Belgium, Italy);
- Pre-development urban regeneration projects; and
- Development of subdivisions.

Commercial Real Estate Development

Development of offices (new or refurbished), high-rise buildings, retail property and hotels; logistics facilities and other industrial spaces.

Services

- Management (property management and transactions for individuals and companies);
- Serviced properties (management of student residences and coworking spaces); and
- Distribution (marketing of real estate products).

Other activities

- Investments in investment vehicles;
- The Nexity holding company; and
- Restatements related to sale-leaseback transactions.

Operational reporting

Segment information is based on the operational reporting that the Group uses for management purposes. In its operational reporting, Nexity applies proportionate consolidation to its joint ventures, which in its view provides a more accurate reflection of the Group's performance and risks as measured by revenue, operating profit, working capital requirement and debt.

Notes 6.2.1 and 6.3.1 present the condensed financial statements based on operational reporting data, with a reconciliation to the financial statements.

Operating reporting data are analysed and commented on in the management report and the press release on annual results.

6.2 Income statement

6.2.1 Income statement based on operational reporting

<i>(in thousands of euros)</i>	31/12/2023 (12-month period)	Restatement of joint ventures	31/12/2023 Operational reporting	31/12/2022 (12-month period)	Restatement of joint ventures	31/12/2022 Operational reporting
Revenue	3,964,311	309,012	4,273,323	4,351,751	352,180	4,703,931
Purchases	(2,605,277)	(274,171)	(2,879,448)	(2,883,564)	(316,550)	(3,200,114)
Employee benefits expense	(664,045)	-	(664,045)	(671,481)	-	(671,481)
Other operating expenses	(283,409)	(6,207)	(289,616)	(256,252)	(2,819)	(259,071)
Taxes (other than income tax)	(35,657)	(1,187)	(36,844)	(33,275)	(631)	(33,906)
Depreciation, amortisation and impairment of non-current assets	(197,427)	-	(197,427)	(172,019)	(778)	(172,797)
Current operating profit	178,496	27,447	205,943	335,160	31,402	366,562
Non-current operating profit	39,624	-	39,624	-	-	-
Operating profit	218,120	27,447	245,567	335,160	31,402	366,562
Share of net profit of equity-accounted investments	18,570	(18,570)	-	25,730	(25,730)	-
Operating profit after share of net profit of equity-accounted investments	236,690	8,877	245,567	360,890	5,672	366,562
Financial expenses	(116,047)	(7,807)	(123,854)	(67,817)	(3,411)	(71,228)
Financial income	15,954	(515)	15,439	7,244	(744)	6,500
Net financial income/(expense)	(100,093)	(8,322)	(108,415)	(60,573)	(4,155)	(64,728)
Pre-tax recurring profit	136,597	555	137,152	300,317	1,517	301,834
Income tax	(50,780)	(555)	(51,335)	(88,770)	(1,517)	(90,287)
Share of net profit/(loss) from other equity-accounted investments	(49,086)	-	(49,086)	(7,441)	-	(7,441)
NET PROFIT	36,731	-	36,731	204,106	-	204,106
o/w: Attributable to equity holders of the parent company	19,206	-	19,206	187,770	-	187,770
o/w: Attributable to non-controlling interests	17,525	-	17,525	16,336	-	16,336
<i>(in euros)</i>						
Net earnings per share	0.35		0.35	3.40		3.40
Diluted earnings per share	0.33		0.33	2.98		2.98

6.2.2 Income statement broken down by segment

AT 31 DECEMBER 2023

<i>(in thousands of euros)</i>	Development	Services	Other activities	Total Operational reporting
Total revenue	3,401,251	872,072	-	4,273,323
Revenue	3,401,251	872,072	-	4,273,323
Operating expenses	(3,185,965)	(654,455)	(20,896)	(3,861,317)
EBITDA	215,286	217,616	(20,896)	412,006
Lease payments	(19,886)	(115,859)	(7,400)	(143,145)
EBITDA after lease payments	195,400	101,758	(28,296)	268,862
Rent cancellation	19,886	115,859	7,400	143,145
Depreciation of right-of-use assets	(19,603)	(126,588)	(9,344)	(155,535)
Depreciation, amortisation and impairment of non-current assets	(6,867)	(20,050)	(14,976)	(41,893)
Net change in provisions	(6,734)	2,587	(2,248)	(6,395)
Share-based payments	(789)	(951)	(500)	(2,240)
Current operating profit	181,292	72,615	(47,964)	205,943
Non-current operating profit	-	-	39,624	39,624
Operating profit	181,292	72,615	(8,340)	245,567
Financial expenses	(56,971)	(2,473)	(38,204)	(97,648)
Financial income	7,345	453	7,640	15,439
Net financial income/(expense) before lease liability expenses	(49,626)	(2,019)	(30,564)	(82,210)
Financial expenses on lease liabilities	(2,089)	(22,801)	(1,315)	(26,205)
Net financial income/(expense)	(51,715)	(24,820)	(31,879)	(108,414)
Pre-tax recurring profit	129,577	47,795	(40,219)	137,153
Income tax	(48,499)	(17,889)	15,054	(51,335)
Share of profit/(loss) from equity-accounted investments	(442)	325	(48,969)	(49,086)
NET PROFIT	80,635	30,231	(74,135)	36,732
o/w: Attributable to equity holders of the parent company	62,557	30,783	(74,134)	19,206
o/w: Attributable to non-controlling interests	18,078	(552)	(1)	17,525

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<i>(in thousands of euros)</i>	Development	Services	Other activities	Total Operational reporting
Total revenue	3,765,807	938,125	-	4,703,932
Revenue	3,765,807	938,125	-	4,703,932
Operating expenses	(3,405,796)	(719,071)	(31,709)	(4,156,576)
EBITDA	360,011	219,055	(31,709)	547,357
Lease payments	(18,066)	(105,718)	(9,002)	(132,786)
EBITDA after lease payments	341,945	113,337	(40,711)	414,571
Rent cancellation	18,066	105,718	9,002	132,786
Depreciation of right-of-use assets	(16,847)	(107,103)	(9,016)	(132,966)
Depreciation, amortisation and impairment of non-current assets	(10,526)	(20,955)	(7,171)	(38,652)
Net change in provisions	1,178	2,562	(1,153)	2,587
Share-based payments	(5,362)	(1,931)	(4,470)	(11,763)
Current operating profit	328,453	91,628	(53,519)	366,562
Non-current operating profit	-	-	-	-
Operating profit	328,453	91,628	(53,519)	366,562
Financial expenses	(29,742)	(4,907)	(18,294)	(52,943)
Financial income	3,703	120	2,677	6,500
Net financial income/(expense) before lease liability expenses	(26,039)	(4,787)	(15,617)	(46,443)
Financial expenses on lease liabilities	(1,797)	(15,455)	(1,032)	(18,285)
Net financial income/(expense)	(27,836)	(20,242)	(16,649)	(64,728)
Pre-tax recurring profit	300,616	71,386	(70,168)	301,834
Income tax	(89,923)	(21,354)	20,989	(90,287)
Share of profit/(loss) from equity-accounted investments	(817)	270	(6,894)	(7,441)
NET PROFIT	209,876	50,302	(56,073)	204,106
o/w: Attributable to equity holders of the parent company	192,957	50,884	(56,072)	187,770
o/w: Attributable to non-controlling interests	16,919	(582)	(1)	16,336

6.3 Statement of financial position

6.3.1 Statement of financial position based on operational reporting

ASSETS

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Restatement of joint ventures	31/12/2023 Operational reporting	Balance at 31/12/2022	Restatement of joint ventures	31/12/2022 Operational reporting
Non-current assets						
Goodwill	1,171,893	-	1,171,893	1,397,735	-	1,397,735
Other intangible assets	107,153	-	107,153	147,596	-	147,596
Right-of-use assets	748,343	-	748,343	715,798	-	715,798
Property, plant and equipment	81,505	-	81,505	80,484	-	80,484
Equity-accounted investments	132,795	(79,168)	53,627	109,326	(54,092)	55,234
Other financial assets	49,713	290	50,003	60,201	226	60,427
Deferred tax assets	25,342	4,463	29,805	15,899	2,655	18,554
Total non-current assets	2,316,744	(74,415)	2,242,329	2,527,039	(51,211)	2,475,828
Current assets						
Inventories and work in progress	1,909,849	247,797	2,157,646	1,973,399	219,748	2,193,147
Trade and other receivables	1,163,205	263,970	1,427,175	1,541,735	186,818	1,728,553
Tax receivable	16,138	(777)	15,361	10,400	806	11,206
Other current assets	700,453	35,137	735,590	1,653,293	49,700	1,702,993
Other financial receivables	370,296	(123,986)	246,310	361,118	(142,797)	218,321
Cash and cash equivalents	715,947	160,476	876,423	897,979	166,883	1,064,862
Total current assets	4,875,888	582,617	5,458,505	6,437,924	481,158	6,919,082
Assets held for sale	1,303,942	-	1,303,942	209,700	-	209,700
TOTAL ASSETS	8,496,574	508,202	9,004,776	9,174,663	429,947	9,604,610

LIABILITIES AND EQUITY

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Restatement of joint ventures	31/12/2023 Operational reporting	Balance at 31/12/2022	Restatement of joint ventures	31/12/2022 Operational reporting
Equity						
Share capital	280,649	-	280,649	280,649	-	280,649
Additional paid-in capital	521,060	-	521,060	521,060	-	521,060
Treasury shares held	(16,633)	-	(16,633)	(21,652)	-	(21,652)
Reserves and retained earnings	1,073,184	-	1,073,184	1,006,267	-	1,006,267
Net profit for the period	19,206	-	19,206	187,770	-	187,770
Equity attributable to equity holders of the parent company	1,877,466	-	1,877,466	1,974,094	-	1,974,094
Non-controlling interests	63,380	-	63,380	61,629	-	61,629
Total equity	1,940,846	-	1,940,846	2,035,723	-	2,035,723
Non-current liabilities						
Long-term borrowings and financial debt	581,780	2,282	584,062	665,481	3,839	669,320
Non-current lease liabilities	719,731	-	719,731	672,222	-	672,222
Employee benefits	10,928	-	10,928	20,815	-	20,815
Deferred tax liabilities	80,137	7,265	87,402	98,921	11,514	110,435
Total non-current liabilities	1,392,576	9,547	1,402,123	1,457,439	15,353	1,472,792
Current liabilities						
Short-term borrowings, financial liabilities and operating liabilities	1,161,677	153,229	1,314,906	1,227,563	206,033	1,433,596
Current lease liabilities	128,770	-	128,770	106,812	-	106,812
Current provisions	68,735	1,725	70,460	76,999	1,798	78,797
Trade and other payables	1,750,992	124,472	1,875,464	1,816,277	121,912	1,938,189
Current tax liabilities	4,693	4,133	8,826	21,263	824	22,087
Other current liabilities	890,033	215,096	1,105,129	2,267,852	84,027	2,351,879
Total current liabilities	4,004,900	498,655	4,503,555	5,516,766	414,594	5,931,360
Liabilities associated with assets held for sale	1,158,252	-	1,158,252	164,735	-	164,735
TOTAL LIABILITIES AND EQUITY	8,496,574	508,202	9,004,776	9,174,663	429,947	9,604,610

6.3.2 Breakdown of assets and liabilities by segment

AT 31 DECEMBER 2023

<i>(in thousands of euros)</i>	Development	Services	Other activities	Inter-division eliminations and not segmented	Total Operational reporting
Assets					
Non-current division assets	440,186	1,099,511	969,568	(296,740)	2,212,525
Deferred tax assets				29,805	29,805
Total non-current assets	440,186	1,099,511	969,568	(266,935)	2,242,330
Current division assets	4,852,797	825,661	1,184,636	(1,419,951)	5,443,144
Tax receivable				15,361	15,361
Total current assets	4,852,797	825,661	1,184,636	(1,404,590)	5,458,505
Assets held for sale	-	1,303,942	-		1,303,942
TOTAL ASSETS	5,292,983	3,229,114	2,154,205	(1,671,526)	9,004,776
Liabilities and equity					
Total equity				1,940,846	1,940,846
Non-current division liabilities	358,672	660,712	592,077	(296,740)	1,314,721
Deferred tax liabilities				87,402	87,402
Total non-current liabilities	358,672	660,712	592,077	(209,338)	1,402,123
Current division liabilities	3,478,351	751,584	1,684,992	(1,420,198)	4,494,729
Current tax liabilities				8,826	8,826
Total current liabilities	3,478,351	751,584	1,684,992	(1,411,372)	4,503,555
Liabilities associated with assets held for sale	-	1,158,252	-		1,158,252
TOTAL LIABILITIES	3,837,023	2,570,548	2,277,069	320,136	9,004,776
Working capital requirement	1,315,924	62,377	(24,822)	(7,126)	1,346,353

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<i>(in thousands of euros)</i>	Development	Services	Other activities	Inter-division eliminations and not segmented	Total Operational reporting
Assets					
Non-current division assets	453,757	1,779,415	566,006	(341,904)	2,457,274
Deferred tax assets				18,554	18,554
Total non-current assets	453,757	1,779,415	566,006	(323,350)	2,475,828
Current division assets	5,007,553	1,882,994	1,493,878	(1,476,550)	6,907,875
Tax receivable				11,206	11,206
Total current assets	5,007,553	1,882,994	1,493,878	(1,465,343)	6,919,082
Assets held for sale	209,700	-	-		209,700
TOTAL ASSETS	5,671,010	3,662,409	2,059,883	(1,788,693)	9,604,610
Liabilities and equity					
Total equity				2,035,724	2,035,724
Non-current division liabilities	408,062	624,674	671,515	(341,894)	1,362,357
Deferred tax liabilities				110,435	110,435
Total non-current liabilities	408,062	624,674	671,515	(231,459)	1,472,792
Current division liabilities	3,660,017	1,953,972	1,772,091	(1,476,807)	5,909,272
Current tax liabilities				22,087	22,087
Total current liabilities	3,660,017	1,953,972	1,772,091	(1,454,720)	5,931,360
Liabilities associated with assets held for sale	164,735	-	-		164,735
TOTAL LIABILITIES	4,232,814	2,578,646	2,443,606	349,545	9,604,610
Working capital requirement	1,288,984	35,563	9,819	(10,634)	1,323,732

ANALYSIS OF THE FINANCIAL STATEMENTS

Non-current assets

Note 7 Goodwill

Nexity's goodwill is broken down into four cash-generating units (CGUs):

- Residential Real Estate Development;
- Commercial Real Estate Development;
- Services; and
- Distribution.

Goodwill impairment testing

Goodwill reflects the expertise and synergies expected from acquired companies.

Goodwill is tested for impairment at least once a year and when there is an indication of impairment loss.

To test for impairment, goodwill is broken down into cash-generating units (CGUs), which are groups of similar assets generating identifiable cash flows. An impairment test involves comparing the net carrying amount of each CGU with the recoverable amount. The recoverable amount corresponds to the value in use, determined on the basis of the present value of expected future cash flows, which is the most suitable method considering the lack of recent comparable transactions. In the event of impairment the corresponding amount is recognised as an expense in the income statement.

An impairment loss recognised for a CGU is first allocated to the carrying amount of the goodwill associated with the CGU and then to the other assets of the CGU in proportion to their carrying amount.

An impairment loss of goodwill may not be reversed.

<i>(in thousands of euros)</i>	Balance at 31/12/2022	Acquisitions and remeasurements	Disposals and IFRS 5*	Adjustments during the allocation period	Balance at 31/12/2023
Residential Real Estate Development	806,642	-	-	(1,813)	804,829
Commercial Real Estate Development	74,110	-	-	-	74,110
Services	437,250	8,371	(232,400)	-	213,221
Distribution	79,733	-	-	-	79,733
TOTAL GOODWILL	1,397,735	8,371	(232,400)	(1,813)	1,171,893

* Including IFRS 5 for €230 million, the goodwill of the ADB activities was measured on the basis of its relative fair value and the share of services concerned (see Note 3.2.3).

Main assumptions used for testing

At 31 December 2023, the same independent expert as the previous fiscal year calculated the discount rate of the future cash flows for the CGUs, using the Capital Asset Pricing Model (*Modèle d'Évaluation des Actifs Financiers* – CAPM) to measure the cost of equity, and using the actual cost method to measure the cost of debt.

Discount rate (WACC after tax)	31/12/2023	31/12/2022
Residential Real Estate Development	7.9%	7.3%
Commercial Real Estate Development	8.4%	7.9%
Services	7.9%	7.8%
Distribution	7.9%	7.3%

Impairment tests use the 5-year business plan approved by Executive Management. The business plan includes differentiated growth assumptions depending on the business activity. These assumptions take into account current market conditions, their foreseeable changes, as well as the Group's assumptions on the evolution of the regulatory environment and the intensity of competition. The budgeted margin levels are consistent with the margin targets set by the Commitments Committee for commercial and residential real estate development projects, and higher margin levels for the activities of the Services division given the development of more profitable activities.

Despite a tougher economic environment in the short term, basic housing needs in France will support demand and the Group's activity.

Beyond the 5-year plan, the perpetual growth rate used to calculate the terminal value of the terminal cash flow was 2% as at 31 December 2022, in line with the inflation rate used.

This rate is lower than the average growth rate for the business activities over the period of the business plan.

As part of the determination of forecast cash flows, the impacts of IFRS 16 on EBITDA and operating profit were neutralised in order to obtain cash operating flows after taking into account rental income.

In parallel, the tested carrying amount does not take into account the IFRS 16 right-of-use.

Sensitivity of useful life values to key assumptions

The Group carried out sensitivity tests at 31 December 2023. These tests led to a variation in the discount rate of up to 100 bps combined with a drop of 1 point in the margin on terminal flows.

There is no potential impairment for any of the CGUs under the downgraded assumptions described above.

Note 8 Right-of-use assets, other property, plant, equipment and intangible assets

<i>(in thousands of euros)</i>	Gross	Depreciation, amortisation and impairment	Balance at 31/12/2023	Gross	Depreciation, amortisation and impairment	Balance at 31/12/2022
Other intangible assets	216,984	(109,831)	107,153	285,763	(138,167)	147,596
Right-of-use assets (IFRS 16)	1,328,674	(580,332)	748,343	1,217,635	(501,836)	715,798
Property, plant and equipment	189,382	(107,877)	81,505	244,143	(163,660)	80,484
TOTAL NON-CURRENT ASSETS	1,735,040	(798,039)	937,001	1,747,541	(803,663)	943,878

Breakdown of changes during the fiscal year

<i>(in thousands of euros)</i>	Balance at 31/12/2022	Movements, acquisitions and disposals	Additions for the fiscal year	Changes in scope and other*	Balance at 31/12/2023
Other intangible assets	147,596	28,425	(26,111)	(42,757)	107,153
Right-of-use assets (IFRS 16)	715,798	230,629	(155,535)	(42,550)	748,343
Property, plant and equipment	80,484	27,640	(18,043)	(8,575)	81,505
TOTAL NON-CURRENT ASSETS	943,878	286,694	(199,689)	(93,883)	937,001

* Including IFRS 5 for €45 million on right-of-use assets and €54 million on other non-current assets (see Note 3.2.3).

8.1 Other property, plant, equipment and intangible assets

Other intangible assets are valued at their cost of acquisition, less accumulated amortisation and impairment losses. They consist mainly of software, IT developments, and client relationships that may be recognised when accounting for business combinations.

Amortisations are calculated on a straight-line basis based on the anticipated useful life of each asset: between 1 and 7 years for software and IT developments, 2 years for client relationships as part of real estate development operations, and 20 years for client relationships as part of real estate services. Property, plant and equipment is stated at acquisition or production cost less accumulated depreciation and impairment losses.

Property, plant and equipment is mainly composed of fixtures and fittings, office and computer equipment, and office furniture.

Amortisations are calculated on a straight-line basis based on the useful life of each asset's components. The amortisation periods generally used vary from 3 to 10 years.

8.2 Right-of-use assets

Right-of-use assets correspond to the initial amount of lease liabilities as defined by IFRS 16 (see Note 21.3), minus completed depreciation, amortisation and impairment, and by the restatement of leaseback transactions.

The lease term used is the enforceable term of the contract, corresponding to the non-cancellable period of the contract during which the lessee has the right to use the asset, plus the periods covered by a renewal option that will probably be exercised or a termination option that will probably not be exercised. The lease liability should be valued over the “economic” term of the contract (vs. legal term), taking into account work carried out but not fully amortised, which would require continued operation. The included rent is either fixed or linked to a real estate index. Variable rent based on the lessee’s income is excluded from lease liabilities and recognised in the profit (loss) for the period in question.

In order to apply the IFRS 16 standard, the Group restates leases for assets of more than €5,000 and of a duration of more than one year.

The standard requires the neutralisation of margins in the case of sale-leaseback transactions: at Nexity, this concerns the sale of real estate assets to investors who then lease these assets to the Group’s subsidiaries (managed residential activities and, on occasion, office buildings occupied by Nexity employees). The portion of the margin generated by the share of rents discounted in relation to the sale price is neutralised during construction by a reduction in the value of rights of use, which reduces depreciation over the duration of the lease. These transactions are carried out in the ordinary course of business and represent individually insignificant amounts. At 31 December 2023, the neutralised margins amounted to €1.7 million.

Right-of-use assets mainly concern real estate assets, including student residences, and managed office buildings for coworking or use by the Group’s employees.

The amount of non-restated rents amounted to €13.7 million for low value exemptions.

Breakdown by type of right-of-use asset

<i>(in thousands of euros)</i>	Average duration 2023 (in years)	Balance at 31/12/2023	Balance at 31/12/2022
Student residences	5.4	317,909	309,757
Coworking spaces	7.6	340,155	261,672
Serviced residence and coworking space activities		658,064	571,429
Corporate assets	3.1	90,279	144,369
TOTAL RIGHT-OF-USE ASSETS	5.3	748,343	715,798

Breakdown of changes during the fiscal year

<i>(in thousands of euros)</i>	Balance at 31/12/2022	Movements, acquisitions and disposals	Additions for the fiscal year	Changes in scope and other*	Balance at 31/12/2023
Student residences	309,757	67,914	(61,243)	1,480	317,909
Coworking spaces	261,672	123,321	(44,838)	-	340,155
Corporate assets	144,369	39,394	(49,454)	(44,030)	90,279
TOTAL RIGHT-OF-USE ASSETS	715,798	230,629	(155,535)	(42,550)	748,343

* Including IFRS 5 for €45 million on right-of-use assets (see Note 3.2.3).

Movements of acquisitions and disposals on IFRS 16 rights of use (€231 million) are primarily linked to new leases or renewals signed in 2023.

Note 9 Equity-accounted investments

The Group’s investments in associates are initially recorded at acquisition cost including any goodwill generated. Their carrying amount is then increased or decreased to take into account the Group share in any profit and loss generated after the acquisition date.

If the Group share of the losses of an associate or joint venture exceeds the carrying amount of the investee, the

carrying amount is reduced to nil and the recognition of further losses is discontinued unless the Group has a legal or constructive obligation to cover the losses or make payments in respect of said associate or joint venture.

If there is an indicator of impairment, a test is performed which compares the carrying amount of the investee to its recoverable amount.

Change over the period

<i>(in thousands of euros)</i>	31/12/2023	31/12/2022
Value of investments at beginning of period	109,326	124,934
Change in scope and foreign exchange gains and losses	52,003	2,747
Change in equity of associates	28,071	-
Share of profit from investees with activities that are an extension of the Group's operating activities	18,570	25,730
Group share of profit/(loss) from other investees	(49,086)	(7,441)
Dividends paid	(26,089)	(36,644)
VALUE OF INVESTMENTS AT END OF PERIOD	132,795	109,326
<i>o/w investees with activities that are an extension of the Group's operating activities</i>	79,168	54,092
<i>o/w other investees</i>	53,627	55,234

"Investees with activities that are an extension of the Group's operating activities" are joint ventures. Most joint ventures are real estate development programmes (residential or commercial) undertaken with another developer (joint ventures).

The "other investees", which represent a value of €53.6 million, are associates: mainly the investment in the property venture created with Carrefour for €39.2 million (Carrefour Villes & Commerces).

The share of profit from other investees corresponds mainly to the 18% stake in Ægide Domitys.

Note 10 Other financial assets

<i>(in thousands of euros)</i>	Balance at 31/12/2022	Movements, acquisitions and disposals	Additions for the fiscal year	Changes in scope and other	Balance at 31/12/2023
Start-up investments	19,170	2,712	(1,828)	(6,593)	13,461
Unconsolidated acquired companies	900	-	1,000	-	1,900
Companies soon to be dissolved	386	(209)	-	113	290
Cash allocated to the liquidity contract	3,154	(1,951)	-	-	1,203
Deposits and guarantees	18,257	5,880	(4)	(4,073)	20,060
Investments in funds and real estate projects	11,798	(3,633)	(2,355)	-	5,810
Purchaser loans	6,180	(762)	-	-	5,418
Other	356	1,276	(62)	-	1,570
TOTAL OTHER FINANCIAL ASSETS	60,201	3,313	(3,249)	(10,553)	49,712

"Start-up investments" are investments in FPCIs (French private equity funds for professional investors) or direct investments in private companies, in business sectors such as digital technology that may offer future synergies or growth opportunities.

"Unconsolidated acquired companies" are property management companies acquired at the reporting date and intended to be consolidated in the following fiscal year.

"Companies soon to be dissolved" means investments in private companies that have been used as vehicles for real estate developments that have been delivered.

"Cash allocated to the liquidity contract" designates the financial resources made available to the Investment Services Provider contracted to manage the liquidity contract of Nexity's publicly traded shares in accordance with the authorisations approved at the Shareholders' Meeting.

"Deposits and guarantees" are held by third parties, and mainly include security deposits on the office buildings leased and occupied by the Group and on the surety, bonds obtained for property management and brokerage activities in real estate services. Deposits and guarantees relating to the completion of real estate development programmes are included in the calculation of the working capital requirement (WCR).

"Investments in funds and real estate projects" refers to medium-term financing contributed by the Group to joint ventures, and investments in real estate investment funds.

"Purchaser loans" correspond to an activity currently being wound up and amounted to €5,418 thousand (including €326 thousand maturing in less than one year) at 31 December 2023, compared to €6,180 thousand (including €173 thousand maturing in less than one year) at 31 December 2022.

All the other financial assets mainly mature in more than one year.

WORKING CAPITAL REQUIREMENT

Note 11 Breakdown of working capital requirement

<i>(in thousands of euros)</i>	Notes	Balance at 31/12/2023	Balance at 31/12/2022
Current assets			
Inventories and work in progress	12	1,909,849	1,973,399
Trade and other receivables	13	1,163,205	1,541,735
Other current assets	14	700,453	1,653,293
Current liabilities			
Trade and other payables		(1,750,991)	(1,816,277)
Other current liabilities	15	(890,033)	(2,267,852)
WORKING CAPITAL REQUIREMENT BEFORE TAX		1,132,483	1,084,295
Tax receivable	31	16,138	10,400
Current tax liabilities	31	(4,693)	(21,263)
TOTAL WORKING CAPITAL REQUIREMENT		1,143,928	1,073,432

Change over the period

<i>(in thousands of euros)</i>	Change in the period
TOTAL WORKING CAPITAL REQUIREMENT BEFORE TAX AT 31/12/2022	1,084,295
Change in working capital requirement as per cash flow statement	213
Impact of changes in scope	(1,297)
Restatement of assets held for sale	3.2 44,345
Change in receivables and payables for non-current assets and similar items (included in trade payables)	4,927
TOTAL WORKING CAPITAL REQUIREMENT BEFORE TAX AT 31/12/2023	1,132,483

Note 12 Inventories and work in progress

"Inventories and work in progress" includes land recorded at acquisition cost, construction in progress (site development and construction costs), selling expenses assignable to contracts (in-house and external commissions) and finished products, recorded at production cost.

Preliminary contract costs for real estate development programmes are included in the cost of inventories if the probability of securing the contract is high. If the contract is not obtained, the related costs are recorded as expenses for the fiscal year.

When the net realisable value of inventories and work in progress is less than their cost, impairment losses are recorded.

<i>(in thousands of euros)</i>	Gross	Impairment	Balance at 31/12/2023	Gross	Impairment	Balance at 31/12/2022
TOTAL INVENTORIES AND WORK IN PROGRESS	1,977,934	(68,085)	1,909,849	2,030,718	(57,319)	1,973,399

Note 13 Trade and other receivables

Client receivables

Current contracts are recorded at the original cost, minus any payments and increased by the profit amount recorded up to the statement of financial position date (minus anticipated losses) and interim invoices issued.

The amount of client receivables due at 31 December 2023 stood at €276,783 thousand.

Trade and other receivables

Trade and other receivables are stated at fair value upon initial recognition, then at amortised cost less allowances for uncollectible items.

<i>(in thousands of euros)</i>	Gross	Impairment	Balance at 31/12/2023	Gross	Impairment	Balance at 31/12/2022
Assets in VEFA off-plan sales contracts	886,422		886,422	1,182,984		1,182,984
Trade and other receivables	298,504	(21,721)	276,783	382,069	(23,319)	358,750
TOTAL TRADE AND OTHER RECEIVABLES	1,184,926	(21,721)	1,163,205	1,565,054	(23,319)	1,541,735

<i>(in thousands of euros)</i>	Balance at 31/12/2022	Movements related to operations	Balance at 31/12/2023
Residential Real Estate Development	1,105,661	(512,629)	593,032
Commercial Real Estate Development	77,323	216,067	293,390
TOTAL ASSETS IN VEFA OFF-PLAN SALES CONTRACTS	1,182,984	(296,562)	886,422

Assets in contracts are the share of performance obligations already completed by the Group, for which the final cash collection right is subject to a contractual payment schedule. Assets in contracts gradually become receivables as calls for funds are issued to clients, demonstrating the Group's unconditional cash collection right. Assets in contracts are therefore representative of some of the future payments to be received by the Group for ongoing contracts.

The Group believes that its credit risk is not material as it essentially operates in a regulated business environment, which secures the payment of trade receivables.

Services covered by a VEFA off-plan sales contract, but not yet recognised as revenue on a percentage-of-completion basis, totalled €2.7 billion at 31 December 2023.

Note 14 Other current assets

The Real Estate Services business enters into agreements with clients. For this purpose, the Group holds client working capital accounts.

As the authorised agent, the Group manages these accounts and reports them as separate accounts in its statement of financial position under the line items "Other current assets" and "Other current liabilities".

<i>(in thousands of euros)</i>	Gross	Impairment	Balance at 31/12/2023	Gross	Impairment	Balance at 31/12/2022
Suppliers – advances and deposits paid	63,543	(2,011)	61,532	77,737	(2,062)	75,675
Government receivables	412,532	-	412,532	402,899	-	402,899
Prepaid expenses	25,928	-	25,928	19,337	-	19,337
Other receivables	72,965	(7,380)	65,585	102,289	(7,870)	94,419
Cash held in client working capital accounts	134,876	-	134,876	1,060,963	-	1,060,963
TOTAL OTHER CURRENT ASSETS	709,844	(9,391)	700,453	1,663,225	(9,932)	1,653,293

The €933 million decrease in total current assets is due to the application of IFRS 5 to the ADB business.

Note 15 Other current liabilities

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Balance at 31/12/2022
Tax payable and social security contributions	581,826	648,896
Prepaid income and other accruals	103,514	354,168
Clients – Advances and deposits received	69,818	203,825
Client working capital accounts	134,876	1,060,963
TOTAL OTHER CURRENT LIABILITIES	890,033	2,267,852

In 2023, deferred income included €22,489 thousand in liabilities on commercial real estate contracts, which represents the share of performance obligations not yet completed by the Group, and for which payment has

already been received. The €975 million decrease in total current liabilities is due to the application of IFRS 5 to the ADB business.

EQUITY

Note 16 Share capital

At 31 December 2023, the share capital of the parent company was made up of 56,129,724 shares with a nominal value of €5 per share, unchanged from 31 December 2022.

Note 17 Non-controlling interests

Non-controlling interests are mainly non-controlling interests in the subsidiaries that are not wholly owned by the Group. Since 2022, this includes the 45% stake in the Angelotti group not held by Nexity.

For certain entities, the Group has made undertakings to purchase the remaining stake that it does not own. In such cases, the minority stake is reclassified as a financial liability (see Note 21.2). There are therefore no more non-controlling interests and the entity's profit or loss is fully consolidated in the Group's financial statements.

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Note 18 Free share award plans

Free shares may be granted to Group employees and executives by the Board of Directors, as authorised by a vote at a Shareholders' Meeting.

Employee incentive plans offering free share awards, ongoing or ended in the period, are as follows:

Nexity plans

<i>(in number of shares)</i>	Awarded	Cancelled	Vested	Awarded, not cancelled and not vested	Vesting period ends
April 2020 plan	48,000	13,980	34,020	-	2 nd quarter 2023
May 2020 plan	48,000	28,800	19,200	-	2 nd quarter 2023
May 2020 plan	60,000	60,000	-	-	2 nd quarter 2023
May 2020 Group plan	222,670	79,310	143,360	-	2 nd quarter 2023
July 2020 plan	122,400	41,830	80,570	-	3 rd quarter 2023
March and April 2021 plans	147,700	4,400	-	143,300	3 rd quarter 2024
May 2021 plan	373,400	91,200	-	282,200	3 rd quarter 2024
October 2021 plan	22,000	8,000	-	14,000	4 th quarter 2024
April 2022 plan	165,800	22,500	-	143,300	2 nd quarter 2025
May 2022 plan	100,000	-	-	100,000	2 nd quarter 2025
May 2022 plan	89,200	8,800	-	80,400	2 nd quarter 2025
May 2022 Group plan	218,040	56,040	380	161,620	2 nd quarter 2025
TOTAL NEXITY PLANS	1,617,210	414,860	277,530	924,820	

The Shareholders' Meeting has granted the Board of Directors authorisation until 17 July 2024 to allocate 1% of the share capital to free share awards (subject to certain conditions and with a minimum three-year vesting period). At 31 December 2023, no free shares had been allocated under this authorisation.

The maximum potential dilution (taking into account treasury shares acquired and held to be granted to recipients of free shares) would be 1.6% (as a percentage of share capital ownership) if all free shares already awarded were to vest, and 2.6% if the calculation includes all possible free shares not yet awarded.

In 2023, 277,530 free shares were vested, and with all awards satisfied using treasury shares, the shares were transferred to their recipients.

Valuation of Nexity's free share plans

Free shares are recognised at the grant date at their fair value. Changes in value after the grant date have no effect on the initial measurement.

The calculated value of the free shares is recognised as an employee benefits expense on a straight-line basis over the vesting period with a corresponding increase in equity.

The aggregate value is modulated to take into account the probability of the allocation conditions being met for each plan, based on the following criteria:

- Length of service at the Company at the end of the plan; and

- Where applicable, financial or non-financial performance conditions determined on the basis of multi-year objectives.

The aggregate value of Nexity's free share plans was €22,147 thousand in 2023, representing an expense of €2,032 thousand.

<i>(in thousands of euros)</i>	April 2020 plan	May 2020 plan	July 2020 plan	March 2021 plan	April 2021 plan	May 2021 plan	October 2021 plan	April 2022 plan	May 2022 plan	Total
Aggregate value	735	3,458	1,886	2,107	232	7,720	226	1,223	4,560	22,147
Expenses 2023	70	286	2	(275)	46	756	(81)	77	1,161	2,032
Assumptions										
Share price on grant date <i>(in euros)</i>	26.3	28.1	27.6	43.2	46.0	45.2	39.0	29.0	30.3	
Vesting period <i>(in years)</i>	3	3	3	3	3	3	3	3.2	3.2	
Dividend rate*	6.5%	6.5%	5.5%	5%	5%	5%	5%	8.5%	8.5%	

* Based on the Nexity underlying rate.

Note 19 Treasury shares held

As authorised at the Shareholders' Meeting and implemented by the Board of Directors, the Group may find it necessary to hold treasury shares up to the limit of 10% of the share capital, adjusted for changes.

At 31 December 2023, treasury shares were held for two main purposes:

- In connection with a liquidity contract entered into with an Investment Services Provider;
- In connection with share buyback programmes implemented to cover free share plans.

Nexity treasury shares are recognised at cost and presented as a deduction from equity. Any gains or losses from the disposal of treasury shares (determined using the first-in, first-out (FIFO) method) are directly recognised in equity and have no effect on profit or loss for the fiscal year.

NEXITY SHARES HELD

<i>(in number of shares)</i>	Authorisations	o/w liquidity contract	o/w to cover free share award plans	Total holding (at transaction date)
POSITION AT 31 DECEMBER 2022	5,612,972	122,086	487,097	609,183
Purchase, sale and transfer of shares				
• via the liquidity contract	-	111,302	-	111,302
• held to be used for free share awards	-	-	383,000	383,000
• transfers during the fiscal year to cover free shares vested	-	-	(277,530)	(277,530)
Implementation of the programme authorised by the Shareholders' Meeting of 16 May 2023	10% of the adjusted capital according to its change			
POSITION AT 31 DECEMBER 2023	5,612,972	233,388	592,567	825,955

The 825,955 treasury shares held at 31 December 2023 were recognised as a deduction from net assets for a value of €16,633 thousand.

DEBT AND FINANCIAL RISK FACTORS

Note 20 Breakdown of net debt

BREAKDOWN OF NET DEBT			
<i>(in thousands of euros)</i>	Notes	Balance at 31/12/2023	Balance at 31/12/2022
Bond issues	21	786,195	811,609
Long-term borrowings and financial debt	21	19,102	73,894
Short-term borrowings and financial debt	21	756,316	873,122
Loans and borrowings		1,561,613	1,758,625
Current accounts held as liabilities and related payables	21	116,403	97,755
Current accounts held as assets and related receivables	22	(370,296)	(361,118)
Other financial receivables and payables		(253,893)	(263,363)
Cash and cash equivalents	23	(715,947)	(897,979)
Bank overdraft facilities	23	65,440	36,663
Net cash and cash equivalents		(650,507)	(861,316)
TOTAL NET FINANCIAL DEBT BEFORE LEASE LIABILITIES		657,213	633,947
Lease liabilities	21	848,501	779,033
TOTAL NET DEBT		1,505,714	1,412,980

CHANGE OVER THE PERIOD								
<i>(in thousands of euros)</i>	Balance at 31/12/2022	Cash flows	Impact of changes in scope	Change in fair value	Leases	IFRS 5 impact	Other	Balance at 31/12/2023
Loans and borrowings	1,758,625	(178,956)		(23,463)	-	(1,057)	6,464	1,561,613
Other financial receivables and payables	(263,363)	27,678	37,498		-	(81,202)	25,496	(253,893)
Net cash and cash equivalents	(861,316)	210,809		-	-	14,852	(14,852)	(650,507)
TOTAL NET DEBT BEFORE LEASE LIABILITIES	633,947	59,531	37,498	(23,463)	-	(67,407)	17,107	657,213
Lease liabilities	779,033	(143,144)	287	26,205	245,123	(46,817)	(12,186)	848,501
TOTAL NET DEBT	1,412,980	(83,613)	37,785	2,742	245,123	(114,224)	4,921	1,505,714

Components of net debt recognised in the statement of cash flows

<i>(in thousands of euros)</i>	Cash flows
Bond issues	181,189
Redemption of bonds	(245,503)
Acquisitions of non-controlling interests	(114,642)
CHANGE IN BANK BORROWINGS AND ACQUISITION-RELATED DEBT	(178,956)
REPAYMENT OF LEASE LIABILITIES	(143,144)
Change in other borrowings and other financial receivables	27,678
Change in cash and cash equivalents	210,809
TOTAL CHANGE IN NET DEBT	(83,613)

Note 21 Borrowings and financial liabilities

<i>(in thousands of euros)</i>	Balance at 31/12/2023		Balance at 31/12/2022	
	Non-current	Current	Non-current	Current
Bond issues	562,678	223,517	591,586	220,023
Loans and borrowings	19,102	756,316	73,894	873,122
Current account and equivalent liabilities	-	116,403	-	97,755
Bank overdraft facilities	-	65,440	-	36,663
TOTAL BORROWINGS AND FINANCIAL LIABILITIES BEFORE LEASE LIABILITIES	581,780	1,161,676	665,480	1,227,563
Lease liabilities	719,731	128,770	672,222	106,811
TOTAL BORROWINGS AND FINANCIAL LIABILITIES	1,301,511	1,290,446	1,337,702	1,334,374

21.1 Bond debt

At 31 December 2023, the reported nominal amount of bonds (€801 million) differed from their consolidated value (€786 million), as a result of the restatement of the OCEANE bond equity component and the staggering of arrangement costs.

Bondholders may ask for early redemption in whole or in part, in cash, if at least 50% of the voting rights attaching to Nexity's shares are directly held by a single third party.

Nexity SA Euro PP bond issues

EURO PP BONDS				
Issue date	Nominal amount at 31/12/2023 (in millions of euros)	Nominal amount at 31/12/2022 (in millions of euros)	Annual interest rate (i)	Maturity
29/06/2017	-	30.0	2.05%	10/11/2023
29/06/2017	121.0	121.0	2.60%	29/06/2025
20/12/2019 – Green Euro PP	84.0	84.0	2.26%	20/12/2026
20/12/2019 – Green Euro PP	156.0	156.0	2.46%	20/12/2027
TOTAL	361.0	391.0		

The EuroPP Green Bond issued in 2019 meets the eligibility criteria set out in the Group's Greenbond Framework 2019. The proceeds of the Green Bond issuance will be used to finance and/or refinance the development and construction of residential real estate projects in France that meet several criteria, such as the European NZEB (Nearly Zero-Energy Buildings) standards. The allocation of funds to projects is subject to a specific traceability and annual reporting process, which is audited and published on the Group's website.

This green bond is in line with the Group's CSR policy, the fight against global warming and its contribution to the transition to a low-carbon economy.

In line with this responsible finance approach, Nexity published a sustainable framework on 11 October 2023, adding a "social" component to the "Green" component in force since 2019. The framework also includes a section on environmental criteria used in sustainability-linked financing. This framework was reviewed by ISS-ESG, which issued a Second-Party Opinion (SPO) that described Nexity's aims as being robust and in line with market best practice. These documents are available on the Group's website.

Financial covenants

Under the terms of these bonds, the Group is required to comply with the following financial ratios, which are calculated on the basis of the consolidated financial statements every six months on a rolling 12-month basis: All of these ratios were complied with as of 31 December 2023.

Issue date of bonds	Ratio limit	Ratio at 31/12/2023
Ratio of Net debt excl. IFRS 16/Consolidated equity ratio	≤ 2	0.3
Ratio of Net debt excl. IFRS 16 and project-related debt*/EBITDA after lease payments	≤ 3.5	2.5
Ratio of EBITDA after lease payments/Net borrowing cost excl. IFRS 16	≥ 2.5	5.1

* Project-related debt is debt linked to commercial real estate developments that have been sold, and debt linked to real estate assets, taken out by Nexity or one of its subsidiaries, with no possibility of recourse against other members of the Group.

The leverage ratio at 31 December 2023 was calculated as follows:

<i>(in millions of euros)</i>	Calculation of the leverage ratio at 31/12/2023
Net debt before IFRS 16	657.2
Neutralisation of non-recourse project-related debt	-
Neutralisation of non-recourse project-related cash	-
Net debt before IFRS 16 and project-related debt	657.2
EBITDA after lease payments	267.5
Leverage ratio	2.5

EBITDA after lease payments (rolling 12-month basis) was determined as follows:

<i>(in millions of euros)</i>	31/12/2023 (12-month period)	31/12/2022 (12-month period)
Current operating profit	178.5	335.2
Depreciation of right-of-use assets	155.5	133.0
Depreciation, amortisation and impairment of non-current assets	41.9	38.7
Net change in provisions	6.4	(2.5)
Share-based payments	2.2	11.8
Dividends received from equity-accounted investees that are operational in nature	26.1	36.6
EBITDA	410.7	552.7
Restatement of lease payments	(143.1)	(132.8)
EBITDA AFTER LEASE PAYMENTS	267.5	419.9

Convertible bonds issued by Nexity SA

CONVERTIBLE BONDS

Issue date	Nominal amount at 31/12/2023 <i>(in millions of euros)</i>	Nominal amount at 31/12/2022 <i>(in millions of euros)</i>	Annual interest rate	Maturity	Number of bonds
ORNANE 2018 – 27/02/2018	200.0	200.0	0.250%	02/03/2025	2,902,336
OCEANE 2021 – 19/04/2021	240.0	240.0	0.875%	19/04/2028	4,012,706
TOTAL	440.0	440.0			

2018 ORNANE bond issue (bonds that may be converted into cash and/or new shares and/or existing shares)

On 27 February 2018, the Group issued €200 million of 7-year bonds that may be converted into cash and/or new shares and/or existing shares (ORNANE bonds), redeemable at maturity in March 2025 and paying an annual coupon of 0.25%.

The nominal unit value per 2018 ORNANE convertible bond was set at €68.91. In accordance with the dividend protection clause included in the terms and conditions of the bond, the share allotment ratio was adjusted on 26 May 2023, after the dividend distribution, and amounts to 1,427 shares, with a nominal value of €5 each, per bond (compared with one share per bond at the date of issue).

If all convertible bonds were converted, the dilution would be 6.9% (as a percentage of share capital ownership).

To account for this instrument, Nexity group has opted for the fair value option.

2021 OCEANE bond issue (bonds that may be converted or exchanged for new or existing shares)

On 19 April 2021, the Group issued €240 million of 7-year bonds that may be converted into cash and/or new shares and/or existing shares (OCEANE) for a nominal value of €59.81, redeemable at maturity in April 2028 and paying an annual coupon rate of 0.875%.

The nominal unit value per 2021 OCEANE convertible bond was set at €59.81. In accordance with the dividend protection clause included in the terms and conditions of the bond, the share allotment ratio was adjusted on 26 May 2023, after the dividend distribution, and amounts to 1,272 shares, with a nominal value of €5 each, per bond (compared with one share per bond at the date of issue).

If all convertible bonds were converted, the dilution would be 8.3% (as a percentage of share capital ownership).

At 31 December 2023, the equity component of this instrument amounted to €16.5 million and the debt component to €223.5 million.

21.2 Credit facilities

	31/12/2023		31/12/2022	
<i>(in millions of euros)</i>	Non-current payables	Current payables	Total payables	Total payables
Nexity corporate borrowing facilities	-	170.0	170.0	130.0
Negotiable debt securities (NEU CP and NEU MTN)	-	348.6	348.6	476.6
Put options granted to minority shareholders	19.1	12.4	31.5	164.5
TOTAL CORPORATE DEBT	19.1	531.0	550.1	771.1
Project-related loans	-	225.3	225.3	175.9
TOTAL CREDIT FACILITIES	19.1	756.3	775.4	947.0

At 31 December 2023, the credit facility and put options granted to non-controlling shareholders totalled €775.4 million. The Group benefits from borrowing capacity under renewable credit facilities and facilities earmarked for real estate programmes. Borrowings and financial liabilities are mainly denominated in euros and are at floating rates indexed to Euribor.

Nexity corporate borrowing facilities

Nexity SA has access to non-allocated credit facilities for a maximum amount of €800 million through a syndicate of banks, maturing in February 2028. One of the clauses of the credit agreement provides for compulsory early repayment in the event of a change in the control of Nexity SA affecting at least 30% of its share capital or if the percentage of Nexity Logement's capital held by Nexity SA were to fall below 95%.

€170 million of this credit facility had been at 31 December 2023, *i.e.* €630 million of undrawn credit facilities.

Traditionally, credit agreements require borrowers to comply with a certain number of financial and environmental criteria.

The financial covenants applicable to this credit facility are identical to those applicable to bond debt.

The environmental criteria are based on meeting targets for reducing the carbon intensity of the Group's activities. The credit facility includes a virtuous performance obligation by providing for a bonus/penalty mechanism on the applicable margin depending on the achievement of these objectives, which will be measured annually.

At 31 December 2023, the Group was in compliance with all its financial covenants.

Negotiable debt securities

The Group has set up negotiable debt securities (commercial paper) in the form of NEU CP (Negotiable European Commercial Paper) and NEU MTN (Negotiable European Medium Term Notes) programmes:

<i>(in millions of euros)</i>	Authorisations	Outstanding
Negotiable European Commercial Paper < 1 year	300.0	177.0
Negotiable European Medium Term Notes > 1 year	450.0	171.6
TOTAL AT 31 DECEMBER 2023	750.0	348.6

Put options granted to minority shareholders

The amount of the put options takes into account payments made in 2023.

The maturity schedule of put options granted to minority shareholders is based on the probable date of performance of the contractual commitments. At 31 December 2023, these mainly concerned Bureaux à Partager (Morning), pantera AG and Prado Gestion.

Project-related loans

Specific bank financing may be arranged on an individual project basis to cover funding requirements.

21.3 Lease liabilities

<i>(in thousands of euros)</i>	Balance at 31/12/2022	Payment for the period	Impact of changes in scope	Financial expenses	Share at less than one year	New leases	Others and IFRS 5 impact*	Balance at 31/12/2023
Current lease liabilities	106,811	(142,710)	128	35,676	141,611	22,747	(35,493)	128,770
Non-current lease liabilities	672,222		159	(9,471)	(141,611)	222,376	(23,944)	719,731
TOTAL LEASE LIABILITIES	779,033	(142,710)	287	26,205	-	245,123	(59,437)	848,501

* Including IFRS 5 for €12 million on current lease liabilities and €35 million on non-current lease liabilities (see Note 3.2.3).

The discount rate is the marginal rate of the lessee's debt on the lease start date. This rate is calculated each half-year by group of subsidiaries with the same risk profiles. At 31 December 2023, these rates were between 1.36% and 5.9%, compared with a range of between 1.36%

and 4.5% in 2022. The rate used in the 2nd half of 2023 was 5.9%, compared to 4.5% in the 2nd half of 2022. The rate increase in 2023 reflects changes in economic conditions.

5

21.4 Liquidity risk

Amortisation schedule

<i>(in millions of euros)</i>	Drawn 31/12/2023	Depreciation					
		2024	2025	2026	2027	2028	> 5 years
Bond issues	361.0	-	121.0	84.0	156.0	-	-
Convertible bonds (OCEANE and ORNANE)	440.0	-	200.0	-	-	240.0	-
Put options granted to minority shareholders	31.5	12.4	3.1	-	16.0	-	-
TOTAL BOND DEBT AND PUT OPTIONS	832.5	12.4	324.1	84.0	172.0	240.0	-
Holding company corporate credit line	170.0	-	-	-	-	170.0	-
Negotiable debt securities (NEU CP and NEU MTN)	348.6	348.6	-	-	-	-	-
Project-related loans	225.3	103.5	32.3	63.6	2.0	24.0	-
TOTAL BANK DEBT AND COMMERCIAL PAPERS	743.9	452.1	32.3	63.6	2.0	194.0	-
Total amortisation		464.5	356.4	147.6	174.0	434.0	-
TOTAL BORROWINGS AND FINANCIAL LIABILITIES BEFORE LEASE LIABILITIES	1,576.4	1,111.9	755.5	607.9	434.0	-	-
Lease liabilities	848.5	144.8	132.3	118.3	90.4	85.9	276.8
TOTAL BORROWINGS AND FINANCIAL LIABILITIES	2,424.9	1,815.6	1,326.9	1,061.0	796.6	276.8	-

The other components of net debt shown in Note 20 are short-term items.

At 31 December 2023, 71% of borrowings before IFRS 16 were due in more than one year.

The average maturity of debt outstanding at 31 December 2023 was 2 years and 4 months.

21.5 Derivative instruments

The Group is exposed to market risk, particularly in terms of interest rates. The Group may use a number of derivatives to manage this risk (such as swaps, caps and collars). The purpose is to reduce, where appropriate, the fluctuations in cash flows related to changes in interest rates. Derivative instruments are recognised at fair value in the statement of financial position, based on external appraisals. The change

in fair value of the derivative instruments is still recognised in the income statement, unless the instruments are used for hedging purposes. For the 2023 fiscal year, all our derivative instruments qualify as hedging instruments and the change in fair value recorded in shareholders' equity amounts to €2.7 million.

Note 22 Other financial receivables

<i>(in thousands of euros)</i>	Gross	Impairment	Balance at 31/12/2023	Gross	Impairment	Balance at 31/12/2022
Current accounts – Assets and similar receivables	379,553	(9,780)	369,773	366,600	(5,482)	361,118
Fair value of derivatives	523	-	523	-	-	-
TOTAL OTHER FINANCIAL RECEIVABLES	380,076	(9,780)	370,296	366,600	(5,482)	361,118

Note 23 Cash and cash equivalents

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Balance at 31/12/2022
Marketable securities – Cash equivalents	533	15,340
Cash and cash equivalents	715,414	882,639
TOTAL CASH AND CASH EQUIVALENTS	715,947	897,979

The majority of cash and cash equivalents are invested at variable rates in demand deposit accounts.

Aggregate cash and cash equivalents at the reporting date in the statement of cash flows were as follows:

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Balance at 31/12/2022
Cash and cash equivalents	715,947	897,979
Bank overdraft facilities	(65,440)	(36,663)
CASH AND CASH EQUIVALENTS AS REPORTED IN THE STATEMENT OF CASH FLOWS	650,507	861,316
<i>o/w available cash</i>	<i>650,507</i>	<i>861,316</i>

Note 24 Financial risk factors

24.1 Interest rate risk

Exposure to interest rate risk

Bond issues pay a fixed rate. The majority of the Group's bank borrowings are at floating interest rates.

The Group's cash is mainly invested in demand deposit and term deposit accounts with leading banks offering immediate or short-notice liquidity, and to a limited extent in UCITS funds applying a "standard money-market management" approach with portfolios favouring liquidity and a high level of security.

The cost of borrowing on debt drawn down by the Group was 3.9% in 2023 (2.2% in 2022).

The Group may set up interest rate hedging instruments using hedge accounting (where effective) to mitigate the effects of severe interest rate movements. Such instruments are entered into with top-ranking financial institutions.

During the 2023 fiscal year, the Group entered into interest rate hedging contracts.

Interest rate sensitivity analysis

The fixed-rate or hedged portion of debt (before IFRS 16) represents approximately 65% of total gross debt at 31 December 2023.

The Group's exposure to interest rate risk excludes fixed-rate debt and debt hedged by financial instruments (swaps), but includes the following items with respect to net interest income:

- In terms of borrowings, all floating-rate loans and borrowings, whether or not hedged by interest rate caps and floors, and held-for-trading financial instruments;
- In terms of financial income, cash and cash equivalents and demand deposit accounts; and
- In terms of operating profit generated by the Services division, the interest on cash held in client working capital accounts (except for separate accounts).

The Group is not exposed to long-term interest rate risk as regards its net finance expense because its floating-rate debt is mostly indexed to 3-month Euribor.

The following tables provide a simulation sensitivity analysis of a 1% rise in short-term interest rates (and symmetrically -1%) on the various items described above based on the Group's financial structure at 31 December 2023.

The simulation merely reflects the purely mathematical impact of a change in interest rates on the Group's financial assets and liabilities. It does not show the more pervasive influence of interest rate movements on the borrowing capacity of the Group's clients and the potential impact of such movements on the Group's business activity and performance.

Sensitivity of changes in interest rates on the amounts of variable-rate net debt after management and the cash and cash equivalents of client working capital accounts

<i>(in millions of euros)</i>	Impact on the income statement after tax
Sensitivity analysis at 31 December 2023	
Impact of a +1% increase in short-term interest rates	(1.5)
Impact of a -1% decrease in short-term interest rates	1.5
Sensitivity analysis at 31 December 2022	
Impact of a +0.5% increase in short-term interest rates	(1.7)
Impact of a -0.5% decrease in short-term interest rates	1.7

24.2 Foreign exchange risk

The Group is no longer exposed to exchange rate risk following the disposal of its main business outside the eurozone in 2023.

24.3 Equity risk

The Group does not hold any listed securities. However, under the liquidity contract in place, the Group may hold a small percentage of treasury shares. The other treasury shares are allocated to the delivery of shares under free share plans.

The Group thus deems itself not exposed to any material equity risk.

Note 25 Fair value of financial instruments by accounting category**POSITION AT 31 DECEMBER 2023**

Accounting categories							Fair value measured on the basis of				
Statement of financial position items (in millions of euros)	Notes	Assets and liabilities at fair value through profit or loss	Derivative instruments for hedging	Financial instruments available for sale	Loans and receivables	Liabilities at amortised cost	Total net carrying amount	Listings on an active market	Internal model based on observable data	Internal model based on non-observable data	Total fair value
								Level 1	Level 2	Level 3	
Equity investments unconsolidated	10			5.0			5.0		5.0		5.0
Capitalised receivables	10				44.7		44.7		44.7		44.7
Current accounts and other financial receivables	20				369.8		369.8	369.8	-		369.8
Cash and reservation deposits	20				715.9		715.9	715.9			715.9
TOTAL FINANCIAL ASSETS											
		-	0.5	5.0	1,130.4	-	1,136.0	1,086.2	49.7	-	1,136.0
Credit facilities	20					775.4	775.4		775.4		775.4
Bond issues	20					786.2	786.2		638.0		638.0
IFRS 16 Lease liabilities	20					848.5	848.5		848.5		848.5
Current account liabilities	20					116.4	116.4		116.4		116.4
Bank overdraft facilities	20					65.4	65.4	65.4			65.4
TOTAL FINANCIAL LIABILITIES											
		-	3.4	-	-	2,592.0	2,595.4	65.4	2,381.7	-	2,447.2

POSITION AT 31 DECEMBER 2022

Accounting categories							Fair value measured on the basis of				
Statement of financial position items (in millions of euros)	Notes	Assets and liabilities at fair value through profit or loss	Derivative instruments for hedging	Financial instruments available for sale	Loans and receivables	Liabilities at amortised cost	Total net carrying amount	Listings on an active market	Internal model based on observable data	Internal model based on non-observable data	Total fair value
								Level 1	Level 2	Level 3	
Equity investments unconsolidated	10			7.9			7.9		7.9		7.9
Capitalised receivables	10				52.3		52.3		52.3		52.3
Current accounts and other financial receivables	20				361.1		361.1	361.1	-		361.1
Cash and reservation deposits	20				898.0		898.0	898.0			898.0
TOTAL FINANCIAL ASSETS											
		-	-	7.9	1,311.4	-	1,319.3	1,259.1	60.2	-	1,319.3
Credit facilities	20					947.0	947.0		947.0		947.0
Bond issues	20					811.6	811.6		661.3		661.3
IFRS 16 Lease liabilities	20					779.0	779.0		779.0		779.0
Current account liabilities	20					97.8	97.8		97.8		97.8
Bank overdraft facilities	20					36.7	36.7	36.7			36.7
TOTAL FINANCIAL LIABILITIES											
		-	-	-	-	2,672.1	2,672.1	36.7	2,485.1	-	2,521.8

In the absence of an active market, the fair value of bonds has been determined using the risk-free interest rate and a stable risk premium.

PROVISIONS

Note 26 Current and non-current provisions

26.1 Provisions

A provision is recognised in the statement of financial position when the Group has a legal or constructive obligation as a result of a past event, and when it is probable that an outflow of economic benefits will be required to settle that obligation.

If the effect of the time value of money is material, the provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

BREAKDOWN OF CHANGES

<i>(in thousands of euros)</i>	Balance at 31/12/2022	Additions	Reversals used	Reversals unused	Changes in scope and other	Balance at 31/12/2023
Employee benefits	20,815	4,480	(2,628)	(23)	(11,716)	10,928
Total non-current provisions	20,815	4,480	(2,628)	(23)	(11,716)	10,928
Litigation	45,011	21,605	(10,192)	(2,709)	(7,703)	46,012
Tax and investment risk	1,313	710	(1,035)	(2)	(690)	296
Employee benefits (portion at < 1 year)	1,019	-	(7)	-	(306)	706
Provisions for risks and charges	29,654	21,203	(23,402)	(1,899)	(3,835)	21,721
Total current provisions	76,999	43,518	(34,636)	(4,610)	(12,536)	68,735
TOTAL PROVISIONS	97,814	47,998	(37,264)	(4,633)	(24,252)	79,663

BREAKDOWN BY INCOME LEVEL

<i>(in thousands of euros)</i>	Balance at 31/12/2022	Net change for operations	Net change for financing	Net change for tax	Changes in scope and other	Balance at 31/12/2023
Employee benefits	20,815	1,829	-	-	(11,716)	10,928
Total non-current provisions	20,815	1,829	-	-	(11,716)	10,928
Litigation	45,011	8,704	-	-	(7,703)	46,012
Tax and investment risk	1,313	(1,000)	673	-	(690)	296
Employee benefits (portion at < 1 year)	1,019	(7)	-	-	(306)	706
Provisions for risks and charges	29,654	(4,098)	-	-	(3,835)	21,721
Total current provisions	76,999	3,599	673	-	(12,536)	68,735
TOTAL PROVISIONS	97,814	5,428	673	-	(24,252)	79,663

Changes in scope and other mainly correspond to the impact of IFRS 5 on employee benefits (€10 million) and current provisions (€12 million). The balance primarily refers to the actuarial gains and losses on employee benefits (see Note 26.2).

- Non-current provisions (for the share due after one year) include provisions for employee benefits (see Note 26.2);
- Current provisions include:
 - provisions for disputes ongoing at the date of the financial statements. They are valued based on current proceedings and estimated risk exposure on the reporting date of the financial statements.

There are many disputes, but the individual amount of each one is not very significant at the Group level. These disputes often take a long time to resolve, due to their technical nature and the time required to seek expert opinions,

- provisions for tax to cover risks resulting from tax audits. Tax adjustments are taken into account in the fiscal year in which they are approved. If contested, the risk may be provisioned,
- provisions for risks and charges including accrued expenses mainly related to ordinary operations. The individual amounts are relatively low at the Group level, and
- provisions include an immaterial amount for the risk related to case law on paid leave.

26.2 Employee benefits

As regards the Group, employee benefits are provided through defined-benefit and defined-contribution plans. Obligations relating to these plans involve retirement and long-service benefits, less the fair value of any qualifying plan assets (defined-benefit plans). These estimates, calculated annually, take into account actuarial assumptions for life expectancy, employee turnover and salary increases.

The values obtained are subject to verification by an independent actuary using the projected unit credit method. Actuarial gains and losses on retirement benefits are recognised directly in other comprehensive income. Actuarial gains and losses on long-service benefits are recognised in income statement.

BREAKDOWN OF BALANCE SHEET COMMITMENTS

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Balance at 31/12/2022
Measurement of obligations		
Obligations at beginning of fiscal year	21,834	26,282
Net current service cost	1,922	1,925
Interest expense	578	111
Employee benefits paid	(1,670)	(1,574)
Change of scheme	2,355	-
IFRS 5 reclassification	(10,171)	(205)
Acquisitions	(346)	346
Disposals	-	-
EXPECTED VALUE AT THE REPORTING DATE	14,503	26,885
o/w current value at year-end	11,634	21,834
o/w actuarial gains/(losses)	2,868	5,051
Changes in assumptions	174	(4,804)
Discount rate change	(351)	-
Changes in turnover assumptions	(2,723)	(334)
Change of method	-	-
Experience adjustments	31	87
Reconciliation of financial position (at year-end)		
Current value of benefit obligation	11,634	21,834
NET BENEFIT LIABILITY RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION	11,634	21,834
o/w non-current provisions	10,928	20,815
o/w current provisions	706	1,019
Assumptions relating to obligations		
Retirement benefits discount rate at year-end	3.34%	3.07%
Long-service award discount rate at year-end	3.26%	3.02%
Salary increase rate (at year-end)	2.50%	2.00%

The main assumptions for calculating employee benefits are based on a retirement departure age of 64 years for non-managers and managers, on the employee's initiative, an average turnover rate of 22% and a social security contribution rate of 42%.

The INSEE 2013/2015 mortality table is still used.

The discount rate is determined on the basis of the index rate for AA-rated corporate bonds in the eurozone.

The actuarial difference (gain or loss) is recognised in:

- "Other comprehensive income" for retirement benefits; and
- "Income statement" for long-service awards.

BREAKDOWN OF EXPENSES IN THE PERIOD

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Balance at 31/12/2022
Expense for the year		
Net current service cost	1,922	1,925
Interest expense	578	111
Change of scheme	2,355	-
Amortisation of unrecognised actuarial gains and losses	(721)	(1,181)
TOTAL EXPENSE RECOGNISED UNDER OPERATING PROFIT	4,134	855
<i>o/w net expense recognised for employee benefits</i>	<i>2,465</i>	<i>(719)</i>
<i>o/w expenses included under employee benefits expense</i>	<i>1,670</i>	<i>1,574</i>
CHANGE IN GAINS AND LOSSES RECOGNISED DIRECTLY IN OTHER COMPREHENSIVE INCOME	(2,149)	(3,870)
Actuarial gains and losses on retirement benefits	(2,149)	(3,870)
<i>o/w changes in assumptions</i>	<i>139</i>	<i>(3,815)</i>
<i>o/w change in discount rate</i>	<i>(303)</i>	
<i>o/w changes in turnover assumptions</i>	<i>(1,936)</i>	<i>(164)</i>
<i>o/w experience adjustments</i>	<i>(48)</i>	<i>110</i>

CHANGE OVER THE PERIOD

<i>(in thousands of euros)</i>	Balance at 31/12/2022	Gains and losses recognised directly in other comprehensive income	Income	Changes in scope	Balance at 31/12/2023
Employee benefits	21,834	(2,149)	2,465	(10,517)	11,633

SENSITIVITY OF PROVISIONS FOR EMPLOYEE BENEFITS TO RATE ASSUMPTIONS

<i>(in thousands of euros)</i>	Provisions for employee benefits
Provisions for employee benefits at 31 December 2023	11,633
Sensitivity analysis at 31 December 2023	
Impact of a 1.00% increase in the discount rate	(1,257)
Impact of a 1.00% decrease in the discount rate	1,417
Impact of a 0.50% increase in the salary increase rate	692

IAS 19 Pension reform (French Social Security Financing Law enacted on 14 April 2023): the main impact of this reform is to raise the statutory retirement age from 62 to 64 and extend the contribution period. The impact of this change in reform was not significant at 31 December 2023.

INCOME

Note 27 Employee benefits expense

<i>(in thousands of euros)</i>	31/12/2023 (12-month period)	31/12/2022 (12-month period)
Salaries and withholdings	(655,500)	(641,717)
Tax credit on remuneration	522	420
Employee profit-sharing	(7,035)	(18,421)
Expense related to share-based payments	(2,032)	(11,763)
TOTAL EMPLOYEE BENEFITS EXPENSE	(664,045)	(671,481)

The Group's average full-time equivalent workforce was 8,349 employees at 31 December 2023, *versus* 8,481 employees (and 8,302 on a like-for-like basis) at 31 December 2022.

At 31 December 2023, there was a total workforce of 8,185 employees. The employee benefits expense in 2022, on a like-for-like basis (excluding discontinued operations), amounted to €664 million.

Note 28 Other operating expenses

<i>(in thousands of euros)</i>	31/12/2023 (12-month period)	31/12/2022 (12-month period)
Lease payments	(13,750)	(9,342)
Rental expenses	(15,056)	(11,347)
Fees and commissions	(64,416)	(50,874)
Other external services	(192,076)	(187,067)
Other income	12,922	8,101
Other expenses	(16,883)	(7,713)
Gain/(loss) on disposal of consolidated shares	5,851	1,989
TOTAL OTHER OPERATING EXPENSES	(283,409)	(256,252)

Note 29 Depreciation, amortisation and impairment of non-current assets

<i>(in thousands of euros)</i>	31/12/2023 (12-month period)	31/12/2022 (12-month period)
Depreciation of right-of-use assets	(155,534)	(132,966)
Net increase/(decrease) in depreciation, amortisation and impairment of non-current assets	(41,893)	(39,053)
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT OF NON-CURRENT ASSETS	(197,427)	(172,019)

Note 30 Net financial income/(expense)**30.1 Breakdown of net financial income/(expense)**

<i>(in thousands of euros)</i>	31/12/2023 (12-month period)	31/12/2022 (12-month period)
Interest expense	(63,871)	(36,098)
Interest income	11,290	4,033
Cost of financial debt before interest expense on lease liabilities	(52,581)	(32,065)
Interest expense on lease liabilities	(26,205)	(18,285)
NET BORROWING COST	(78,786)	(50,350)
Other financial expenses	(25,971)	(13,435)
Other financial income	4,664	3,211
OTHER NET FINANCIAL INCOME AND EXPENSES	(21,307)	(10,224)
Total financial expenses	(116,046)	(67,817)
Total financial income	15,954	7,244
TOTAL NET FINANCIAL INCOME/(EXPENSE)	(100,093)	(60,573)

30.2 Breakdown of other financial income/(expense) by type

<i>(in thousands of euros)</i>	31/12/2023 (12-month period)	31/12/2022 (12-month period)
Other financial expenses	(16,461)	(8,519)
Other financial income	4,258	2,025
Discount expenses for supplier debts of 1 year or more	-	(375)
Net financial impairment and provisions	(9,339)	(4,316)
Transfer of financial expense to inventories	235	960
OTHER NET FINANCIAL INCOME AND EXPENSES	(21,307)	(10,224)

For the recognition of the ORNANE 2018 (see Note 21.1), Nexity group has selected the fair value option: all changes in fair value are recorded through "Net financial income/(expense)".

Note 31 Taxes**31.1 Income tax**

<i>(in thousands of euros)</i>	31/12/2023 (12-month period)	31/12/2022 (12-month period)
Corporate income tax	(70,478)	(73,712)
Deferred tax	24,563	(8,613)
CVAE (French business value-added tax)	(4,865)	(6,445)
TOTAL INCOME TAXES	(50,780)	(88,770)

31.2 Changes in statement of financial position tax items**CHANGES IN STATEMENT OF FINANCIAL POSITION TAX ITEMS**

<i>(in thousands of euros)</i>	Balance at 31/12/2022	Expense*	Tax credits	Not recognised in the income statement	Net payments*	Balance at 31/12/2023
Current tax						
Tax receivable	10,400					16,138
Current tax liabilities	(21,263)					(4,693)
TOTAL CURRENT TAX	(10,863)	(75,343)	1,478	5,117	91,056	11,445
Deferred tax						
Assets	15,899					25,342
Liabilities and equity	(98,921)					(80,137)
TOTAL DEFERRED TAX	(83,022)	24,563		3,664		(54,795)

* Including CVAE (French business value-added tax).

31.3 Tax proof

RECONCILIATION OF THEORETICAL AND ACTUAL TAX RATES IN THE CONSOLIDATED INCOME STATEMENT

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Balance at 31/12/2022
Theoretical tax base		
Net profit	19,206	187,770
Share of profit from investees with activities that are an extension of the Group's operating activities	(18,570)	(25,730)
Share of profit/(loss) from other equity-accounted investments	49,086	7,441
Change in value of goodwill	-	-
Attributable to non-controlling interests	17,525	16,336
Income tax	50,780	88,770
Pre-tax profit on activities	118,027	274,587
Non-taxable portion of capital gains on disposals	-	-
Pre-tax recurring profit	118,027	274,587
Theoretical tax rate used by the Group	25.82%	25.82%
Actual tax rate for current activities	43.02%	32.33%
Actual tax rate for current activities excluding CVAE	40.57%	30.70%
Theoretical tax expense	(30,475)	(70,898)
Difference between theoretical tax and actual income tax	(20,305)	(17,872)
The difference is due to:		
Tax on equity-accounted flow-through entities	(4,226)	(5,566)
Impact of the CVAE levy (net of the income tax saving)	(3,609)	(4,781)
Effect of tax rates	(43)	2,316
Tax on non-taxable net income for the period	4,796	2,089
Tax on non-deductible or uncapitalised net expenses for the period	(13,454)	(11,405)
Impact of derecognition of bases for prior periods	(3,769)	(525)
NET DIFFERENCE	(20,305)	(17,872)

The differences observed between the tax expense based on the theoretical tax rate in France and the tax expense recognised for the fiscal year exist mainly for the following reasons:

As most equity-accounted investments are tax-transparent, their contribution to the income statement is presented pre-tax. The matching tax expense is included in the Group's tax expense.

The CVAE levy is classified under "Income taxes". Excluding the CVAE levy, the Group's tax rate was 40.6% in 2023.

The impact of tax rates mainly corresponds to the difference between Nexity group's tax consolidation rate (25.82%) and the rate of foreign consolidated subsidiaries: the disposal of these subsidiaries makes this difference insignificant in 2023.

The non-deductible net expenses primarily comprise discount expenses for payables calculated under IFRS, and permanently non-deductible losses for certain subsidiaries.

Excluding CVAE (French business value-added tax), the Group's income tax rate was 40.6% in 2023, compared to 30.7% in 2022. This change is mainly due to the drop in pre-tax income while the non-deductible losses of certain subsidiaries remained stable.

31.4 Breakdown of deferred taxes by type

Deferred taxes are generally recorded for all timing differences between the tax value and book value of assets and liabilities on the consolidated statement of financial position, and are determined based on the liability method. The effects of changes in tax rates are recorded in the income statement for the year in which the change in tax rate is approved by Parliament. Deferred tax assets resulting from temporary differences, tax losses and tax

credits carried forward are only recognised if their future realisation is probable. This likelihood is assessed at the end of the fiscal year based on the forecast results of the tax entities concerned. Deferred taxes are reported net on the statement of financial position at Group tax consolidation level, and in the asset and liability columns of the consolidated statement of financial position.

<i>(in thousands of euros)</i>	31/12/2023	31/12/2022
Employee benefits	2,334	4,316
Loss carryforwards	8,539	4,794
Portion of contract revenues earned	(98,225)	(109,008)
Other deferred provisions, income and expenses	32,557	16,876
NET DEFERRED TAX	(54,795)	(83,022)
<i>o/w deferred tax assets</i>	<i>25,342</i>	<i>15,899</i>
<i>o/w deferred tax liabilities</i>	<i>(80,137)</i>	<i>(98,921)</i>

31.5 Tax amounts by type without tax base

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Balance at 31/12/2022	Change
Loss carryforwards	68,664	69,522	(858)
Other deferred provisions, income and expenses	24,735	29,585	(4,850)
TOTAL AMOUNTS WITHOUT TAX BASE	93,399	99,107	(5,708)

Deferred taxes have not been calculated for these amounts as it is unlikely that they will be used and/or the timing of their use cannot be estimated reliably or is too distant in the future.

Note 32 Earnings per share

The calculation of basic earnings per share (EPS) is based on the net profit attributable to shareholders of the parent company and the average number of shares outstanding during the fiscal year, less the average number of treasury shares held during the fiscal year.

As regards free share allocations, the calculation of diluted earnings per share is based on the treasury stock method assuming that all dilutive options and other dilutive potential ordinary shares are exercised. Dilution is attributable to the free share award plans described in Note 18. The average number of shares is calculated as the weighted average number of shares outstanding, which reflects the grant dates of plans during the fiscal year. The numbers of potentially dilutive shares only take into account plans for which the stock price or grant criteria relating to the stock market price are lower than the average share price over the period.

Convertible bonds have a dilutive impact on the diluted earnings per share when the net interest expense recorded is lower than the basic earnings per share for each bond. The weighted average number of shares is therefore increased by the weighted average number of convertible bonds, and the Group share of net profit is adjusted for the net financial expense of the convertible bonds.

The maximum potential dilution resulting from the conversion of all the convertible bonds and the vesting of all free shares in awards granted would be 15.3% (as a percentage of share capital ownership) based on the number of shares at the reporting date.

	31/12/2023 (in number of shares)	Earnings per share (in euros)	31/12/2022 (in number of shares)	Earnings per share (in euros)
Number of shares at end of period	56,129,724		56,129,724	
Average number of shares outstanding during the period	55,586,633	0.35	55,289,167	3.40
Dilutive effect of share plans using the treasury stock method	24,484		321,194	
Dilutive effect of convertible bond issues	8,914,754		8,111,186	
Average number of shares (diluted)	64,525,870	0.33	63,721,547	2.98

ADDITIONAL INFORMATION

Note 33 Off-balance sheet commitments

Off-balance sheet items are described in the consolidated financial statements to 31 December 2023.

33.1 Off-balance sheet commitments related to the Group's scope

LIABILITY GUARANTEES		
(in thousands of euros)	Total at 31/12/2023	Total at 31/12/2022
Liability guarantees received	19,294	19,294
Liability guarantees given	69,705	58,450

Liability guarantees received are related to the acquisition of companies and decrease at the end of the guaranteed period.

33.2 Off-balance sheet commitments related to Group financing

The Group has not granted any guarantees, collateral or pledges to banks in relation to its credit facilities.

33.3 Off-balance sheet commitments related to operating activities

The commitments given and received listed below include activities related to joint ventures and reflect operational reporting.

Commitments received

COMMITMENTS RECEIVED FOR RECURRING OPERATIONS		
(in thousands of euros)	Total at 31/12/2023	Total at 31/12/2022
Payment guarantees received from clients in respect of development contracts	459,112	820,570
Other commitments	3	3
Purchase agreement on non-controlling interests	61,836	61,836
TOTAL COMMITMENTS RECEIVED	520,951	882,409

Payment guarantees in respect of development contracts primarily relate to Commercial Real Estate. These guarantees are issued by financial institutions. Their amount is calculated every six months in relation to the total outstanding balance owed by the client. The Group grants the client a corresponding performance bond (see below).

Other commitments mainly concern guarantees on various indemnity payments.

In the course of its ordinary business in France, the Group also receives retention bonds in lieu of holdback from contractors on construction projects (up to 5% of the contract amount).

The shareholders of the Angelotti group have granted the Group a unilateral purchase agreement for the 45% of shares they still hold to date.

Commitments given

COMMITMENTS GIVEN FOR RECURRING OPERATIONS

<i>(in thousands of euros)</i>	Total at 31/12/2023	Total at 31/12/2022
Residential Real Estate	2,724,865	2,705,601
Commercial Real Estate	395,853	694,768
Counter-guarantees for performance bonds	3,120,718	3,400,369
Counter-guarantees for deposit payment bonds	52,969	60,514
Other commitments given	529,203	403,667
TOTAL COMMITMENTS GIVEN	3,702,890	3,864,550

Completion bonds are issued on a case-by-case basis by financial institutions to clients buying property, in accordance with existing law. In exchange, Nexity grants financial institutions an irrevocable undertaking to mortgage the property and a commitment not to transfer or sell its shares in the Company backing the development project.

The value of completion bonds is measured internally on a quarterly basis, before being reconciled and adjusted to the values set by the financial institutions based on changes in their commitments. Such a guarantee has never been exercised.

Deposit payment bonds are bank guarantees that may substitute cash payments on reacquisition agreements and promises to buy land and involve counter guarantees offered by Nexity to the financial institutions issuing the guarantees (see section on bilateral commitments below).

Other commitments given include guarantees on deferred payments relating to land purchases and planning taxes and duties.

Bilateral commitments

In the course of its normal business, the Group enters into the following agreements:

- In order to secure land for future housing and land development, the Group signs unilateral and bilateral purchase agreements with landowners:
 - under a unilateral purchase agreement to sell, the landowner agrees to sell the land. In exchange, the Group agrees to pay an indemnity, which the landowner may retain if the transaction falls through,

- under bilateral purchase agreements, the landowner agrees to sell the land, and the Group agrees to buy it if the conditions precedent are fulfilled. The Group undertakes to pay an indemnity, or penalty clause, if it does not purchase the land despite all the conditions precedent being lifted, and
- when the commitments are signed, the reservation fees are either paid by the Group and sequestered by the notary, or are subject to a bank guarantee;
- In order to market its real estate development and subdivision programmes, the Group signs reservation or purchase agreements with its clients:
 - the pre-acquisition agreements become deeds of sale if the conditions precedent are fulfilled (particularly if clients obtain financing to buy the property), and
 - in return for the reservation of the property, the clients pay a deposit (or guarantee), which is returned if the sale falls through;
- Real estate agents and intermediaries from the Services division are also required to provide guarantees pursuant to the Hoguet Act, which sets forth regulations governing the profession, particularly with regard to the management of client working capital accounts. At 31 December 2023, the amount guaranteed came to €1,334 million.

33.4 Schedule of contractual commitments and obligations

<i>(in thousands of euros)</i>	Total at 31/12/2023	Schedule at 31 December 2023		
		under 1 year	1 year to 5 years	over 5 years
Long-term borrowings and financial debt	594,180		594,180	-
Operating loans and borrowings	967,433	636,905	330,528	-
Completion bonds	3,120,718	1,555,154	1,565,565	-
Other off-balance sheet commitments	529,203	114,667	405,223	9,313
TOTAL CONTRACTUAL COMMITMENTS AND OBLIGATIONS	5,211,534	2,306,726	2,895,496	9,313

Note 34 Statutory Auditors' fees

FISCAL YEARS: 2023 AND 2022 ⁽¹⁾	KPMG				MAZARS				OTHER FIRMS			
	Amount excl. VAT		%		Amount excl. VAT		%		Amount excl. VAT		%	
<i>(in thousands of euros)</i>	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Statutory Auditors, certification, review of individual and consolidated financial statements ⁽²⁾												
Issuer: Nexity SA	433	451	17%	17%	422	471	23%	30%	-			
Fully consolidated subsidiaries	2,065	1,917	83%	74%	1,277	1,032	71%	66%	49	104	100%	100%
Services other than the certification of financial statements ⁽³⁾												
Issuer: Nexity SA	-	215	-	8%	-	31	0%	2%	-			
Fully consolidated subsidiaries	4	16	0%	1%	111	32	6%	2%	-		-	-
TOTAL	2,502	2,599	100%	100%	1,810	1,567	100%	100%	49	104	100%	100%

(1) Services provided during the accounting period and expensed in the income statement.

(2) Including the services of independent experts and members of the Statutory Auditor's network, who were called upon in connection with the certification of the financial statements.

(3) Mainly certification of CSR information, pre-acquisition audits and various statements.

Note 35 Information on related parties**35.1 Services between related parties****Ægide-Domitys**

Nexity holds 18% of this company, which is the French leader in the development and management of senior independent living facilities. Several residences are built as part of a joint venture every year.

Villes et Commerces

An agreement to upgrade 76 Carrefour sites and create a property venture was signed in 2023. The agreement covers 800,000 square metres to be regenerated and developed, including the creation of 12,000 homes.

Co-development projects

The Group engages in numerous co-developments *via* programme-specific companies. In accordance with IFRS 11, those entities are accounted for using the equity method. Their results are reflected in the column entitled "Restatement of joint ventures" in Note 6.

35.2 Remuneration of Directors and executive officers

Remuneration of Directors and executive officers concerns company officers.

The amounts equal the expense recognised in the income statement for the period.

<i>(in thousands of euros)</i>	31/12/2023
Short-term benefits	1,618
Post-employment benefits	N/A
Long-term benefits	N/A
Termination benefits	N/A
Share-based payments	112

N/A: Not applicable.

Note 36 Events after the reporting period

The sale of the Services to Individuals business to Bridgepoint was finalised on 2 April 2024.

No other significant events occurred between 31 December 2023 and the Board of Directors' meeting of 28 February 2024 convened to approve the financial statements for the period ended 31 December 2023.

Note 37 Main consolidated companies at 31 December 2023

MAIN FULLY CONSOLIDATED COMPANIES

Company name	Address	Siren	Legal form	% of holding
NEXITY	19, rue de Vienne – 75801 PARIS CEDEX 08	444 346 795	SA	100.00%
ACCESSITE	35, quai du Lazaret – 13002 MARSEILLE	394 232 300	SAS	90.40%
APOLLONIA	19, rue de Vienne – 75801 PARIS CEDEX 08	332 540 087	SAS	100.00%
ANSIÈRES ÎLOT B1	25, allée Vauban – 59562 LA MADELEINE CEDEX	839 037 652	SCI	100.00%
BUREAUX À PARTAGER	21, place de la République – 75003 PARIS	789 597 317	SAS	92.00%
BYM STUDIO	21, place de la République – 75003 PARIS	879 907 020	SAS	92.00%
CERGY BOULEVARD DE L'OISE	25, allée Vauban – 59562 LA MADELEINE CEDEX	814 368 023	SNC	100.00%
COLOMBES ÎLOT MAGELLAN	25, allée Vauban – 59562 LA MADELEINE CEDEX	835 177 478	SCI	100.00%
NEXITY IR PROGR MIDI-PYRÉNÉES	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 448 815	SAS	100.00%
CONSTRUGESTION	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	430 342 667	SARL	100.00%
EDMP – HAUTS-DE-FRANCE	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	879 769 115	SAS	100.00%
EDMP – IDF	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	879 767 887	SAS	100.00%
ÉDOUARD DENIS DÉVELOPPEMENT	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	531 728 889	SAS	100.00%
ÉDOUARD DENIS INGIENERING	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	484 839 857	SARL	100.00%
EURIEL INVEST	26, rue Denis-Papin – 59650 VILLENEUVE-D'ASCQ	500 298 542	SNC	100.00%
FONCIER CONSEIL	19, rue de Vienne – 75801 PARIS CEDEX 08	732 014 964	SNC	100.00%
GARENNE AMÉNAGEMENT	19, rue de Vienne – 75801 PARIS CEDEX 08	837 487 172	SAS	100.00%
GARENNE DÉVELOPPEMENT	19, rue de Vienne – 75801 PARIS CEDEX 08	839 944 352	SCI	100.00%
GEORGE V GESTION	19, rue de Vienne – 75801 PARIS CEDEX 08	327 256 947	SAS	100.00%
NEXIMMO 113 (CPI Colisée Paris)	19, rue de Vienne – 75801 PARIS CEDEX 08	830 844 650	SAS	100.00%
I INVEST	400, promenade des Anglais – 06200 NICE	479 020 893	SAS	100.00%
CORBEIL SO GREEN SCI	25, allée Vauban – 59562 LA MADELEINE CEDEX	514 015 973	SCI	100.00%
IMMOPEARL 2	115, rue Réaumur – 75002 PARIS	820 891 612	SNC	100.00%
ISELECTION	400, promenade des Anglais – 06200 NICE	432 316 032	SAS	100.00%
L'ESPACE	21, place de la République – 75003 PARIS	811 806 215	SAS	92.00%
LES DUNES DE FLANDRES	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	408 888 659	SARL	100.00%
MARSEILLE RUE CALLELONGUE	25, allée Vauban – 59562 LA MADELEINE CEDEX	838 039 105	SCI	100.00%
MONTREUIL LES RESERVOIRS	25, allée Vauban – 59562 LA MADELEINE CEDEX	480 556 042	SCI	70.00%
BOULEVARD DE LA BOISSIERE	25, allée Vauban – 59562 LA MADELEINE CEDEX	480 556 042	SCI	70.00%
NEXIMMO 106	19, rue de Vienne – 75801 PARIS CEDEX 08	823 421 482	SAS	100.00%
NEXIMMO 108	19, rue de Vienne – 75801 PARIS CEDEX 08	823 425 764	SAS	100.00%
NEXIMMO 110	19, rue de Vienne – 75801 PARIS CEDEX 08	823 425 889	SAS	100.00%
NEXIMMO 116	19, rue de Vienne – 75801 PARIS CEDEX 08	834 215 485	SAS	100.00%
NEXIMMO 120	19, rue de Vienne – 75801 PARIS CEDEX 08	834 215 865	SAS	100.00%
OTHIS JALAISE	25, allée Vauban – 59562 LA MADELEINE CEDEX	879 850 451	SAS	65.00%
NEXITY DOMAINES	25, allée Vauban – 59562 LA MADELEINE CEDEX	415 120 955	SNC	100.00%
NEXITY DEUTSCHLAND	Carmerstraße 2 – D-10623 Berlin	HRB24493	GmbH	100.00%
NEXITY GRAND PARIS	19, rue de Vienne – 75801 PARIS CEDEX 08	334 850 690	SA	100.00%
EDMP PAYS DE LOIRE	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	879 768 760	SAS	100.00%
NEXITY IMMOBILIER D'ENTREPRISE	19, rue de Vienne – 75801 PARIS CEDEX 08	332 335 769	SA	100.00%

MAIN FULLY CONSOLIDATED COMPANIES

Company name	Address	Siren	Legal form	% of holding
NEXITY IR PROGR ALPES	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 214	SAS	100.00%
MONTPELLIER FAUBOURG 56	25, allée Vauban – 59562 LA MADELEINE CEDEX	879 852 846	SCCV	65.00%
NEXITY IR PROGR ATLANTIQUE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 305	SAS	100.00%
NEXITY IR PROGR BRETAGNE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 354	SAS	100.00%
NEXITY IR PROGR CENTRE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 453	SAS	100.00%
NEXITY IR PROGR DOMAINES	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 309 751	SAS	100.00%
NEXITY IR PROGR EST	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 485 304	SAS	100.00%
NEXITY IR PROGR GFI	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 586	SAS	100.00%
NEXITY IR PROGR GRAND PARIS	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 350 763	SAS	100.00%
NEXITY IR PROGR LOIRE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 485 353	SAS	100.00%
NEXITY IR PROGR NORMANDIE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 418 503	SAS	100.00%
NEXITY IR PROGR PAYS BASQUE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 768	SAS	100.00%
NEXITY IR PROGR RÉGION SUD	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 485 320	SAS	100.00%
NEXITY IR PROGR RHÔNE BOURGOGNE AUVERGNE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 350 813	SAS	100.00%
NEXITY IR PROGR SEERI	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 350 797	SAS	100.00%
NEXITY IR PROGRAMS ESPRIT VILLAGE AQUITAINE	25, allée Vauban – 59562 LA MADELEINE CEDEX	834 116 261	SAS	100.00%
NEXITY LAMY	19, rue de Vienne – 75801 PARIS CEDEX 08	487 530 099	SAS	100.00%
NEXITY LOGEMENT	19, rue de Vienne – 75801 PARIS CEDEX 08	399 381 821	SAS	100.00%
NEXITY PATRIMOINE	19, rue de Vienne – 75801 PARIS CEDEX 08	329 087 118	SNC	100.00%
PARC MULTILOM	25, allée Vauban – 59562 LA MADELEINE CEDEX	817 479 090	SNC	100.00%
LE BLANC-MESNIL ARISTIDE BRIAND SCCV	25, allée Vauban – 59562 LA MADELEINE CEDEX	843 563 370	SCCV	100.00%
NEXITY PROPERTY MANAGEMENT	2, rue Olympe-de-Gouges – 92600 ASNIÈRES-SUR-SEINE	732 073 887	SA	100.00%
NEXITY RÉGION SUD	5, rue René-Cassin – 13331 MARSEILLE	351 039 193	SNC	100.00%
NEXITY STUDÉA	19, rue de Vienne – 75801 PARIS CEDEX 08	342 090 834	SA	100.00%
NEXITY RHÔNE BOURGOGNE AUV.	32, Rue Joannès-Carret – 69009 LYON	385 116 025	SAS	100.00%
ORALIA PARTENAIRES	94, quai Charles-de-Gaulle – 69006 LYON	397 581 984	SAS	100.00%
PERL	115, rue Réaumur – 75002 PARIS	438 411 035	SAS	100.00%
PRADO GESTION	30, rue Louis-Rège – 13008 MARSEILLE	479 927 238	SAS	82.50%
PRIMOSUD	30, rue Louis-Rège – 13008 MARSEILLE	339 901 365	SAS	82.50%
RICHARDIÈRE	22, rue Georges-Picquart – 75017 PARIS	682 009 121	SAS	100.00%
ST-OUEN COURS DES DOCKS N11	25, allée Vauban – 59562 LA MADELEINE CEDEX	825 382 393	SCI	100.00%
TOULOUSE ARÈNES	25, allée Vauban – 59562 LA MADELEINE CEDEX	814 795 779	SAS	60.00%
VILLES & PROJETS	19, rue de Vienne – 75801 PARIS CEDEX 08	409 260 775	SAS	100.00%

MAIN EQUITY-ACCOUNTED COMPANIES

Company name	Address	Siren	Legal form	% of holding
Joint ventures				
AQUEDUC	12, place des États-Unis – 92545 MONTROUGE	831 208 590	SAS	50.00%
BAGNEUX VICTOR-HUGO	19, rue de Vienne – 75801 PARIS CEDEX 08	825 193 329	SAS	50.00%
SAINT-OUEN HÉRITAGE	25, allée Vauban – 59562 LA MADELEINE CEDEX	879 895 381	SCI	37.50%
12-14 FRUCTIDOR	19, rue de Vienne – 75801 PARIS CEDEX 08	903 078 673	SCI	50.00%
Associates				
ÆGIDE	42, avenue Raymond-Poincaré – 75116 PARIS	401 397 765	SA	18.00%
BIEN'ICI	19, rue de Vienne – 75801 PARIS CEDEX 08	488 073 412	SAS	56.10%
VILLES ET COMMERCE	93, Avenue de Paris 91300 Massy	977 819 747	SNC	20.00%
THE BOSON PROJECT	39, rue d'Aboukir – 75002 PARIS CEDEX 02	789 508 843	SAS	48.99%
URBAN CAMPUS	16, rue Sainte-Apolline – 75002 PARIS	840 172 670	SAS	34.74%

5.1.3 Statutory Auditors' report on the consolidated financial statements

Statutory Auditors' Report on the Consolidated Financial Statements

Year ended 31 December 2023

This is a free translation into English of the Statutory Auditor's Report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and the professional auditing standards applicable in France.

To the Shareholders of Nexity,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Nexity for the year ended December, 31th 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December, 31th 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Financial Statements Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirement rules required by the required by the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1st, 2023, to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) N° 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 et R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, approved in the aforementioned context, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of goodwill

(Note 7 to the consolidated financial statements)

Risk identified

In the framework of its development, the Group has undertaken a certain number of acquisitions and has recognised goodwill in the consolidated statement of financial position as at 31 December 2023 for a total carrying amount of €1,171,9 million.

At each year end, the Group's management reviews the carrying amounts of goodwill and tests them for impairment at least once per year and whenever any indication of impairment is noted. For that purpose, goodwill is allocated to cash-generating units (CGUs) defined as homogeneous groups of assets that generate separately identifiable cash flows. Impairment testing involves comparing the carrying amount of each CGU with its recoverable amount. The bases applied for that purpose by management, and details of the applicable assumptions, are described in Note 7 to the consolidated financial statements. Recoverable amounts are determined by reference to the value in use of each CGU based on the present value of its estimated future cash flows, the applicable 5-year business plan used by general management and presented to the Board of Directors, and the perpetual growth rate estimated for the period beyond the 5-year horizon.

The Group performs sensitivity analyses as described in Note 7 to the consolidated financial statements.

Given the judgement required by management to determine recoverable amounts, the sensitivity analysis, the impact of the new allocation and the materiality of goodwill, we consider the measurement of goodwill to be a key audit matter.

Audit procedures in response to the risk identified

We assessed the compliance of the Company's valuation methodology with the applicable accounting standards, and its bases of application, with particular regard to:

- The reasonableness of the approach used, particularly following disposal commitments, to determine the allocation of the share of goodwill to the items disposed of;
- The appropriateness of the approach used to determine the CGUs on which impairment tests are performed;
- The reasonableness of the process used to draw up the 5-year business plan, particularly by comparing forecasts for previous periods with the corresponding actual figures, in order to assess whether past targets have been reached;
- The consistency of the expected cash flows used to calculate the value in use of each CGU with those of the 5-year business plan adopted by General Management;
- The reasonableness of the applicable discount rate and perpetual growth rate assumptions as assessed by our financial appraisal specialists;
- Management's analysis of the sensitivity of value in use to changes in the main underlying assumptions.

We also assessed the appropriateness of the financial information provided in Note 7 to the consolidated financial statements.

Recognition of revenue and profit based on percentage of completion for real estate development operations under VEFA off-plan agreements and CPI development contracts

(Note 4 to the consolidated financial statements)

Risk identified

As indicated in Note 4 to the consolidated financial statements, Nexity's revenue from residential and commercial real estate development operations involving VEFA off-plan agreements and CPI property development contracts amounts to €2,929 million, accounting for 74% of consolidated revenue.

Revenue and profit for such real estate development operations are recognised using the percentage of completion method.

Percentage of completion is determined on the basis of the commercial stage of development and on the percentage of development expenditure already incurred at year-end in comparison with the latest budget estimate updated at year-end.

Given that the determination of the budgets on which the percentage-of-completion method is based involves significant judgments and estimates by management, we consider the recognition of revenue and profit based on the percentage of completion of real estate development operations involving VEFA off-plan agreements and CPI property development contracts to be a key audit matter.

Audit procedures in response to the risk identified

Our approach was adapted to the degree of maturity of the system of internal control applicable to each business or subsidiary:

The first such approach was notably based on the following work:

- Assessment of the relevant controls implemented by Group management for the preparation and updating of operating budgets contributing to their reliability;
- Assessment of the relevant controls implemented by Group management for the management of purchases and sales contributing to the reliability of the calculation of percentage of technical and commercial completion of real estate development operations;
- Analysis of significant changes in revenue and profit from one period to the next.

The second such approach was notably based on the following work:

- Assessment of the consistency of the latest updated operating budgets for the period and comparison with supporting documentation and information obtained from the applicable financial controllers and/or programme managers;
- Comparison of accounting data with the operating data for each programme and cross-checking of percentage of completion data with operating data on contract progress or architects' certificates or sale agreements.

We also assessed the appropriateness of the financial information provided in the notes to the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (*Code de commerce*) is included in the Group's management report, it being specified that, in accordance with article L.821-54 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Other Verifications or Report on Other Legal and Regulatory Requirements

Presentation of the consolidated financial statements included in the annual financial report

We have also proceeded, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in article L451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the executive management complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Furthermore, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Nexity by the annual general meeting held on April, 30th 2008 for Mazars and on October, 16th 2003 for KPMG.

As at December, 31st 2023, Mazars and KPMG were in the 16th year and 21th year of the total uninterrupted engagement, which are the 16th and 20th years, respectively, since securities of the Company 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 the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Financial Statements Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements have been approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether any material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of 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, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit and Financial Statements Committee

We submit a report to the Audit and Financial Statements Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Financial Statements Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Financial Statements Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (*Code de commerce*) and in the French code of ethics (*Code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit and Financial Statements Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, 3 April 2024

The Statutory Auditors

KPMG Audit IS
Stéphanie Millet
Partner

MAZARS
Claire Gueydan-O'Quin
Partner

5.2 PARENT COMPANY FINANCIAL STATEMENTS AT 31 DECEMBER 2023

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5.2.1 Condensed consolidated financial statements

Statement of financial position

Assets					
		31/12/2023		31/12/2022	
(in thousands of euros)	Notes	Gross amount	Amortisation, depreciation and impairments	Net amount	Net amount
Intangible assets					
Concessions, patents and similar rights	6.1	196,131	(73,947)	122,184	93,511
Goodwill	6.1	-	-	-	-
Other intangible assets	6.1	48,304	-	48,304	78,188
Property, plant and equipment					
Property, plant and equipment	6.2	53,992	(41,138)	12,854	5,976
Assets in progress		2,654	-	2,654	6,362
Financial investments					
Equity investments	6.3	2,537,554	(275,308)	2,262,246	2,062,850
Receivables from equity investments	6.4	57,200	(17,394)	39,806	78,978
Other equity securities	6.5	25,978	(12,404)	13,574	21,177
Loans	6.6	298,973	(52,442)	246,531	267,689
Other financial investments	6.7	177,651	-	177,651	179,187
Non-current assets	6.8	3,398,437	(472,633)	2,925,804	2,793,918
Inventories and work in progress					
Advances and deposits paid on orders		559	-	559	296
Receivables					
Trade and other receivables	7.1	36,026	(641)	35,385	47,705
Other receivables	7.2	882,149	(68,632)	813,516	835,811
Other					
Marketable securities		-	-	-	-
Treasury shares held	7.3	13,410	-	13,410	18,854
Cash and cash equivalents	7.4	242,468	-	242,468	319,755
Adjustment accounts					
Prepaid expenses	7.5	6,130	-	6,130	4,886
Current assets		1,180,742	(69,273)	1,111,468	1,227,307
Deferred expenses	7.6	5,500	-	5,500	2,603
Translation differences assets		-	-	-	4,141
TOTAL ASSETS		4,584,679	(541,907)	4,042,772	4,027,969

Liabilities and equity			
<i>(in thousands of euros)</i>			
	Notes	31/12/2023	31/12/2022
Equity			
Share capital	8.1	280,649	280,649
Share issue, merger, contribution premiums		1,130,173	1,130,173
Legal reserve		28,065	28,065
Other reserves (o/w purchase of original works)		-	-
Retained earnings		247,922	322,705
Profit (loss) for the period		195,157	64,458
Regulated provisions		6,508	7,588
TOTAL EQUITY	8	1,888,474	1,833,638
Provisions		39,280	43,935
TOTAL PROVISIONS	9	39,280	43,935
Financial debt			
Convertible bonds	10.1	440,599	440,599
Euro PP bonds	10.1	362,816	393,643
Loans and borrowings from financial institutions	10.2	170,780	130,262
Borrowings and financial liabilities	10.3	997,884	1,081,353
Operating liabilities			
Advances and deposits received on orders in progress	10.4	783	-
Trade payables		54,524	62,911
Tax payable and social security contributions		52,411	32,519
Other liabilities			
Liabilities on non-current assets and related accounts		4,490	3,645
Other liabilities		27,008	4,105
Adjustment account			
Deferred income		3,724	-
TOTAL PAYABLES		2,115,019	2,149,037
Translation differences liabilities		-	1,359
TOTAL LIABILITIES AND EQUITY		4,042,773	4,027,969

Income statement

<i>(in thousands of euros)</i>	Notes	31/12/2023	31/12/2022
Production of services sold		148,920	150,497
Revenue		148,920	150,497
Capitalised production		21,605	23,414
Operating subsidies		335	183
Reversals on depreciation, provisions, transfers of charges		27,667	13,994
Other income		16	16
Operating income	11	198,543	188,104
Purchase of raw materials and other supplies		(24)	(12)
Other purchases and external expenses		(119,928)	(113,854)
Taxes, duties and other levies		(3,807)	(2,903)
Wages		(60,862)	(61,378)
Social security contributions		(21,963)	(21,031)
Operating additions			
On non-current assets: depreciation, amortisation and impairment		(17,479)	(16,732)
On non-current assets: provisions		-	-
On current assets: provisions		-	-
For risks and charges: provisions		(12,256)	(15,539)
Other expenses		(4,194)	(4,919)
Operating expenses	12	(240,513)	(236,368)
OPERATING RESULTS	13	(41,970)	(48,264)
Financial income from investments		274,469	219,755
Income from other securities and receivables from non-current assets		9,232	8,009
Other interest and equivalent		2,976	6,831
Reversals on provisions and transfers of charges		26,885	32,582
Positive exchange rate differences		20	13
Net income on disposals of marketable securities		61	-
Financial income	15	313,643	267,190
Financial additions to depreciation, amortisation and provisions		(66,033)	(144,738)
Interest and equivalent expenses		(90,943)	(40,246)
Negative exchange rate differences		(2,047)	(720)
Net expenses on sales of marketable securities		-	(14)
Financial expenses	16	(159,023)	(185,718)
NET FINANCIAL INCOME/(EXPENSE)	17	154,620	81,472
CURRENT PROFIT/(LOSS) BEFORE TAX		112,650	33,208
Non-recurring income from management operations		-	151
Non-recurring income from equity operations		141,493	1,087
Reversals on provisions and transfers of charges		15,602	5,231
Non-recurring income		157,095	6,469
Non-recurring expenses from management operations		(6,980)	(1,748)
Non-recurring expenses from equity operations		(87,173)	(6,787)
Non-recurring additions to depreciation, amortisation and provisions		(547)	(754)
Non-recurring expenses		(94,700)	(9,289)
NON-RECURRING PROFIT/(LOSS)	18	62,395	(2,820)
Employee profit-sharing	19	(310)	(283)
Income tax	20	20,422	34,353
Total income		669,281	461,763
Total expenses		(474,124)	(397,305)
PROFIT/(LOSS) FOR THE PERIOD	21	195,157	64,458

Statement of cash flows

<i>(in thousands of euros)</i>	Notes	31/12/2023	31/12/2022
Net accounting profit/(loss)		195,157	64,458
Elimination of non-cash income and expenses and gains and losses:			
Elimination of depreciation, amortisation and provisions		40,771	132,531
Elimination of gains and losses on asset disposals		(45,827)	3,917
Elimination of losses net of gains arising on mergers of assets		3,305	(4,212)
Other non-cash income and expenses		10,630	11,865
Losses net of gains arising on mergers of assets		4,182	
Cash flow		208,217	208,559
Change in Working Capital Requirement		(26,026)	(13,640)
Net cash from/(used in) operating activities		182,191	194,919
Purchase of intangible assets		(34,247)	(35,250)
Purchase of property, plant and equipment		(5,944)	(7,872)
Acquisition/increase in equity investments		(265,873)	(61,079)
Increase in receivables attached to investments and other financial investments		(5,832)	(15,409)
Acquisition of treasury shares		(5,186)	-
Proceeds from sale of property, plant, equipment and intangible assets		21,186	6
Proceeds from disposals of equity investments		121,805	617
Decrease in receivables attached to investments and other financial investments		31,623	2,731
Net cash from/(used in) investing activities		(142,468)	(116,256)
Dividends paid		(139,241)	(137,871)
Increase in convertible bond debt		-	-
Increase in bank debt		40,000	100,000
Buyback/Redemption/Conversion of convertible bonds		-	-
Repayment of EURO PP bonds		-	-
Repayment of bank debts			
Change in negotiable debt securities (NEU CP and NEU MTN)		(128,000)	28,600
Net change in financial current accounts		110,877	(264,629)
Increase in deferred expenses		(4,763)	-
Net cash flow from/(used in) financing activities		(121,127)	(273,900)
Impact of changes in foreign currency exchange rates		4,141	(1,064)
CHANGE IN CASH AND CASH EQUIVALENTS	25	(77,264)	(196,301)
Cash and cash equivalents at beginning of period		319,731	516,032
Cash and cash equivalents at end of period		242,468	319,731

5.2.2 Notes to the Parent Company financial statements

Note 1 Information on the Company and significant developments

1.1 Presentation

Notes to the statement of financial position, before appropriation of earnings, for the fiscal year ended 31 December 2023, showing a total of €4,042,772,863.69, and to the income statement showing a profit of €195,156,988.03.

The Company's fiscal year ran from 1 January to 31 December 2023 (12 months).

The notes and tables presented below are an integral part of the Parent Company financial statements.

The Company's press releases and annual reports – including historical financial information about the Company and Parent Company financial statements – are available on the Company's website: www.nexity.fr/en/group. Copies may also be obtained from Nexity's registered office at 19, rue de Vienne – TSA 50029 – 75801 Paris Cedex 08 (France).

The Company is the central holding company of Nexity group and controls the Group's main subsidiaries (see list of the main subsidiaries in Note 31).

Nexity's shares are listed on Eurolist of Euronext Paris.

1.2 Significant developments during the fiscal year

2023 was marked by the following significant developments:

Disposal of international activities

- Disposal of activities in Poland and Portugal.

Strategic and financial partnerships

- In December 2023, Nexity entered into exclusive negotiations to sell its Services to Individuals business to Bridgepoint for an enterprise value of €440 million. The transaction is expected to close in the 1st half of 2024.

Legal restructuring

The Company absorbed Neximmo 65, Neximmo 111 and Pick a Brick through a universal transfer of assets during the fiscal year (see Note 1.3).

Nexity renewed its corporate bank loan in February 2023 for a new period of 5 years with an expanded pool for an amount of €800 million in credit and €2,120 million in commitment authorisations by signature (in particular to allow the issuance of completion bonds for the residential real estate projects).

1.3 Subsidiaries and investments

Equity investments and the associated technical merger losses went from €2,235 million at 31 December 2022 to €2,435 million net at 31 December 2023, i.e. a net increase of €199 million which corresponds to:

- -€66 million in securities as part of the universal transfers of assets (Pick a Brick, Neximmo 65 and Neximmo 111): -€0.224 million in securities eliminated from companies absorbed through universal transfers of assets; -€66 million mainly related to the disposal of the Polish subsidiaries and NEMOA; and

- -€0.41 million in financial provisions net of impairment on equity investments.

Partially offset by:

- €243 million related to net acquisitions of shares in companies (Edouard Denis Développement, Bureau Partager, Nexity Studéa and Urban Campus); and
- €23 million related to the net recapitalisation of shares in companies (Neximmo 132, Nexity Solution, Nexiville 11).

The table below summarises movements relating to universal transfers of assets:

<i>(in thousands of euros)</i>	31/12/2023
Statement of financial position	
Shares eliminated	(224)
Shares contributed	0
Net securities (statement of financial position)	(224)
Gains allocated to assets contributed	0
Current accounts (statement of financial position) and other	2,968
Provision for risk	1,360
Statement of financial position subtotal	4,104
Income	
Losses arising on mergers of assets	(3,744)
Gains arising on mergers of assets	438
Universal transfer of assets income subtotal	(3,305)
Provisions reversed	0
NET IMPACT ON NET FINANCE INCOME	(3,305)

GENERAL INFORMATION

Note 2 Accounting principles

The Parent Company financial statements were approved in accordance with the provisions of the French Commercial Code, Ruling No. 2014-03 of the French Accounting Standards Authority (*Autorité des Normes Comptables* – ANC) relating to the French General Accounting Plan and the applicable regulations.

The general accounting conventions were applied in compliance with the principle of prudence, in accordance

with the basic assumptions: going concern, consistency of accounting policies from one fiscal year to another, independence of fiscal years, in accordance with the general rules for preparing and presenting Parent Company financial statements.

The basic method selected to assess the items entered into the accounts is the historical cost method.

Note 3 Change of method

The presentation of the Parent Company financial statements and the assessment methods selected have not changed compared to the previous fiscal year.

Note 4 Estimates and assumptions

In the process of preparing the Parent Company financial statements, the measurement of certain statement of financial position and income statement items calls for the use of assumptions or assessments based, in particular, on budgets for real estate projects. These notably concern the valuation of equity investments.

These assumptions, estimates or assessments are established and reviewed regularly on the basis of information available and the actual position of the Company on the date the financial statements are prepared, taking into consideration past experience and other relevant factors. Actual results may differ significantly from estimates due to changes in the underlying conditions and assumptions.

The assumptions, estimates and assessments used to prepare the financial statements for the year ended 31 December 2023 were made in the context of the real estate market crisis (sharp rise in interest rates impacting the purchasing power of real estate buyers, the announced end of the Pinel scheme, the scarcity of land, and changes of commercial property usage, etc.).

Nevertheless, in the medium term, basic housing needs in France will support demand and the Group's activity.

Note 5 Accounting policies

5.1 Property, plant, equipment and intangible assets

Property, plant, equipment and intangible assets are stated at acquisition (purchase price and associated expenses) or contribution cost. Moreover, in accordance with the obligations placed by the BOI instruction 4 I-1-93 (paragraph 32), the cost of entry of the goods subject to a universal transfer of assets is broken down into gross value and depreciation.

Depreciation is calculated on a straight-line basis according to the estimated life of the assets:

- Software: 1 to 7 years straight-line basis;
- Fixtures and fittings: 7 to 9 years straight-line basis;

- Office equipment: 1 to 5 years straight-line basis;
- IT equipment: 1 to 5 years straight-line basis; and
- Office furniture: 8 to 10 years straight-line basis.

Technical losses are allocated in the accounts according to Article 745-5 *et seq.* and Article 12 of ANC Ruling No. 2015-06 of 23 November 2015. The technical losses presented in Nexity's financial statements are all allocated to the equity investments contributed by the absorbed company, and to the related depreciations (Note 6.6).

5.2 Financial investments

Equity investments

Equity investments are stated according to the valuation rules for the cost of entry of assets. Assets acquired subject to payment are recognised at their acquisition cost, comprising the purchase price plus the directly attributable costs. Assets acquired by contribution are recognised at the value indicated on the contribution document.

Impairment is recognised when the current value of an equity investment becomes lower than its cost. The goodwill recognised is subject to impairment. Subsequently, if needed, the receivables held in the subsidiary may be impaired and a provision for risks may be recognised.

The current value of the investment is determined according to the share of the net position and the profitability forecasts.

The profitability outlook of operating subsidiaries is generally determined using the discounted cash flow method, calculated based on the 5-year business plan adopted by Executive Management. The business plan includes differentiated growth assumptions depending on the business activity. These assumptions take into account current market conditions, their foreseeable changes, as well as the Group's assumptions on the evolution of the regulatory environment and the intensity of competition. The budgeted margin levels are consistent with the margin targets set by the Commitments Committee for commercial and residential real estate development projects, and higher margin levels for the activities of the Services division given the development of more profitable activities.

Despite a tougher economic environment in the short term, basic housing needs in France will support demand and the Group's activity.

Beyond the 5-year plan, the perpetual growth rate used to calculate the terminal value of the terminal cash flow was 2% as at 31 December 2022, in line with the inflation rate used.

This rate is lower than the average growth rate for the business activities over the period of the business plan.

By way of derogation to the General Accounting Plan principle, reversals on amortisation and provisions relating to equity investments are recognised in non-recurring income if the investments are sold, so that all impacts of the disposal are recognised in non-recurring profit/(loss).

Loans

Loans are stated at their nominal value. They are assessed on a case-by-case basis. Impairment is recognised when there is a strong risk of non-recovery.

Other financial investments

Nexity shares held as part of a liquidity contract are recognised at their acquisition price less expenses. If at the end of the fiscal year, the average price of the last month of the fiscal year is lower than the purchase price, impairment is recognised. Gains and losses on asset disposals are recognised in non-recurring profit/(loss) according to the FIFO (First In – First Out) method.

By way of derogation to the General Accounting Plan principle, reversals on amortisation and provisions relating to treasury shares are recognised in non-recurring income if the investments are sold, so that all impacts of the disposal are recognised in non-recurring profit/(loss).

The technical losses allocated to the equity investments contributed by the absorbed company are impaired when the current value of the investments becomes lower than the cumulative value of the investments and the losses allocated to them.

5.3 Receivables

Trade and other receivables

Trade receivables are stated at their nominal value. They are assessed on a case-by-case basis. Impairment is recognised when there is a strong risk of non-recovery.

Other receivables

Other receivables are recognised at their nominal value. They are assessed individually and impaired if required.

Receivables acquired or contributed for a discounted value are stated at their purchase or contribution price. The difference between the nominal value and the purchase or contribution price is only recognised in profit after cashing a surplus compared to the amount entered in the statement of financial position. The risk of non-recovery gives rise to the recognition of impairment only if the loss compared to the nominal value of the receivable exceeds the discount amount.

Receivables on indirect subsidiaries are not subject to impairment when the risks relating to these subsidiaries are entered into the financial statements of their direct parent companies.

5.4 Marketable securities

They are recognised at the acquisition cost. If at the end of the fiscal year, the asset value is lower than the purchase price, the difference is subject to financial impairment.

Gains and losses on disposals are recognised in net finance income (expense) according to the FIFO (First In – First Out) method.

5.5 Treasury shares

Treasury shares acquired for the purpose of their free allocation to Group employees (free share plans) are recognised in a “Treasury shares” item according to their destination, pursuant to the share allocation decision.

These shares are not stated at their market value due to the commitment to allocate them to employees, which is subject to a provision for charges.

5.6 Deferred expenses

Bank commissions and miscellaneous costs paid as part of the setting up of loans are spread out as financial expenses over the duration of the loan. When a loan is repaid early,

these commissions and costs are cleared into the net finance income (expense) of the repayment year.

5.7 Regulated provisions

The costs directly attributable to the acquisition of shares, incorporated into their entry costs, are amortised for tax purposes on a straight-line basis over a period of 5 years.

5.8 Provisions

The provisions are stated for the amount corresponding to the best estimate of the outflow of resources required to extinguish the obligation, pursuant to ANC Ruling No. 2014-03. At the reporting date, this estimate is made on the basis of the information known at the date of preparation of the financial statements. The provision for charges representing the obligation to deliver the securities

to the beneficiaries of free shares was stated according to the cost of the purchased shares, the number of shares to be delivered and the services rendered. As each free share plan provides for a vesting period, the provision is calculated for each plan on a *pro rata temporis* basis for the vesting periods elapsed at the closing date.

STATEMENT OF FINANCIAL POSITION – ASSETS

Note 6 Non-current assets

6.1 Intangible assets

This item comprises:

- Concessions, patents and similar rights for €122,184 thousand, net of depreciation and amortisation, comprising the Nexity brand (€56,463 thousand) and various software used in the Group for €65,721

thousand, net of depreciation, amortisation and impairment; and

- Other intangible assets, comprising expenses related to IT projects in progress for €48,304 thousand.

6.2 Property, plant and equipment

Property, plant and equipment is mainly composed of fixtures and fittings, and office furniture (at the Group's head office and regional offices), and IT equipment. These non-current assets are used by the central services and other Group subsidiaries.

6.3 Equity investments

This item includes the shares of the Group's main operating subsidiaries. The main investments are indicated in Note 31.

6.4 Receivables from equity investments

This item mainly consists of contributions granted to Group subsidiaries.

6.5 Other equity securities

This item mainly comprises the investments made by the Group in a certain number of investment funds in innovative activities.

The share of the commitments not paid at the end of the fiscal year is presented under "Liabilities on non-current assets and related accounts" for €1,522 thousand.

6.6 Loans

This item mainly comprises loans granted to subsidiaries and holdings.

It notably includes the loan of €240,000 thousand granted to Nexity Logement, of which €84,000 thousand maturing on 30 November 2026 and €156,000 thousand maturing on 30 November 2027.

This loan granted to Nexity Logement mirrors the Euro PP Green issued in December 2019, the purpose of which is to finance the Group's residential real estate projects, in compliance with the CSR commitments described in the prospectus.

6.7 Other financial investments

<i>(in thousands of euros)</i>	31/12/2023	31/12/2022
Guarantees paid	676	684
Amounts allocated to the liquidity contract:		
Cash account	1,203	3,155
Treasury shares	3,223	2,798
Technical losses allocated to equity investments	172,550	172,550
TOTAL OTHER FINANCIAL INVESTMENTS	177,651	179,187

Treasury shares held

In accordance with the authorisations granted by the Shareholders' Meeting and implemented by the Board of Directors, the Group may hold treasury shares up to a maximum of 10% of the share capital, *i.e.* 5,612,972 shares at 31 December 2023.

At the closing date, this holding was carried out for two reasons:

- Via the liquidity contract entered into with an investment services provider, recorded under "Other financial investments"; and
- In connection with treasury share buyback programmes implemented to cover free share plans, recorded under "Treasury shares".

<i>(in number of shares)</i>	Authorisations	o/w liquidity contract	o/w to cover free share award plans	Total holding (at transaction date)
Position at 31 December 2022	5,612,972	122,086	487,097	609,183
Purchase, sale and transfer of shares				
• via the liquidity contract		111,302		111,302
• held to be used for free share awards			383,000	383,000
• transfers during the fiscal year to cover free shares vested			(277,530)	(277,530)
	10% of the adjusted capital according to its change			
Implementation of the programme authorised by the Shareholders' Meeting of 18 May 2022				
POSITION AT 31 DECEMBER 2023	5,612,972	233,888	592,567	825,955

In respect of the liquidity contract, the Group owned 233,888 treasury shares at 31 December 2023. Their net value stood at €3,923 thousand. These elements are recorded in financial investments.

6.8 Gross non-current assets: changes

<i>(in thousands of euros)</i>	31/12/2022	Increase, acquisition, creation	Reclassification restructuring	Disposal, scrapping, reimbursement	31/12/2023
Concessions, patents and similar rights	160,256	697	55,884	(20,705)	196,132
Other intangible assets	78,188	33,549	(58,045)	(5,388)	48,304
Intangible assets	238,444	34,247	(2,161)	(26,093)	244,436
General installations, fixtures and fittings	15,242	241	5,599		21,082
Transport equipment	144			(144)	-
Office, IT equipment, furniture	30,328	1,064.28	4,909	(3,391)	32,910
Recoverable packaging and miscellaneous	-				-
Property, plant and equipment in progress	6,362	4,639	(8,347)		2,654
Property, plant and equipment	52,076	5,944	2,161	(3,535)	56,646
Equity investments	2,337,747	269,513		(69,707)	2,537,554
Receivables from equity investments	100,460			(43,260)	57,199
Other equity securities	29,324	9	(250)	(3,105)	25,978
Loans	320,131	5,398		(26,556)	298,973
Other financial investments	179,187	426		(1,962)	177,650
Financial investments	2,966,848	275,346	(250)	(144,590)	3,097,354
TOTAL NON-CURRENT ASSETS	3,257,369	315,537	(250)	(174,218)	3,398,437

Equity investments: The change in equity increased by €199,601 thousand: the main changes are as follows:

- Increase of €265,873 thousand: acquisitions of Nexity Studéa, Bureau Partager and Edouard Denis Développement shares for €240,955 thousand, capital increases to reconstitute the equity of loss-making subsidiaries (€22,868 thousand) and subscription to the capital of Urban Campus for €2,000 thousand; and
- Decrease of €66,271 thousand: mainly the elimination of shares in companies absorbed through universal transfers of assets during the fiscal year (€224 thousand) and intra-group disposal of shares within the context of various legal restructurings (66,047 thousand).

6.9 Depreciation

Movements during the period

<i>(in thousands of euros)</i>	31/12/2022	Additions	Reversals	31/12/2023
Concessions, patents and similar rights (amortisation)	66,745	12,552	(5,350)	73,947
Concessions, patents and similar rights (depreciation)	-			-
Intangible assets	66,745	12,552	(5,350)	73,947
General installations, fixtures and fittings	13,507	1,009		14,516
Transport equipment	141	1	(142)	(0)
Office, IT equipment, furniture	26,090	3,918	(3,386)	26,622
Property, plant and equipment	39,738	4,927	(3,527)	41,138
TOTAL AMORTISATION AND DEPRECIATION	106,483	17,479	(8,877)	115,085

Amortisation for the period mainly comprises straight-line amortisation.

Note 7 Current assets

7.1 Trade and other receivables

This item mainly comprises intra-group receivables due to invoicing of operating income.

7.2 Other receivables

<i>(in thousands of euros)</i>	31/12/2023	31/12/2022
Trade payables	377	260
Workforce and social organisations	71	51
State – Corporate income tax and VAT	11,908	8,861
Group: financial current accounts and share of profits	784,294	847,245
Impairment on Group current accounts	(68,632)	(42,052)
Group: tax consolidation current accounts	65,441	20,163
Group: miscellaneous payables	19,832	988
Miscellaneous payables	226	295
TOTAL OTHER RECEIVABLES	813,517	835,811

7.3 Treasury shares

At 31 December 2023, Nexity held a total of 825,955 treasury shares (0.93% of the share capital) for a total of €17,792 thousand:

- 233,888 shares for a total of €3,923 thousand in respect of the liquidity contract recognised in financial investments (see Note 6.6); and

- 592,567 shares for a total of €14,568 thousand which will be allocated to Group employees after the vesting period as part of free share plans, if the vesting conditions are met.

7.4 Cash and cash equivalents

Cash and cash equivalents of €242,468 thousand mainly include the balance of current bank accounts. At 31

December 2022, cash and cash equivalents amounted to €319,755 thousand.

<i>(in thousands of euros)</i>	31/12/2023	31/12/2022
Interest-bearing bank accounts and term deposits	0	15,020
Bank current accounts	242,468	304,735
TOTAL CASH AND CASH EQUIVALENTS	242,468	319,755

7.5 Prepaid expenses

Prepaid expenses comprise expenses relating to the following fiscal year for €6,130 thousand, compared to €4,886 thousand at 31 December 2022.

7.6 Deferred charges

These correspond to the commissions paid when credit facilities are set up, and are spread over the duration of the contract.

<i>(in thousands of euros)</i>	31/12/2022	Increases	Amortisation, depreciation	31/12/2023
Deferred bond issue expenses	2,603	4,763	(1,867)	5,500

STATEMENT OF FINANCIAL POSITION – LIABILITIES

Note 8 Equity

8.1 Share capital

At 31 December 2023, the share capital of the Company comprised 56,129,724 shares with a nominal value of €5 per share, unchanged from 31 December 2022.

8.2 Diluted share capital

The maximum potential dilution resulting from the conversion of all OCEANE and ORNANE bonds and free shares allocated but not yet covered by a share buyback plan would be 14.26% (as a % of share capital ownership) based on the number of shares at the end of the period.

8.3 Change in equity

<i>(in thousands of euros)</i>	Share capital	Share issue, merger and contribution premiums	Legal reserve	Retained earnings	Profit (loss) for the period	Regulated provisions	Equity
AT 1 JANUARY 2023	280,649	1,130,173	28,065	322,705	64,458	7,588	1,833,638
Allocation of earnings				64,458	(64,458)		-
Distribution				(139,241)			(139,241)
Additions to regulated provisions						(1,080)	(1,080)
Profit (loss) for the period					195,157		195,157
AT 31 DECEMBER 2023	280,649	1,130,173	28,065	247,922	195,157	6,508	1,888,474

Note 9 Provisions

<i>(in thousands of euros)</i>	31/12/2022	Increases		Decreases		Change of method	Change in scope	Other	31/12/2023
		Additions for the fiscal year	Change in scope	Provisions used	Provisions not used				
Provisions for litigation	2,300	3,565		(1,395)				70	4,540
Provisions for exchange rate losses	2,782	-		(2,782)					0
Provisions for commitment to transfer free shares	15,983	8,691		(13,063)					11,610
Other provisions	22,870	9,428		(9,098)				(70)	23,130
TOTAL PROVISIONS	43,935	21,684	-	(26,339)	-	-	-	-	39,280

The provisions for free shares cover the expense corresponding to the commitment to allocate free shares to Group employees.

The other provisions mainly cover the risks due to the net financial positions of certain subsidiaries, notably real estate development companies.

Note 10 Payables

10.1 Bond issues

<i>(in thousands of euros)</i>	Issue date	Opening amount	Closing amount	Maturity	Fixed annual rate
Convertible bond issue (ORNANE)	2 March 2018	200,000	200,000	2 March 2025	0.250%
Convertible bond issue (OCEANE)	13 April 2021	240,000	240,000	19 April 2028	0.875%
Accrued interest		599	599		
Convertible bond issue subtotal		440,599	440,599		
Euro PP bonds	29 June 2017	30,000		10 November 2023	2.053%
Euro PP bonds	29 June 2017	121,000	121,000	29 June 2025	2.600%
Euro PP Green bond issue	20 December 2019	84,000	84,000	20 December 2026	2.257%
Euro PP Green bond issue	20 December 2019	156,000	156,000	20 December 2027	2.464%
Accrued interest		2,643	1,816		
Bond issues subtotal		393,643	362,816		
TOTAL		834,242	803,415		

2018 ORNANE bond issue (bonds that may be converted into cash and/or new shares and/or existing shares)

In 2018, the Group issued €200 million of 7-year bonds that may be converted into cash and/or new shares and/or existing shares (ORNANE bonds), redeemable at maturity in March 2025 and paying an annual coupon rate of 0.25%.

The nominal unit value per 2018 ORNANE convertible bond was set at €68.91. In accordance with the dividend protection clause included in the terms and conditions of the bond, the conversion rate was adjusted after the dividend distribution in June 2023 and amounts to 1.427 shares per bond (compared to one share per bond at the date of issue).

If all convertible bonds were converted, the dilution would be 6.87% (as a percentage of share capital ownership).

2021 OCEANE bond issue (bonds that may be converted or exchanged for new or existing shares)

In 2021, the Group issued €240 million of seven-year bonds that may be converted into cash and/or new shares and/or existing shares (OCEANE) for a nominal value of

€59.81, redeemable at maturity in April 2028 and paying an annual coupon rate of 0.875%.

The nominal unit value per 2021 OCEANE convertible bond was set at €59.81. In accordance with the dividend protection clause included in the terms and conditions of the bond, the conversion rate was adjusted after the dividend distribution in June 2023 and amounts to 1.272 shares, with a nominal value of €5 each, per bond (compared to one share per bond at the date of issue).

If all convertible bonds were converted, the dilution would be 8.34% (as a percentage of share capital ownership).

Other bond issues - Euro PP

Under the terms of the other Euro PP bond issues, the Group must comply with certain financial ratios (net debt/equity, net debt/EBITDA, EBITDA/cost of borrowing), calculated based on the Group's consolidated financial statements excluding the impact of IFRS 16 *Leases*.

At 31 December 2023, the Group was in compliance with all its financial covenants.

10.2 Loans and borrowings from financial institutions

This item mainly comprises the outstanding capital on credit drawdowns, accrued interest and bank overdrafts.

The Company has a syndicated corporate credit facility of €800 million, maturing on 14 February 2027, of which €170 million had been used at 31 December 2023.

The Company also has credit facilities totalling €25 million, unused at 31 December 2023. This credit facility matures in 2024.

<i>(in thousands of euros)</i>	Authorised amount	Amount used	Maturity
Syndicated corporate loan	800,000	170,000	14 February 2027
Corporate credit facility	25,000	-	25 April 2024
Corporate credit facility			
Corporate credit facility			
Bank overdrafts			
TOTAL	825,000	170,000	

Under the terms of the corporate credit facilities, the Group must comply with certain financial ratios (net debt/equity, net debt/EBITDA, EBITDA/cost of borrowing), calculated based on the Group's consolidated financial statements excluding the impact of IFRS 16 *Leases*.

At 31 December 2023, the Group was in compliance with all its financial covenants.

10.3 Borrowings and financial liabilities

This item essentially comprises:

- Negotiable debt securities in the form of a NEU CP (Negotiable European Commercial Paper) programme and NEU MTN (Negotiable European Medium Term Notes) for €348,600 million:

<i>(in thousands of euros)</i>	Authorisations	Outstanding
Negotiable European Commercial Paper < 1 year	300,000	177,000
Negotiable European Medium Term Notes > 1 year	450,000	171,600
TOTAL AT 31 DECEMBER 2022	750,000	348,600

- Financial current account advances granted by the direct and indirect subsidiaries as part of the centralisation of the Group's cash management, totalling €648.7 million.

INCOME STATEMENT

Note 11 Operating income

<i>(in thousands of euros)</i>	31/12/2023	31/12/2022
Professional assistance fees	39,475	34,982
Brand fees	30,641	32,125
IT services	47,774	44,855
Rent from sub-lettings and services related to premises	16,434	14,487
Provision of workforce	7,076	7,135
Rebilling of expenses related to free shares	4,006	14,632
Rebilling of other operating expenses	3,514	2,281
Revenue subtotal	148,920	150,497
Reversals on operating provisions and other income	35	1,301
Reversals on provisions for free share expense	13,063	6,119
Transfers of charges	14,568	6,575
Capitalised production	21,605	23,414
Other income	352	198
TOTAL OPERATING INCOME	198,543	188,104

Note 12 Operating expenses

<i>(in thousands of euros)</i>	31/12/2023	31/12/2022
Salaries and social security contributions	(69,945)	(64,866)
Free shares	(12,880)	(17,543)
Rent and related expenses	(19,427)	(20,693)
IT hosting	(10,662)	(13,610)
Fees	(21,737)	(13,480)
Additions to amortisation and depreciation	(17,479)	(16,732)
Additions to impairment of assets		-
Additions to provisions: free shares	(8,691)	(14,564)
Additions to provisions: other	(3,565)	(975)
Expenses related to the strategic review		-
Other overheads	(76,125)	(73,905)
TOTAL OPERATING EXPENSES	(240,513)	(236,368)

Note 13 Analysis of operating profit/(loss)

The Company generated revenue of €148,920 thousand in 2023, compared to €150,497 thousand in 2022. Revenue mainly corresponds to invoicing to other Group companies.

98.82% of the revenue was generated in France.

Including reversals of provisions, transfers of expenses and capitalised production, operating income amounted to €198,542 thousand in 2023, compared to €188,104 thousand in 2022.

Operating expenses, which amounted to €240,513 thousand in 2023, compared to €236,368 thousand in 2022, correspond to the costs of the Group's central services and to the holding company's overheads.

The operating loss was €41,971 thousand, compared to a loss of €48,265 thousand in 2022.

Note 14 Impact of share buyback on operating profit/(loss)

The net expense for the buyback of treasury shares intended to be transferred in exchange for free share awards stood at -€2,251 thousand, compared to -€5,678 thousand in 2022, and is broken down as follows under the various items on the income statement:

<i>(in thousands of euros)</i>	31/12/2023	31/12/2022
Rebilling of expenses related to free shares (subsidiary employees)	4,006	14,632
Revenue subtotal	4,006	14,632
Reversals on provisions for free share expense (awarded during the fiscal year)	13,063	6,119
Transfers of charges	2,251	5,678
Total operating income	19,320	26,429
Salaries and social security contributions: securities awarded during the fiscal year and transferred expenses	(12,880)	(17,543)
Provisions for expenses: delivery commitment	(8,691)	(14,564)
Total operating expenses	(21,571)	(32,107)
NET EXPENSE ON FREE SHARES	(2,251)	(5,678)

Note 15 Financial income

<i>(in thousands of euros)</i>	31/12/2023	31/12/2022
Dividends and share of profits	230,537	204,358
Reversals of depreciation, amortisation and provisions	26,885	32,581
Gains arising on mergers of assets	438	6,690
Interest on financial current accounts and loans to subsidiaries	55,702	23,547
Net income on disposals of marketable securities		-
Other financial income	82	14
TOTAL FINANCIAL INCOME	313,643	267,190

Note 16 Financial expenses

<i>(in thousands of euros)</i>	31/12/2023	31/12/2022
Additions to depreciation, amortisation and provisions	(64,166)	(143,312)
Additions to amortisation of deferred expenses (loans)	(1,867)	(1,426)
Share of losses	(16,368)	(14,354)
Losses arising on mergers of assets	(3,744)	(2,478)
Interest on subsidiaries' current accounts	(17,451)	(1,640)
Interest and commissions on bond issues	(12,014)	(12,101)
Interest and commissions on bank loans	(34,464)	(9,429)
Subsidies and write-offs	(5,646)	(244)
Exchange rate losses	(2,046)	(734)
Other financial expenses	(1,256)	
TOTAL FINANCIAL EXPENSES	(159,023)	(185,718)

The additions to depreciation, amortisation and provisions are related to the amortisation of equity investments or subsidiary current accounts and other equity securities.

Note 17 Analysis of the net finance income (expense)

The net finance income totalled €154,621 thousand in 2023, compared to €81,472 thousand in 2022.

The net finance income (expense) is broken down as follows:

- €214,168 thousand in respect of dividends, net of shares of earnings paid to Group subsidiaries and holdings (compared to €190,004 thousand in 2022);
- €3,305 thousand in respect of losses (Neximmo 111 et Pick a Brick) net of gains on mergers of assets (Neximmo 65);
- -€37,281 thousand in respect of the different movements of additions and reversals on current accounts and equity investments induced by subsidiary profit/(loss) forecasts (compared to -€110,491 thousand in 2022); and
- -€10,013 thousand in respect of finance expenses (compared to -€591 thousand in 2022), resulting from €48,345 thousand in financial expenses for deferred interest and expenses on bank financing and current accounts of subsidiaries lending to Nexity, less €38,332 thousand of net income on disposals of marketable securities and interest on current accounts granted to subsidiaries.

Note 18 Analysis of non-recurring profit/(loss)

The non-recurring loss, which amounted to €62,395 thousand, mainly takes into account the income from the disposal of non-current assets, the income from the share

liquidity contract and derogatory amortisation and depreciation.

Note 19 Employee profit-sharing

The Company is part of an Economic and Social Unit (UES). As such, employee profit-sharing is calculated at the UES level by each company generating profit-sharing. Profit-sharing relating to the employees of the UES is allocated to the expenses of each company employing beneficiary employees.

The estimated profit-sharing relating to employees of the Company for the 2023 fiscal year (to be paid in 2024) amounted to €310 thousand.

Note 20 Income taxes

As a parent company, the Company has opted for the tax consolidation regime, stipulated in the provisions of Article 223A of the French General Tax Code. Consequently, the Company is the only entity that pays corporate income tax for the entire consolidated tax Group.

The Group's principle is that the Group's consolidation option should be financially neutral for all of the member subsidiaries during the consolidation period.

The income on the line "Income taxes" of €20,422 thousand (compared to €34,353 thousand in 2022) mainly comprises the sum of income taxes, the social security contribution of 3.3% from each of the consolidated subsidiaries under the income tax deduction (including additional contributions) calculated for the Group as a whole.

Note 21 Net profit

The Company's net profit amounted to €195,157 thousand (compared to €64,458 thousand in 2022).

ADDITIONAL INFORMATION

Note 22 Analysis by type of regulated provisions, provisions, amortisation, depreciation and impairment

<i>(in thousands of euros)</i>	31/12/2022	Additions	Reversals	Other	31/12/2023
Derogatory amortisation and depreciation	5,792	547	(1,627)		4,711
Non-recurring amortisation and depreciation	1,797				1,797
Regulated provisions	7,588	547	(1,627)	-	6,508
Provisions for litigation	2,300	3,565	(1,395)	70	4,540
Provisions for exchange rate losses	2,782	-	(2,782)	-	0
Provisions for free shares	15,983	8,691	(13,063)	-	11,611
Other provisions	22,870	9,428	(9,098)	(70)	23,130
Provisions	43,936	21,684	(26,339)	-	39,280
Amortisation and impairment on concessions, patents and similar rights	-				-
Amortisation and impairment on equity investments	274,897	9,592	(9,231)	50	275,308
Amortisation and impairment on receivables attached to investments	21,482		(4,088)		17,394
Impairment of other equity securities	8,147	4,585	(279)	(50)	12,404
Amortisation and impairment on loans	52,442				52,442
Amortisation and impairment on customer accounts	641				641
Other amortisation and impairment	42,052	40,679	(14,100)		68,632
Depreciation and impairment	399,661	54,856	(27,697)	-	426,820
TOTAL	451,185	77,086	(55,663)	-	472,609
Operating additions and reversals		12,256	(13,098)		
Financial additions and reversals		64,283	(26,962)		
Non-current additions and reversals		547	(15,602)		
Additions and reversals for income taxes					

Note 23 Schedules of receivables and payables**23.1 Receivables**

	Gross amount	Schedule	
<i>(in thousands of euros)</i>	31/12/2023	1 year at most	Over 1 year
Receivables from equity investments	57,200		57,200
Loans	298,973	-	298,973
Other financial investments	177,652		177,652
Trade and other receivables	36,026	36,027	
Other receivables	882,149	882,149	
Prepaid expenses	6,130	6,130	
TOTAL RECEIVABLES	1,458,130	924,306	533,825
Amount of loans granted during the fiscal year	-		
Amount of repayments obtained during the fiscal year	22,364		

23.2 Payables

	Gross amount	Schedule		
<i>(in thousands of euros)</i>	31/12/2023	1 year at most	Over 1 year, less than 5 years	Over 5 years
Convertible bonds	440,599	599	440,000	-
Bond issues	362,816	1,816	361,000	-
Loans and borrowings from financial institutions	170,780	170,780	-	
Negotiable debt securities	348,600	-	348,600	
Trade payables	54,524	42,704	11,820	
Tax payable and social security contributions	52,411	52,411		
Liabilities on non-current assets and related accounts	4,490	3,968	522	
Group and partners	649,284	649,284		
Other liabilities	27,008	27,008		
Deferred income	3,724	3,724		
Advances and deposits received on orders in progress	783	783		
TOTAL DEBT	2,115,019	953,077	1,161,942	-
Loans subscribed during the fiscal year	170,000			
Loans repaid during the fiscal year	160,000			

Note 24 Adjustment accounts**24.1 Statement of accrued income**

<i>(in thousands of euros)</i>	31/12/2023
Other financial investments	7,014
Trade and other receivables	20,786
Other receivables	53,325
Cash management	1,349
TOTAL ACCRUED INCOME	82,473

24.2 Statement of accrued expenses

<i>(in thousands of euros)</i>	31/12/2023
Accrued interest on bond issues	3,789
Borrowings and financial liabilities	34,293
Trade payables	50,713
Tax payable and social security contributions	20,843
Other liabilities	299
Loans and borrowings from financial institutions	0
TOTAL ACCRUED EXPENSES	109,937

Note 25 Analysis of the statement of cash flows and change in net debt

Cash and cash equivalents amounted to €242,468 thousand (excluding treasury shares) at 31 December 2023 (compared to €319,731 thousand at 31 December 2022), *i.e.* a decrease of €77,263 thousand, mainly due to:

- Cash flow from operating activities of €182,191 thousand, notably including the cash flow position (€208,217 thousand) increased by the reduction in working capital requirement (€26,026 thousand);
- Cash flow from investing activities of -€142,468 thousand, mainly corresponding to -€40,191 thousand in acquisitions of property, plant and equipment, and intangible assets, €265,873 in acquisitions of equity investments and capital increases of subsidiaries, and -€25,791 thousand in changes in financial investments; and
- Cash flow from financing activities of -€121,127 thousand, notably including the payment of the dividend of -€139,241 thousand and the net balance of bond and bank financing (€18,114 thousand).

The Company's net debt amounted to €748,959 thousand (compared to €628,872 thousand in 2022). It corresponds to the amount of bank and bond issues (€1,322,015 thousand) and receivables (-€330,589 thousand), and less gross cash (-€242,468 thousand).

Note 26 Off-balance sheet commitments

26.1 Commitments given

Related to the current operations of Group subsidiaries

As parent company of Nexity group, the Company guarantees or counter-guarantees some commitments made by its subsidiaries within the normal framework of their activities.

In accordance with the contractual provisions of the syndicated corporate credit facility of July 2018, the

Company is jointly and severally liable to lenders for all sums owed to the latter under signed commitments (completion bonds, guarantees, etc.) as part of the €1.6 billion package awarded on behalf of its development subsidiaries.

The following table summarises the other off statement of financial position commitments made in the context of the subsidiaries' activities:

<i>(in thousands of euros)</i>	31/12/2023	31/12/2022
Completion bonds	89,351	155,017
Reservation fees	-	-
Other guarantees on real estate projects	118,503	92,206
Loan guarantees	42,028	42,028
Liability guarantees	48,345	37,090
Other commitments	11,275	11,868
TOTAL	309,502	338,209

Other commitments given

As part of the tax consolidation agreements, the amount of tax deficits likely to be used by the consolidated subsidiaries would represent a tax expense of €81.7 million for the Company.

As part of various external growth operations, the Company

granted several put options to minority shareholders for their investments. These options mainly concern Bureaux à Partager and pantera securities. Based on the price or price formulas defined in the agreements and the probable date of execution of the contractual commitments, the discounted amount of these commitments may be estimated at €31.5 million.

26.2 Commitments received

The Company has received liability guarantees totalling €7.0 million, which break down as follows: €4 million for the acquisition of Reim Real Estate and €3 million for the acquisition of Bureaux à Partager.

26.3 Workforce commitments**Pensions**

Pension commitments amounted to €2.13 million and are measured in accordance with the updated IAS 19 method.

The main assumptions for calculating employee benefits are based on a retirement departure age of 62 years for

non-managers and 64 years for managers, on the employee's initiative, an average turnover rate of 22% and a social security contribution rate of 42%. The mortality table used is that of INSEE 2013/2015, the discount rate at year-end is 3.34%, and the salary increase rate at year-end is 3.5%.

26.4 Deferred and unrealised tax position

Deferred tax position: the temporarily non-deductible provisions and charges generate corporate income tax savings in the amount of €40,181 thousand during reversal fiscal years.

Unrealised tax position: the unrealised tax gains would lead to an increase in corporate tax expense of €18,798 thousand in the event of the disposal of the concerned assets.

Note 27 Workforce

In 2023, the Company's average headcount was 596, remaining stable compared with 596 in 2022.

Note 28 Free share plans

A total of 277,530 free shares were vested during the fiscal year, and the shares were transferred to their recipients in exchange for existing shares. At the end of the fiscal year, the number of free shares in vesting periods amounted to 924,820 shares, all plans combined.

Vesting of free shares is subject to conditions of presence at the end of the plans and, if applicable, to performance conditions (achievement of a level of operating profit or cumulative EBITDA over the plan's duration, and/or minimum backlog at plan maturity, and/or minimum level of operating income or EBITDA at plan maturity, and/or maximum net debt at plan maturity).

The following table summarises the plans that expired in 2023, and those that were ongoing at year-end:

Nexity plans

<i>(in number of shares)</i>	Awarded	Cancelled	Vested*	Awarded, not cancelled and not vested	Vesting period ends
April 2020 plan	48,000	13,980	34,020	-	2 nd quarter 2023
May 2020 plan	48,000	28,800	19,200	-	2 nd quarter 2023
May 2020 plan	60,000	60,000	-	-	2 nd quarter 2023
May 2020 plan for all employees	222,670	79,310	143,360	-	2 nd quarter 2023
July 2020 plan	122,400	41,830	80,570	-	3 rd quarter 2023
March and April 2021 plans	147,700	4,400	-	143,300	3 rd quarter 2024
May 2021 plan	373,400	91,200	-	282,200	3 rd quarter 2024
October 2021 plan	22,000	8,000	-	14,000	4 th quarter 2024
April 2022 plan	165,800	22,500	-	143,300	2 nd quarter 2025
May 2022 plan	100,000	-	-	100,000	2 nd quarter 2025
May 2022 plan	89,200	8,800	-	80,400	2 nd quarter 2025
May 2022 plan for all employees	218,040	56,040	380	161,620	2 nd quarter 2025
TOTAL NEXITY PLANS	1,617,210	414,860	277,530	924,820	

Of which 175 from previous years.

The Shareholders' Meeting has granted the Board of Directors authorisation until 17 July 2024 to allocate 1% of the share capital to free share awards (subject to certain conditions and with a minimum three-year vesting period). At 31 December 2023, no free shares had been allocated under this authorisation.

The maximum potential dilution (taking into account treasury shares acquired and held to be granted to recipients of free shares) would be 1.6% (as a percentage of share capital ownership) if all free shares already awarded were to vest, and 2.6% if the calculation includes all possible free shares not yet awarded.

Note 29 Information on related parties

The remuneration of Nexity's directors and executive officers (company officers) amounted to €1,623 thousand in 2023.

The remuneration for directors who are neither employees nor company officers amounted to €323 thousand for the 2023 fiscal year.

Note 30 Events after the reporting period

The sale of the Services to Individuals business to Bridgepoint was finalised on 2 April 2024.

No other significant events occurred between 31 December 2023 and the Board of Directors' meeting of 28 February 2024 convened to approve the financial statements for the period ended 31 December 2023.

Note 31 List of significant subsidiaries and holdings

Name	Share capital	Share held	Gross value Shares	Loans, advances	Revenue
Registered office	Equity other than share capital	Dividends received	Net value Shares	Guarantees	Income
<i>(in thousands of euros)</i>					
1 – Subsidiaries					
1.1 – French subsidiaries (more than 50%)					
NEXITY LOGEMENT	6,562	100.00%	969,558	240,499	6,566
19, rue de Vienne TSA 60030 75801 PARIS CEDEX 08	450,695	119,952	969,558	-	100,826
ÉDOUARD DENIS DÉVELOPPEMENT	32,625	89.00%	189,126	39,355	23,992
2, Rue Leday Le nouvel Hermitage 80100 ABBEVILLE	1,740	7,634	189,126	-	4,218
NEXITY IMMOBILIER D'ENTREPRISE	150	99.68%	68,632	8,891	20,588
19, rue de Vienne TSA 50029 75801 PARIS CEDEX 08	(14,214)	-	-	-	(9,348)
NEXITY LAMY	219,388	100.00%	258,632	53,159	202,273
19, rue de Vienne TSA 10034 75801 PARIS CEDEX 08	21,993	-	258,632	-	86,383
ORALIA PARTENAIRES	33,098	100.00%	87,597	40,479	12,348
94, quai Charles de Gaulle 69006 LYON	64,550	-	87,597	-	4,615
NEXITY PROPERTY MANAGEMENT	11,519	100.00%	30,712	-	56,597
2, rue Olympe de Gouges 92600 ASNIERES SUR SEINE	28,629	-	30,712	-	2,861
BUREAUX A PARTAGER	21	57.70%	108,806	-	5,773
21, place de la République 75003 PARIS	10,071	-	108,806	-	1,422
ACCESSITE	80	100.00%	15,978	-	15,623
35, quai du Lazaret 13006 MARSEILLE 06	5,942	-	15,978	1	1,293
PERL	3,568	100.00%	143,218	-	50,102
115, Rue Réaumur 75002 PARIS	88,174	-	143,218	-	8,067
ISELECTION	2,578	100.00%	154,688	-	51,809
400, promenade des Anglais - 06600 NICE	21,867	19,000	154,688	-	12,506
1.2 – Foreign subsidiaries (more than 50%)					
NEXITY HOLDING ITALIA	17,771	100.00%	50,010	15,504	-
Corso Galileo Ferraris n°110 - 10129 TURIN - Italy	9,774	-	26,052	-	-
NEXITY DEUTSCHLAND	47,150	100.00%	47,153	75,711	-
Carmertstrasse 2, 10623 Berlin – Germany	80,139	-	-	-	3,970

Name	Share capital	Share held	Gross value Shares	Loans, advances	Revenue
Registered office	Equity other than share capital	Dividends received	Net value Shares	Guarantees	Income
<i>(in thousands of euros)</i>					
2 – Holdings (10% to 50%)					
3 – Subsidiaries not included in Section 1					
French			175,491	172,877	
		29,900	55,603	166,805	
Foreign			20,640	128	
			9,397	1	
4 – Holdings not included in Section 2					
French			178,560	9,730	
		1,160	176,254	1,390	
Foreign			31		
			5	7,000	
5 – Other holdings (less than 10%)			9,550		
			9,550	-	
6 – Overall information					
French subsidiaries			2,231,475	544,797	
		226,392	2,042,955	191,043	
Foreign subsidiaries			117,803	126,063	
		-	33,355	18,631	
Equity investments in French companies			188,110	12,214	
		1,160	185,804	1,390	
Equity investments in foreign companies			31	323	
		-	5	7,000	
			2,537,419	683,397	
TOTAL		227,552	2,262,119	218,064	

5.2.3 Statutory Auditors' report on the financial statements

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended 31 December 2022

To the Shareholders of Nexity,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Nexity for the year ended 31 December 2022.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of Nexity as of 31 December 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Financial Statements Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us for the period from 1 January 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5 of Regulation (EU) No 537/2014 or in the French code of ethics (Code de déontologie) for statutory auditors.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, approved in the aforementioned context, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Measurement of equity investments

(Note 5.2 to the financial statements)

Risk identified

Equity investments reported in the company's statement of financial position as at 31 December 2022 at a carrying amount of €2,063 million, represented 51% of the company's total assets. They are recognized at acquisition cost less any applicable impairment observable at year end, as determined by management based on the company's share of the investee's net assets and the investee's profitability outlook.

The profitability outlook of operating subsidiaries is generally determined using the discounted cash flow method, calculated based on the 5-year business plan adopted by management. The business plan includes differentiated growth assumptions depending on the business activity. These assumptions take into account current market conditions, foreseeable changes thereof, as well as the Company's assumptions regarding changes in the regulatory environment and competitive intensity.

Estimation of the present value of investments requires judgement by management in choosing the elements to be taken into consideration which, for each investment, may be based on historical (net assets) or forward-looking information.

For these reasons, we considered the measurement of equity investments to be a key audit matter.

Audit procedures in response to the risk identified

To assess the reasonableness of the estimated present values of the equity investments, based on the information provided, our work mainly consisted in verifying that management's estimates were based on appropriate justification of the valuation method applied and financial data used and, depending on the investments, in:

- For valuations based on historical data (net assets): verifying that the net asset values used were consistent with the financial statements of the applicable entities subject to an audit or analytical review and that any equity adjustments were backed up by adequate supporting documentation.
- For valuations based on forward-looking data (profitability outlook): assessing the approach used to determine the present value of the investments, in particular with regard to:
 - The reasonableness of the approach used to determine the 5-year business plan, comparing the prior year's impairment test projections with the current year's results ;
 - The consistency of the estimated future cash flows used to calculate the present value of the investments with those included in the 5-year business plan presented by management ;
 - The reasonableness of the applicable discount rate and perpetual growth rate assumptions as assessed by our financial appraisal specialists.
- In addition to the assessment of the value in use of the investments, our work also consisted in:
 - Assessing the collectability of any associated receivables;
 - Verifying the due recognition of a provision for risk in the event of the company being required to absorb the losses of an equity investment with negative equity.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in other documents with respect to the company's financial position and to the financial statements provided to Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in other documents with respect to the company's financial position and to the financial statements provided to Shareholders.

In accordance with French law, we hereby report that the information relating to payment times referred to in Article D.441-6 of the French Commercial Code (Code de commerce) is fairly presented and consistent with the financial statements.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (Code de commerce) relating to the remuneration and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare the financial statements and, where applicable, with the information obtained by your company from controlled companies included in the consolidation scope. Based on these procedures, we attest to the accuracy and fair presentation of the information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code (Code de commerce), we checked this information with the source documents communicated to us. Based on these procedures, we have no observations to make on the information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of voting rights have been properly disclosed in the management report.

Other Verifications or Report on Other Legal and Regulatory Requirements

Presentation of the financial statements included in the annual financial report

We also proceeded, in accordance with the professional standard on the due diligence of the statutory auditor relating to the annual and consolidated financial statements presented according to the single European electronic information format, to the verification of compliance with this format defined by the European regulation. Delegate No. 2019/815 of December 17, 2018 in the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in I of Article L. 451-1-2 of the Monetary and Financial Code, prepared under the responsibility of Stewardship. With regard to consolidated accounts, our due diligence includes checking that the markup of these accounts complies with the format defined by the aforementioned regulation.

Based on our work, we conclude that the presentation of the consolidated accounts intended to be included in the annual financial report complies, in all material respects, with the single European electronic information format.

It is not our responsibility to verify that the annual accounts that will actually be included by your company in the annual financial report filed with the AMF correspond to those on which we have carried out our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Nexity by the annual general meeting held on 30 April 2008 for Mazars and on 16 October 2003 for KPMG.

As at 31 December 2022, Mazars and KPMG were in the 15th year and 20th year of the total uninterrupted engagement, which are the 15th and 19th years, respectively, since securities of the Company 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 the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is intended to liquidate the Company or to cease operations.

The Audit and Financial Statements Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, internal audit, regarding accounting and financial reporting procedures.

The financial statements have been approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for the audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of 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, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the financial statements and assesses whether they represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Financial Statements Committee

We submit a report to the Audit and Financial Statements Committee, which includes a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Financial Statements Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Financial Statements Committee with the statement provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in Articles L.822-10 to L.822-14 of the French Commercial Code (Code de commerce) and in the French code of ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit and Financial Statements Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, 30 March 2023

The Statutory Auditors

KPMG Audit IS
François Plat
Partner

MAZARS
Claire Gueydan-O'Quin
Partner

5.3 ADDITIONAL INFORMATION

5.3.1 Payment terms

In accordance with Article L.441.6.1 of the French Commercial Code and its implementing decree No. 2015-1553 of 27 November 2015, the following table shows the invoices received and issued whose term has expired at the reporting date. Invoices whose due date is exactly that of the reporting date are excluded from the table.

369 supplier invoices representing €5.797 million excluding taxes and 4.84% of purchases are past due.

403 customer invoices (mainly Group) representing €7.351 million and 4.93% of revenue are past due.

	Article D.441 I.-1°: invoices received and unpaid at the reporting date whose term has expired					Article D.441 I.-2°: invoices issued but not paid at the reporting date whose term has expired				
(in thousands of euros)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment tranches										
Number of invoices concerned					512					443
Total amount of invoices concerned excl. tax	3,321	827	582	1,067	5,797	255	2,682	930	3,484	7,351
Percentage of the total amount of purchases excl. tax for the fiscal year	2.77%	0.69%	0.49%	0.89%	4.84%					
Percentage of revenue excl. tax for the fiscal year						0.17%	1.80%	0.62%	2.34%	4.93%
(B) Invoices excluded from (A) relating to disputed or unrecognised payables and receivables										
Number of invoices excluded	-	-	-	-		-	-	-	-	-
Total amount of excluded invoices	-	-	-	-		-	-	-	-	-
(C) Reference payment terms used (contractual or legal terms - Article L.441-6 or L.443-1 of the French Commercial Code)										
Payment terms used to calculate late payments	Contractual terms: 30 days end of month					Contractual terms: up to 30 days				
PM: payables and receivables due on the reporting date are not included in the total of payables and receivables whose term has expired.										

5.3.2 Non-tax deductible expenses

In 2023, the Company incurred expenses of €105,195 as referred to in Article 39.4 of the French General Tax Code.

5.3.3 Dividend distribution policy

At its meeting of 22 February 2023, the Board of Directors decided to propose to the Shareholders' Meeting of 16 May 2023 a dividend for the 2022 fiscal year in the amount of €2.50, identical to the dividend distributed in respect of the 2021 fiscal year.

The amount of the dividend is assessed, for each fiscal year, on the basis of an analysis of the Company's profits, its financial position and any other factors deemed relevant by the Board of Directors.

DIVIDENDS PAID IN RESPECT OF THE LAST FIVE FISCAL YEARS

	2022 paid in 2023	2021 paid in 2022	2020 paid in 2021	2019 paid in 2020	2018 paid in 2019	2017 paid in 2018
Number of shares ⁽³⁾	55,696,303	55,148,216	55,319,399	54,913,288	55,292,734	56,129,724
Dividend per share (in euros)	2.50 ⁽¹⁾	2.50 ⁽¹⁾	2.00 ⁽¹⁾	2.00 ⁽¹⁾	2.50 ⁽¹⁾	2.50 ⁽²⁾
Total distribution (in euros)	139,240,758	137,870,540	110,638,798	109,826,576	138,231,835	140,324,310

(1) The entirety of this amount is considered a dividend for tax purposes.

(2) €1.98 of this amount is considered a return of capital and €0.52 a dividend for tax purposes.

(3) The number of shares refers to the total number of shares in the share capital less the number of treasury shares held on the ex-dividend date.

5.3.4 Proposed allocation of income for 2023

The Shareholders' Meeting, voting under the conditions of quorum and majority required for Ordinary General Meetings, having reviewed the Board of Directors' report, resolves to allocate the profit for the fiscal year ended 31 December 2023, amounting to €195,156,988.03 to retained earnings, which will thus be increased from €247,922,284.62 to €443,079,272.65.

Taking into account this allocation, the Company's equity would be €1,748,149,760.10.

The Shareholders' Meeting also acknowledges that, for the three previous fiscal years, the following dividends were distributed, fully eligible for the allowance referred to in Article 158-3-2° of the French General Tax Code:

Fiscal year	Number of shares ⁽¹⁾	Dividend per share	Overall distribution ⁽²⁾
2020	56,129,724	€2.00	112,259,448
2021	56,129,724	€2.50	140,324,310
2022	56,129,724	€2.50	140,324,310

(1) Number of shares outstanding on the day of the Shareholders' Meeting that approved each distribution (not minus the number of treasury shares, if any, not giving entitlement to a distribution).

(2) Based on the number of shares described in (1) above.

5.3.5 Limitation period

Dividends not claimed within five years of their payment date are forfeited to the French State.

5.3.6 Table of Nexity's results for the last five fiscal years

Reporting date	31/12/2023	31/12/2022	31/12/2021	31/12/2020	31/12/2019
Duration of the fiscal year (months) (in euros)	12	12	12	12	12
SHARE CAPITAL AT THE REPORTING DATE					
Share capital	280,648,620	280,648,620	280,648,620	280,648,620	280,648,620
Number of ordinary shares	56,129,724	56,129,724	56,129,724	56,129,724	56,129,724
Maximum number of shares to be created					
under conversion rights	9,245,796	8,412,483	7,804,894	8,813,641	8,317,592
under subscription rights	924,820	1,355,255	1,293,240	1,315,835	1,321,660
OPERATIONS AND RESULTS					
Revenue excluding taxes	148,919,942	150,496,969	132,779,257	136,121,891	126,804,032
Income before tax, profit-sharing, allowances, amortisation, depreciation and provisions	215,774,760	162,920,217	94,912,467	199,240,383	112,839,720
Income taxes	20,422,376	34,352,884	41,080,112	29,985,257	25,882,530
Employee profit-sharing	(310,329)	(282,682)	(393,387)	(224,487)	(376,705)
Additions/reversals net of depreciation, amortisation and provisions	(40,729,819)	(132,532,618)	(75,302,090)	(47,040,421)	39,741,822
Net profit	195,156,988	64,457,802	60,297,102	181,960,733	178,087,368
Distributed earnings ⁽¹⁾		139,240,758	137,870,540	110,638,798	109,826,576
EARNINGS PER SHARE					
Income after tax, profit-sharing, before depreciation, amortisation and provisions	4.21	3.51	2.42	4.08	2.47
Income after tax, profit-sharing, depreciation, amortisation and provisions	3.48	1.15	1.07	3.24	3.17
Dividend paid		2.50	2.50	2.00	2.00
STAFF					
Average workforce	596	596	579	484	411
Payroll	47,790,908	43,717,900	42,295,567	40,063,632	36,649,803
Amounts paid in social benefits (social security, social welfare, etc.)	22,179,334	20,341,611	21,660,779	18,340,665	17,164,949

(1) Based on the number of on the number of shares outstanding on the day of the Shareholders' Meeting (not minus the number of treasury shares not giving entitlement to distribution).

5.4 OPERATIONAL REPORTING INFORMATION

The indicators and financial data in this paragraph present the operational reporting with the presentation of joint ventures proportionately consolidated and their reconciliation with IFRS. Nexity continues to consolidate

joint ventures on a proportional basis, as it considers that this presentation better reflects the measurement of its performance and risks, in terms of working capital requirement and debt.

CONSOLIDATED INCOME STATEMENT - 31 DECEMBER 2023

<i>(in millions of euros)</i>	31/12/2022 Operational reporting restated	31/12/2023 IFRS	Restatement of joint ventures	31/12/2023 Operational reporting
Revenue	4,703.9	3,964.3	309.0	4,273.3
Operating expenses	(4,156.6)	(3,579.7)	(281.6)	(3,861.3)
Dividends received from equity-accounted investments	-	26.1	(26.1)	-
EBITDA	547.4	410.7	1.3	412.0
Lease payments	(132.8)	(143.1)	-	(143.1)
EBITDA after lease payments	414.6	267.5	1.3	268.9
Restatement of lease payments	132.8	143.1	-	143.1
Depreciation of right-of-use assets	(133.0)	(155.5)	-	(155.5)
Depreciation, amortisation and impairment of non-current assets	(38.7)	(41.9)	-	(41.9)
Net change in provisions	2.6	(6.4)	-	(6.4)
Share-based payments	(11.8)	(2.2)	-	(2.2)
Dividends received from equity-accounted investments	-	(26.1)	26.1	-
Current operating profit	366.6	178.5	27.4	205.9
Non-current operating profit	-	39.6	-	39.6
Operating profit	366.6	218.1	27.4	245.6
Share of net profit from equity-accounted investments	-	18.6	(18.6)	-
Operating profit after share of net profit from equity-accounted investments	366.6	236.7	8.9	245.6
Cost of net financial debt	(35.0)	(52.6)	(8.1)	(60.7)
Other financial income/(expenses)	(10.9)	(21.3)	(0.2)	(21.5)
Interest expense on lease liabilities	(18.8)	(26.2)	-	(26.2)
Net financial income/(expense)	(64.7)	(100.1)	(8.3)	(108.4)
Pre-tax recurring profit	301.8	136.6	0.6	137.2
Income tax	(90.3)	(50.8)	(0.6)	(51.3)
Share of profit/(loss) from other equity-accounted investments	(7.4)	(49.1)	-	(49.1)
Consolidated net profit	204.1	36.7	-	36.7
o/w: Attributable to non-controlling interests	16.3	17.5	-	17.5
O/W: ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	187.8	19.2	-	19.2
<i>(in euros)</i>				
Net earnings per share	3.40	0.35		0.35

SIMPLIFIED CONSOLIDATED BALANCE SHEET - 31 DECEMBER 2023

ASSETS (in millions of euros)	31/12/2022 Operational reporting	31/12/2023 IFRS	Restatement of joint ventures	31/12/2023 Operational reporting
Goodwill	1,397.7	1,171.9	-	1,171.9
Other non-current assets	1,004.3	986.7	0.3	987.0
Equity-accounted investments	55.2	132.8	(79.2)	53.6
Total non-current assets	2,457.3	2,291.4	(78.9)	2,212.5
Net WCR	1,323.7	1,143.9	202.4	1,346.4
Net assets held for sale	45.0	145.7		145.7
TOTAL ASSETS	3,826.0	3,581.0	123.5	3,704.6

LIABILITIES (in millions of euros)	31/12/2022 Operational reporting	31/12/2023 IFRS	Restatement of joint ventures	31/12/2023 Operational reporting
Share capital and reserves	1,786.3	1,858.3	-	1,858.3
Net profit for the period	187.8	19.2	-	19.2
Equity attributable to equity holders of the parent company	1,974.1	1,877.5	-	1,877.5
Non-controlling interests	61.6	63.4	-	63.4
Total equity	2,035.7	1,940.8	-	1,940.8
Net debt excluding lease liabilities	819.7	657.2	119.0	776.2
Lease liabilities	779.0	848.5		848.5
Provisions	99.6	79.7	1.7	81.4
Net deferred tax	91.9	54.8	2.8	57.6
TOTAL LIABILITIES AND EQUITY	3,826.0	3,581.0	123.5	3,704.6

NET DEBT - 31 DECEMBER 2023

(in millions of euros)	31/12/2022 Operational reporting	31/12/2023 IFRS	Restatement of joint ventures	31/12/2023 Operational reporting
Bond issues (incl. accrued interest and arrangement fees)	811.6	786.2	-	786.2
Put options granted to minority interests	164.5	31.5	-	31.5
Loans and borrowings	875.2	743.9	97.4	841.3
Loans and borrowings	1,851.3	1,561.6	97.4	1,659.0
Other financial receivables and payables	(65.9)	(253.9)	161.3	(92.6)
Cash and cash equivalents	(1,064.9)	(715.9)	(160.5)	(876.4)
Bank overdraft facilities	99.2	65.4	20.8	86.3
Net cash and cash equivalents	(965.7)	(650.5)	(139.6)	(790.1)
Total net financial debt before lease liabilities	819.7	657.2	119.0	776.2
Elimination IFRS 5 reclassification	28.4	67.4		67.4
Total net financial debt before lease liabilities and IFRS 5	848.1	724.6	119.0	843.6
Lease liabilities	779.0	848.5	-	848.5
Elimination IFRS 5 reclassification		46.8		46.8
Total lease liabilities before IFRS 5	779.0	895.3	-	895.3
Total net debt	1,598.7	1,505.7	119.0	1,624.7
Total net debt before IFRS 5	1,627.1	1,620.0	119.0	1,739.0

SIMPLIFIED STATEMENT OF CASH FLOWS - 31 DECEMBER 2023

<i>(in millions of euros)</i>	31/12/2022 Operational reporting	31/12/2023 IFRS (12-month period)	Restatement of joint ventures	31/12/2023 Operational reporting
Consolidated net profit	204.1	36.7	(0.0)	36.7
Elimination of non-cash income and expenses	190.7	182.8	18.5	201.3
Cash flow from operating activities after interest and tax expenses	394.8	219.5	18.5	238.1
Elimination of net interest expense/(income)	53.9	78.8	8.1	86.9
Elimination of tax expense, including deferred tax	89.0	49.5	0.3	49.9
Cash flow from operating activities before interest and tax expenses	537.7	347.8	27.0	374.8
Repayment of lease liabilities	(132.8)	(143.1)	-	(143.1)
Cash flow from operating activities after lease payments but before interest and tax expenses	404.9	204.7	27.0	231.7
Change in operating working capital requirement	(248.2)	0.2	48.3	48.5
Dividends received from equity-accounted investments	-	26.1	(26.1)	-
Interest paid	(24.4)	(44.2)	(8.1)	(52.3)
Tax paid	(69.6)	(91.1)	(0.8)	(91.9)
Net cash from/(used in) operating activities	62.6	95.7	40.3	136.0
Net cash from/(used in) net operating investments	(68.8)	(59.1)	-	(59.1)
Free cash flow	(6.2)	36.6	40.3	76.9
(Acquisitions)/Disposals of subsidiaries and other changes in scope	(21.3)	127.0	0.1	127.1
Reclassification in accordance with IFRS 5	(45.4)	(14.9)	-	(14.9)
Other net financial investments	(6.3)	(45.9)	(0.1)	(46.0)
Net cash from/(used in) investing activities	(73.0)	66.2	0.1	66.3
Dividends paid to equity holders of the parent company	(138.1)	(139.2)	-	(139.2)
Other payments (to)/from minority shareholders	(10.0)	(15.9)	-	(15.9)
Net disposal/(acquisition) of treasury shares	0.6	(7.1)		(7.1)
Change in financial receivables and payables (net)	24.3	(151.3)	(4.9)	(156.2)
Net cash from/(used in) financing activities	(123.2)	(313.5)	(4.9)	(318.4)
Impact of changes in foreign currency exchange rates	0.0	(0.1)	(0.2)	(0.3)
CHANGE IN CASH AND CASH EQUIVALENTS	(202.3)	(210.8)	35.3	(175.5)

CAPITAL EMPLOYED

<i>(in millions of euros)</i>	2023					
	Total excl. right-of-use assets	Total incl. right-of-use assets	Non-current assets	Right-of-use assets	WCR	Goodwill
Development	1,371	1,421	69	49	1,302	-
Services	150	825	88	675	62	-
Other Activities and not attributable	1,227	1,251	72	24	(18)	1,172
GROUP CAPITAL EMPLOYED	2,748	3,497	230	748	1,346	1,172

<i>(in millions of euros)</i>	2022					
	Total excl. right-of-use assets	Total incl. right-of-use assets	Non-current assets	Right-of-use assets	WCR	Goodwill
Development	1,330	1,379	41	49	1,289	-
Services	159	795	124	636	35	-
Other Activities and not attributable	1,484	1,515	87	31	-	1,398
GROUP CAPITAL EMPLOYED	2,973	3,689	252	716	1,324	1,398

5.5 TRENDS

5.5.1 Uncertainties related to the economic environment

The Group's business activity and its results will remain subject to the uncertainties related to the possible occurrence of the various risks relating to its economic, legislative, tax and competitive environment as set out in Chapter 2 - Risk Management of this Universal registration document, and in particular:

- The evolution of the economic context and conditions;
- A deterioration in household solvency and increasing difficulties accessing credit;
- Changes in home ownership assistance or tax incentives;
- Changes in regulatory constraints or applicable tax provisions; and
- Changes in interest rates.

5.5.2 Recent developments

Sale of property management for individuals business to Bridgepoint

After announcing on 21 December 2023 that it had entered into exclusive negotiations, and following the lifting of the conditions precedent and the consultation with the employee representative bodies, which unanimously issued a favourable opinion, Nexity finalised on 2 April 2024 the sale of 100% of its Services to Individuals business to Bridgepoint, a major European player in alternative asset management. This transaction is accompanied by a strategic partnership for a period of six years, renewable for four years, aimed at perpetuating and amplifying existing synergies with Nexity's property development activities. It is also the means for the property management activities, which employ 3,100 people (condominium managing agent services, rental management, real estate transactions and insurance brokerage), to continue and accelerate their development. ⁽¹⁾

Implementation of an Employment Protection Plan

In the context of the Group's in-depth transformation described in Chapter 1, Section 1.4 "Strategy and objectives", a resizing of the organisation was necessary in view of:

- The market environment and the slowdown in private residential and commercial investment (with reservations for Nexity down 25% vs. the five-year average);
- Changes in the mix (with bulk sales representing more than 60% of total sales over the long term, compared with an average of 50% over the last five years);

Changes in the Group's scope:

- disposal of international activities, Property management activities;
- ongoing searches for strategic and financial partnerships;
- The Group announced that it had initiated an information-consultation process with the employee representative bodies prior to the implementation of an Employment Protection Plan;

it was therefore proposed to suspend the dividend for 2023.

Adjustment of the corporate credit agreement

Following the disposal of the aforementioned Services to Individuals business to Bridgepoint, Nexity received an amount of €400 million which will enable it to significantly accelerate its debt reduction and give itself the room for manoeuvre necessary for its transformation.

The institutions in Nexity's banking pool, have already unanimously exonerated the Group from its obligations in respect of banking ratios, until the closing of the financial statements for the 2024 fiscal year.

A similar approach is underway with Euro PP bondholders, whose written consultation will begin on 5 April 2024. ⁽²⁾

5.5.3 2024 Outlook

- A positive operating result marking a financial low point, taking into account capital gains on disposals, the costs of adjusting the offering to the new market environment and the costs of reorganising the Group to enable a rebound in 2025; and
- A significantly lower net financial debt compared to the end of 2023.

¹⁾ See the press release published by Nexity on 2 April 2024 and available on the website <https://nexity.group/en/>.

²⁾ See the press release published on 4 April 2024 and available on the website <https://nexity.group/en/>.



Information about

the issuer

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6.1 GENERAL INFORMATION

Company name

The Company's corporate name is Nexity.

Place of registration of the issuer and its registration number

The Company is listed in the Paris Trade Register under number 444 346 795.

The registered office SIRET (business premises) number is 444 346 795 00057. The Company's APE (business activity) code is 7010 Z.

LEI France Register

The Company's LEI code is 969500JJ71T2DIPDVV84.

Date of incorporation and length of life of the issuer

The Company was incorporated on 21 November 2002 under the name "Maine Equity Capital 10" and was listed in its local trade register on 5 December 2002.

The length of the Company's life is ninety-nine years from the date of its registration, unless this term of existence is extended or the Company is liquidated at an earlier date.

Registered office, legal form and applicable legislation

The Company's registered office is located at 19, rue de Vienne - TSA 50029 - 75801 Paris Cedex 8, France. Phone: +33 (0)1 85 55 10 10.

The Company is a French public limited company (*société anonyme*) with a Board of Directors, regulated in particular by the provisions of Book II of the French Commercial Code.

Available documents

The Company's press releases and annual reports – including historical financial information about the Company – are available on the Company's website: www.nexity.group. Copies may also be obtained from Nexity's registered office at 19, rue de Vienne – TSA 50029 – 75801 Paris Cedex 08 (France).

The Company's Articles of Association as well as the minutes of Shareholders' Meetings, the Statutory Auditors' reports, a list of subsidiaries, the Parent Company financial statements and any other corporate documentation may be consulted at the Company's registered office.

6.2 ORGANISATIONAL STRUCTURE

The organisation chart below presents the Company's main subsidiaries (and percentage of share capital held) at 31 December 2023. Voting rights correspond to the percentage of share capital held.

A list of the main consolidated companies is provided in Note 37 to the Group's consolidated financial statements, in Chapter 5, Section 5.1 "Consolidated financial statements at 31 December 2023" of this Universal registration document. The full list is available on request from the Investor Relations Department (investorrelations@nexity.fr).

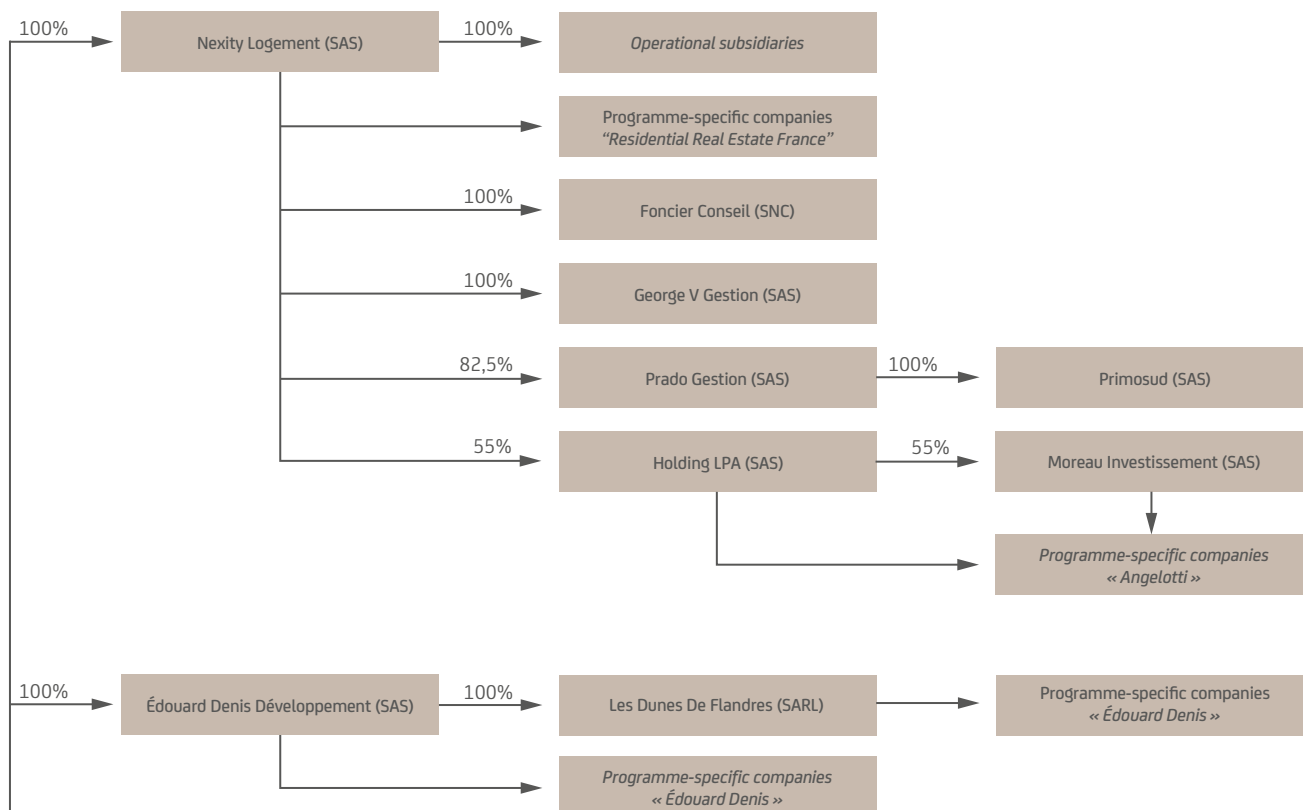
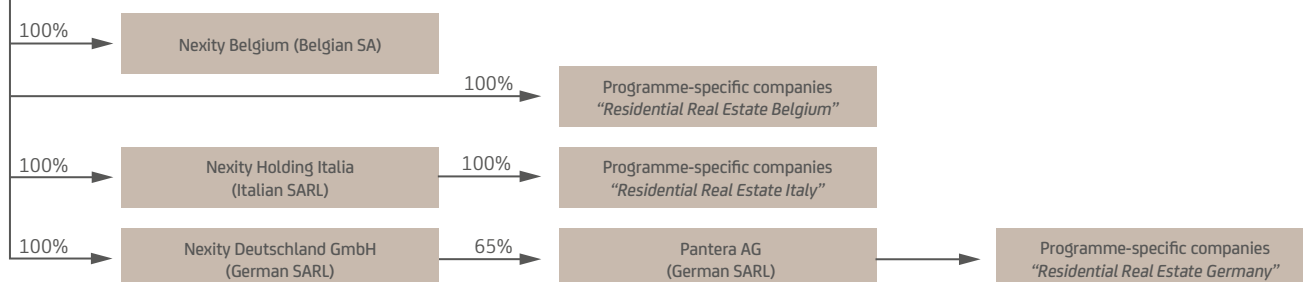
The parent company pools the cash from a majority of the Group's subsidiaries and manages the Group's central functions. It also holds the Nexity trademark. As part of its management assistance agreements, Nexity charges its subsidiaries management fees. It also charges them royalties for using the Nexity trademark, where applicable. Intra-Group agreements are signed under market conditions.

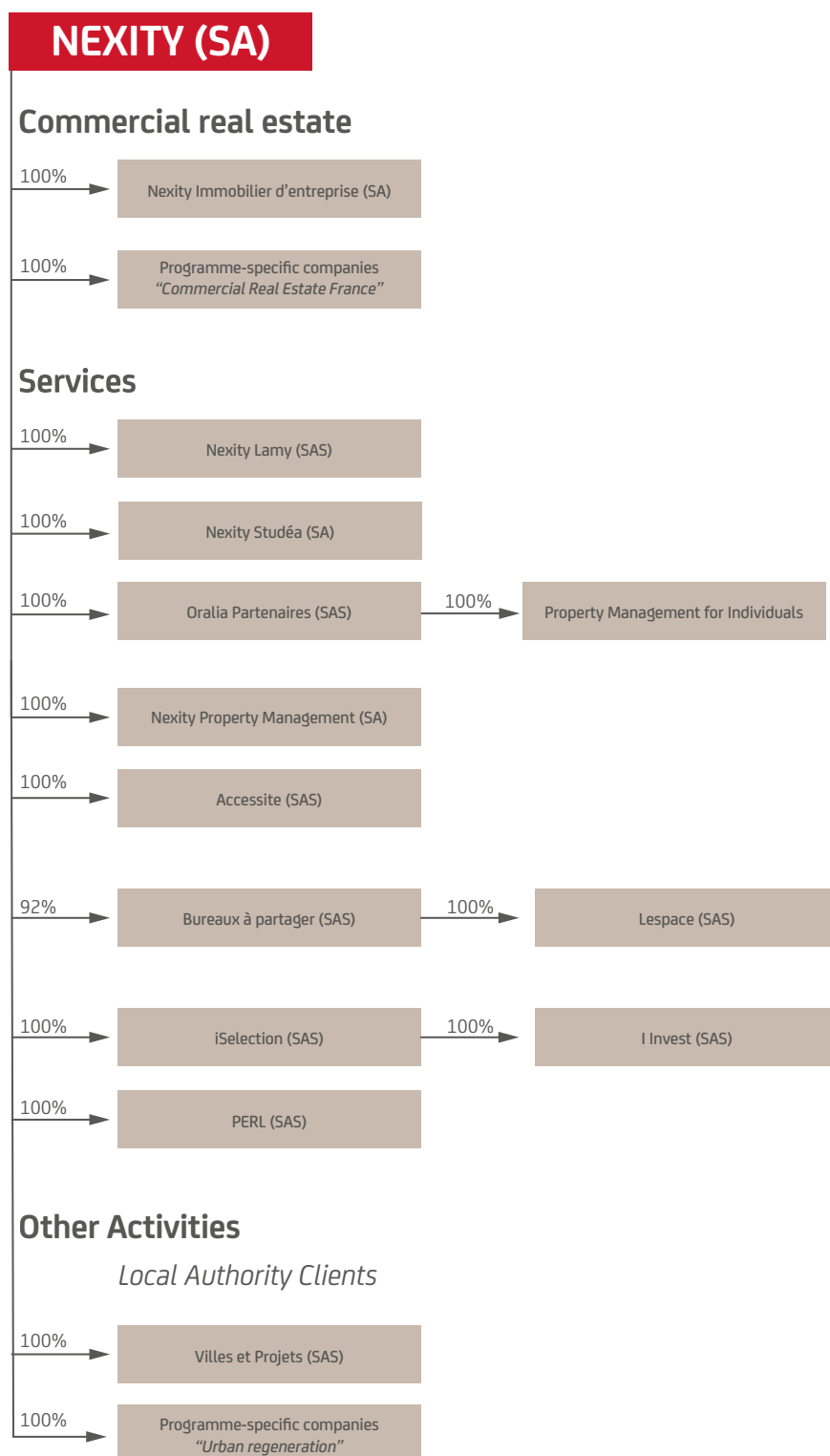
Where a lease is taken up for an office building occupied by more than one subsidiary, the lease is generally signed by the company that occupies the largest surface area. Annually renewable subleases are signed with the various subsidiaries occupying the premises, and rental payments and charges are re-invoiced in proportion to each company's actual usage.

For more information on the related-party agreements between the Company and its significant subsidiaries, see Chapter 4, Section 4.3 "Related-party transactions" of this Universal registration document.

Certain real estate development operations may be carried out in partnership. A prior financial analysis of the associates is made in accordance with the size of the project (see Chapter 1, Section 1.12 "Material contracts" of this Universal registration document).

The Group does not hold any subsidiaries where the presence of non-controlling interests would represent a risk for its overall business or financial structure. See Chapter 4, Section 4.10.8 "Conditional or unconditional options or agreements over the capital of any Group member" of this Universal registration document.

NEXITY (SA)**Residential Real Estate development - France****Residential Real Estate development - International**



6.3 SHAREHOLDER INFORMATION

6.3.1 Nexity shares

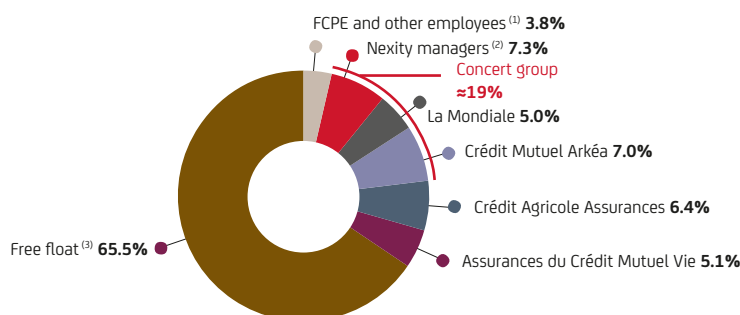
Listing market	Euronext Paris, compartment A, eligible for the deferred settlement system (SRD)
Initial public offering	21 October 2004 at the price of €17.90 per share
Indices	SBF 80 SBF 120 CACMid60 CAC Mid & Small CAC All Tradable CAC SBT 1.5 Euronext FAS IAS
Codes	Ticker symbol: NXI Reuters: NXI. PA Bloomberg: NXI:FP ISIN: FR 0010112524
Number of shares outstanding at 31 December 2023	56,129,724
Market capitalisation at 31 December 2023	€946 million

6

6.3.2 Breakdown of share capital at 31 December 2023

31 December 2023

56,129,724 shares



(1) Of which FCPE Nexity Actions: 2.56%

(2) A. Dinin (2.7%) and other Nexity managers belonging to the concert group

(3) Of which Treasury shares: 824,455 shares (1.47%)

6.3.3 Shareholder and investor relations

Nexity has agreed to issue regular communications about its business activities, strategy and outlook for its individual or institutional shareholders and, more generally, the financial community.

The Shareholders' Meeting approving the 2022 financial statements was held face-to-face on 16 May 2023. This meeting was filmed and made available on the Company's website.

During the 2023 fiscal year, Nexity's management and the Investor Relations Department met regularly with analysts

and investors, at roadshows, conferences and other physical or virtual events.

In addition, the website (www.nexity.group) presents the Group's activities and organisation, as well as all financial and non-financial data concerning it, in both French and English. It also hosts all the documentation published by Nexity and in particular regulated information in accordance with the provisions of Articles 221-1 et seq. of the General Regulation of the AMF.

INFORMATION ABOUT THE ISSUER

Person responsible for the Universal registration document

6.3.4 Financial calendar

25 April 2024: Q1 2024 business activity and revenue

23 May 2024: Shareholders' Meeting

25 July 2024: 2024 half-year results

24 October 2024: Q3 2024 business activity and revenue

6.3.5 Investor Relations contact

investorrelations@nexity.fr / Phone: +33 (0)1 85 55 10 10

Address: Nexity – 19, rue de Vienne – TSA 50029 – 75801 Paris Cedex 08 (France)

6.4 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Person responsible for the information contained in this report

Véronique Bédaque, Chairwoman and Chief Executive Officer

Statement by the person responsible for the information contained in this report

I declare, to the best of my knowledge and having taken all reasonable care to ensure that such is the case, that the information contained in this Universal registration document is in accordance with the facts and does not omit anything likely to affect the import of said information.

I confirm, to the best of my knowledge, that the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and all consolidated entities. I also confirm that the management report whose sections are shown on pages 341 to 342 presents a true and fair view of the business developments, the results of operations and the financial position of the Company and of all consolidated entities, as well as a description of the main risks and uncertainties that they face.

Paris, 16 April 2023

Véronique Bédaque

Chairwoman and Chief Executive Officer

6.5 STATUTORY AUDITORS

6.5.1 Statutory Auditors

KPMG Audit IS SAS

Tour Egho, 2, avenue Gambetta – CS 60055 – 92066 Paris La Défense Cedex (France)

Represented by Stéphanie Millet.

Appointed by the Combined Shareholders' Meeting of 19 May 2020 (first appointment was on 16 October 2003), for a term of office expiring at the close of the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31 December 2025.

Mazars

61, rue Henri Regnault – Tour Exaltis – 92075 Paris La Défense Cedex (France)

Represented by Claire Gueydan-O'Quin.

Appointed by the Combined Shareholders' Meeting of 19 May 2020 (first appointment was on 30 April 2008), for a term of office expiring at the close of the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31 December 2025.

6.5.2 Fees paid to the Statutory Auditors

The fees paid by the Group to the Statutory Auditors are broken down in Note 34 to the consolidated financial statements at 31 December 2023, set out in Section 5.1 of this Universal registration document.

6.6 CROSS-REFERENCE TABLES

6.6.1 Cross-reference table for the Universal registration document in accordance with Regulation (EU) 2017/1129 known as the Prospectus Regulation

	Item of Annex 1 of Commission Delegated Regulation (EC) No. 2019/980	Section	Page number
1.	Persons responsible, third-party information, report from experts and approval of the competent authority		
1.1.	Persons responsible	§6.4	338
1.2.	Declaration by those responsible	§6.4	338
1.3.	Third-party information, statements by experts	N/A	-
1.4.	Other certification in the event of information from third parties	N/A	-
1.5.	Statement regarding the approval of the document	N/A	-
2.	Statutory Auditors	§6.5	338
2.1.	Contact details		
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3.	Risk factors	Chapter 2	49-76
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5.5.	Extent to which the issuer is dependent on patents or licences, industrial, commercial or financial contracts, or new manufacturing processes	N/A	-
5.6.	Competitive position	§1.6, §1.7 and §1.8	25-41
5.7.	Investments	§1.10	43-45
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8.3.	Financing requirement and structure	§1.5	20-24
8.4.	Restrictions on the use of capital resources	N/A	-
8.5.	Anticipated sources of funds	§1.5	20-24
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11.	Profit forecasts or estimates	§5.5	332
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12.2.	Conflicts of interest involving administrative and management bodies	§4.1.5	186
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13.2.	Total amounts provisioned or accrued by the issuer or its subsidiaries to provide pension, retirement or similar benefits	§4.4	220-229

	Item of Annex 1 of Commission Delegated Regulation (EC) No. 2019/980	Section	Page number
14.	Board practices		
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14.2.	Information about service contracts concerning members of the administrative and management bodies	§4.3	198-201
14.3.	Information about the issuer's Audit Committee and Remuneration Committee	§4.2.6	193-196
14.4.	Statement as to whether or not the issuer complies with the applicable corporate governance regime	§4.2.8	198
14.5.	Potential significant impacts on corporate governance	Chapter 4	159-244
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15.3.	Employee shareholding arrangements	§3.4.1 §4.9	122-131 232-234
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17.	Related-party transactions	§4.3 §5.1.2 Note 35 §5.2.2 Note 29	198-201 291 319
18.	Financial information concerning the issuer's assets and liabilities, financial position and the issuer's profit (loss)		
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18.3.	Audit of annual historical financial information	§5.1.3 §5.2.3	294-297 322-325
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19.2.1.	Corporate purpose	§4.11.1	239-240
19.2.2.	Rights and restrictions attached to shares	§4.11.5	242-243
19.2.3.	Requirements that may have an effect of delaying, deferring or preventing a change in control of the issuer	N/A	-
20.	Material contracts	§1.12	46-47
24.	Available documents	§6.1	334

6.6.2 Cross-reference table for the management report (including the corporate governance report)

The cross-reference table below enables the main elements of the management report of the Company and the Group to be identified, as required by the French Commercial Code.

The management report to which the Corporate Governance Report is attached was approved by Nexity's Board of Directors on 3 April 2024.

Required items	Section	Page number
Position and business activity		
Position of the Company during the past fiscal year and analysis of the change of the business, the results and the financial position of the Company and the Group, in particular its debt, the volume and complexity of the business (L.225-100-1, I 1° and L.232-1 of the French Commercial Code)	\$1.5	20-24
Key financial performance indicators (L.225-100-1, I 2° of the French Commercial Code)	\$1.5	20-24
Non-financial key performance indicators relating to the Group's specific activity, in particular information relating to environmental and personnel-related issues (L.225-100-1, L.225-102-1 and R.225-104 of the French Commercial Code)	Chapter 3	77-158
Significant events occurring between the reporting date of the fiscal year and the date on which the management report is prepared (L.232-1, II and L.233-26 of the French Commercial Code)	\$5.1.2 Note 36 \$5.2.2 Note 30	292 319
Identity of the main shareholders and holders of voting rights at Shareholders' Meetings, and changes made during the fiscal year (L.233-13 of the French Commercial Code)	\$4.9 and \$4.10	232-239
Existing branches (L.232-1, II of the French Commercial Code)	\$5.1.2 Note 1.2 \$6.2	252 334-336
Significant equity investments or acquisitions of control in companies with their head office in France (L.233-6 para. 1 of the French Commercial Code)	\$5.1.2 Note 1.2 \$6.2	252 334-336
Disposals of cross-shareholdings	N/A	-
Foreseeable changes in the position of the Company and of the Group and future outlook (L.232-1, II and L.233-26 of the French Commercial Code)	\$5.5	332
Research and development activities (L.232-1, II and L.233-26 of the French Commercial Code)	\$1.10	43-45
Table of Company results over the past five fiscal years (R.225-102 of the French Commercial Code)	\$5.3.6	328
Information on supplier payment terms (D.441-4 of the French Commercial Code)	\$5.3.1	326
Amount of inter-company loans granted and Statutory Auditor's statement	N/A	-
Internal control and risk management		
Main risks and uncertainties facing the Company (L.225-100-1, I 3° of the French Commercial Code)	Chapter 2	49-76
Financial risks related to the effects of climate change and measures taken by the Company (L.22-10-35, 1° of the French Commercial Code)	\$2.2.2 \$3.1.2.1	63-76 88
Main characteristics of the internal control and risk management procedures implemented by the Company and by the Group for the preparation and processing of financial information (L.22-10-35, 2° of the French Commercial Code)	Chapter 2	49-76
Objectives and hedging policy and the Company's exposure to price, credit, liquidity and cash risks, including the use of financial instruments (L.225-100-1, I 4° of the French Commercial Code)	\$2.2.2.5 \$5.1.2 Note 24	75 278-279
Anti-corruption system	\$2.1.6	58-59
Duty of care plan and report on its effective implementation	\$3.1.2.3	92-94
Corporate governance	Chapter 4	159-244
Remuneration policy for company officers (L.22-10-8, I., paragraph 2 of the French Commercial Code)	\$4.4.2	220-229
Remuneration and benefits of any kind paid during the fiscal year or awarded in respect of the fiscal year to each company officer (L.22-10-9, I., 1° of the French Commercial Code)	\$4.4.1	203-219
Relative proportion of fixed and variable remuneration (L.22-10-9, I., 2° of the French Commercial Code)	\$4.4.1 \$4.4.2	203-219 220-229
Use of the option to request the return of variable remuneration (L.22-10-9, I., 3° of the French Commercial Code)	\$4.4.2	220-229
Commitments of any kind made by the Company for the benefit of its company officers, corresponding to components of remuneration, indemnities or benefits due or likely to be due as a result of the assumption, termination or change of their duties, or after they are performed (L.22-10-9, I., 4° of the French Commercial Code)	\$4.4.1 \$4.4.2	203-219 220-229
Remuneration paid or awarded by a company included in the scope of consolidation within the meaning of Article L.233-16 of the French Commercial Code (L.22-10-9, I., 5° of the French Commercial Code)	\$4.4.1	203-219

Required items	Section	Page number
Ratios between the level of remuneration of each executive company officer and the average and median remuneration of the Company's employees (L.22-10-9, I., 6° of the French Commercial Code)	§4.4.1	203-219
Annual change in remuneration, the Company's performance, the average remuneration of the Company's employees and the aforementioned ratios over the five most recent fiscal years (L.22-10-9, I., 7° of the French Commercial Code)	§4.4.1	203-219
Explanation of how the total remuneration complies with the adopted remuneration policy, including how it contributes to the long-term performance of the Company and how the performance criteria were applied (L.22-10-9, I., 8° of the French Commercial Code)	§4.4.2	220-229
How the vote of the last Ordinary Shareholders' Meeting scheduled for the meeting was taken into account pursuant to I of Article L.22-10-34 of the French Commercial Code (L.22-10-9, I., 9° of the French Commercial Code)	§4.4.1	203-219
Deviation from the procedure for implementing the remuneration policy and any exceptions (L.22-10-9, I., 10° of the French Commercial Code)	N/A	-
Application of the provisions of the paragraph 2 of Article L.225-45 of the French Commercial Code (suspension of payment of directors' remuneration in the event of non-compliance with the gender balance of the Board of Directors) (L.22-10-9, I., 11° of the French Commercial Code)	N/A	-
Awarding and holding of options by company officers (L.225-185 and L.22-10-57 of the French Commercial Code)	N/A	-
Allocation of free shares to executive company officers and the retention thereof (L.225-197-1 and L.22-10-59 of the French Commercial Code)	§4.4.1 §4.4.2	203-219 220-229
List of all offices and roles held in any company by each of the company officers during the fiscal year (L.225-37-4, 1° of the French Commercial Code)	§4.1.2 to §4.1.4	165-186
Agreements entered into between an executive or a significant shareholder and a subsidiary (L.225-37-4, 2° of the French Commercial Code)	N/A	-
Summary table of current delegations granted by the Shareholders' Meeting in respect of capital increases (L.225-37-4, 3° of the French Commercial Code)	§4.10.4	236-237
Executive management procedures (L.225-37-4, 4° of the French Commercial Code)	§4.2.2	189
Composition of the Board of Directors and preparation and organisation of the Board's work (L.22-10-10 1° of the French Commercial Code)	§4.1 §4.2	161-186 187-201
Application of the principle of balanced representation of women and men on the Board (L.22-10-10, 2° of the French Commercial Code)	§4.2.4	190-191
Limitations placed by the Board on the powers of the Chief Executive Officer (L.22-10-10, 3° of the French Commercial Code)	§4.2.2	189
Reference to a corporate governance code and application of the "comply or explain" principle (L.22-10-10, 4° of the French Commercial Code)	Introduction Chapter 4 §4.2.8	160 198-199
Specific procedures for shareholder attendance at Shareholders' Meetings (L.22-10-10, 5° of the French Commercial Code)	§4.11.1	239-240
Procedure for assessing current agreements - Implementation (L.22-10-10, 6° of the French Commercial Code)	§4.3	198-201
Information likely to have an impact in the event of a public takeover bid or exchange offer (L.22-10-11 of the French Commercial Code)	§4.9, §4.10 and §4.11	232-243
Shareholding structure and capital		
Structure, change in the Company's share capital and threshold crossings (L.233-13 of the French Commercial Code)	§4.9	232-234
Acquisition and sale by the Company of its own shares (L.225-211 of the French Commercial Code)	§4.10	234-239
Employee shareholdings as at the last day of the fiscal year (proportion of capital represented) (L.225-102, paragraph 1 of the French Commercial Code)	§4.9	232-234
Statement of any adjustments for securities giving access to the share capital in the event of share buybacks or financial transactions (R.228-90 and R.228-91 of the French Commercial Code)	§4.10.5	237-238
Information on transactions by executives and related persons on the Company's shares (L.621-18-2 of the French Monetary and Financial Code)	§4.7.1	231
Amounts of dividends paid in respect of the previous three fiscal years (Article 243 bis of the French General Tax Code)	§5.3.4	327
Statement of non-financial performance	§3.10	157
Other information		
Additional tax information (Articles 223 quater and 223 quinquies of the French General Tax Code)	§5.3.2	326
Injunctions or financial penalties for anti-competitive practices (L.464-2 of the French Commercial Code)	N/A	-

6.6.3 Cross-reference table for the Annual Financial Report

This Universal registration document includes the Annual Financial Report required under Article L.451-1-1 of the French Monetary and Financial Code and Article 222-3 of the AMF General Regulation and reporting on the items listed below.

Items required under Article L.451-1-1 of the French Monetary and Financial Code	Section	Page number
Consolidated financial statements (IFRS)	§5.1	245-297
Parent Company financial statements (French GAAP)	§5.2	198-325
Management report including the statement of non-financial performance	Chapter 1	3-48
	Chapter 3	77-158
	Chapter 5	245-332
Statement by the person responsible for the document	§6.4	338
Statutory Auditors' report on the consolidated financial statements	§5.1.3	294-297
Statutory Auditors' report on the Parent Company financial statements	§5.2.3	322-325
Statutory Auditors' fees	§5.1.2 Note 34	291
	§6.5	338
Corporate Governance Report	Chapter 4	159-244

The cross-reference table with the French Act on the statement of non-financial performance is provided in Chapter 3, Section 3.10 of this Universal registration document.





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