

Corporate Social and
Environmental Responsibility
2022 report



Shaping Music for Good

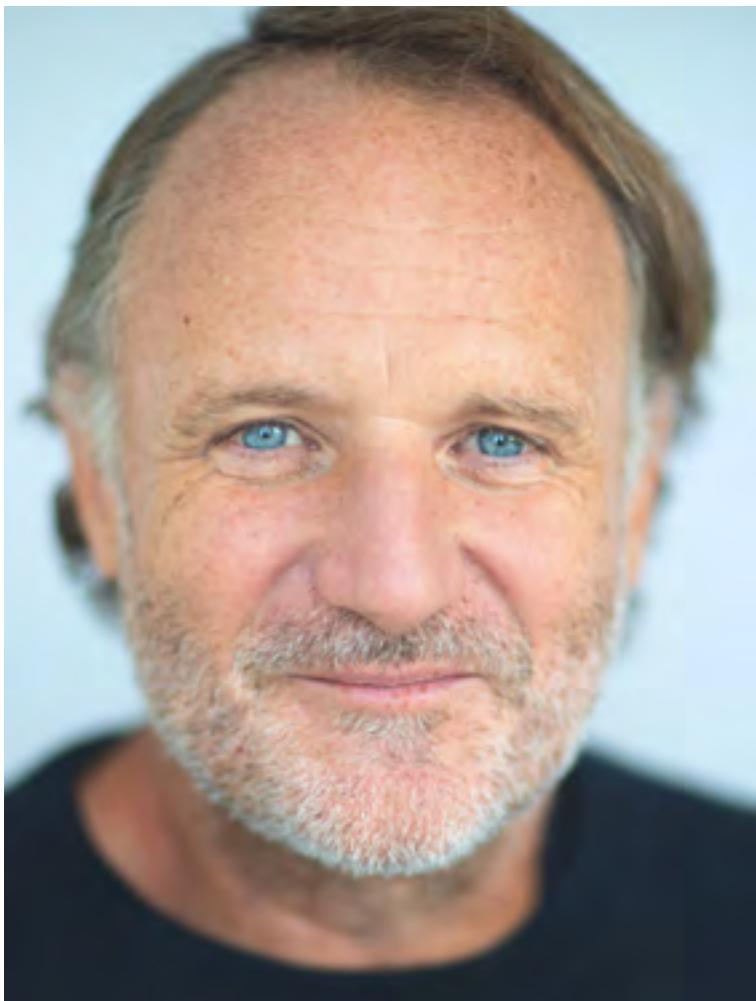
believe.

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Message from the Chairman and Chief Executive Officer

**DENIS
LADEGAILLERIE**



In 2022, Believe, which is now one of the largest global players in digital music, continued its development and reached new heights. Having made a significant contribution to reshaping the music industry through an innovative business model and strong values of expertise, respect, fairness and transparency, the Group is continuing its ascent by positioning itself as a key player for artists and labels.

Every day, the music market is becoming more digital. Every day, our digital excellence, our differentiated positioning and our combination of technological and musical expertise are becoming increasingly strong competitive advantages and better understood by artists and labels, particularly in music genres that are becoming digitalized. In this way, we are contributing to the success of a wide variety of local artists in the 50 countries in which the Group operates, at all stages of their careers.

We continued to apply our profitable growth strategy throughout the year, as we work on building the Group for the coming decades. We continued to invest in our local teams to strengthen our capabilities in key markets and seize the increasing numbers of opportunities offered by the growth of digital music. We continued to invest in innovation to expand our range of innovative audience development and monetization products and services and thus further increase our impact.

“We are convinced that the music market is currently experiencing a paradigm shift and that it has entered the decade of the digital artist. An era that we believe will be shaped by the ability to create more value for artists by helping them to reach new audiences in a targeted way or to engage with their fans.”

These profitable investments have guaranteed strong growth over recent years, and have resulted in strong revenue and adjusted EBITDA growth in 2022. Throughout the year, we demonstrated that we are in control of our investment cycle and our profitability. Finally, we generated sustained positive free cash flow, thus increasing our capacity to carry out our external growth strategy. For the second year in a row, we ended the year by significantly exceeding the commitments made during the IPO, both operationally and financially.

Beyond its commitments, Believe also aims to change the music industry and engage it in collaborative, sustainable and responsible practices. The Group continued to roll out its corporate social responsibility (CSR) strategy – Shaping Music for Good – which is at the heart of its business model and illustrates the social, societal and environmental ambitions shared by all Believe teams. Our initiatives in favor of a more gender-balanced industry have produced tangible results for both our artists and our employees. As such, we are engaging the industry in international initiatives in favor of diversity, fairness and inclusion such as the “Be the Change” study. At Believe, we continue to make progress in terms of gender equality, with women representing 43% of our headcount in 2022, after achieving gender parity on our Board and Executive Committee. We also continued our efforts to involve our teams more closely in the creation of value related to the Group’s development, notably with the launch of our first employee shareholding plan

We are convinced that the music market is currently experiencing a paradigm shift and that it has entered the decade of the digital artist. An era that we believe will be shaped by the ability to create more value for artists by helping them to reach new audiences in a targeted way or to engage with their fans. 2023 will see Believe enter this new era stronger than ever, and just like the previous decade, we want to play our part in supporting the industry through this phase.

Together with our artists and employees, our two hearts that beat in unison, we wish to continue to transform the digital music sector. Their talents and skills are the drivers and sources of inspiration for a creative and responsible music industry.

Denis Ladegallerie
Founder, Chairman and Chief Executive Officer

2022 Key

figures

France

€129m

REVENUES

16.9%

OF GROUP REVENUE

643

EMPLOYEES

1

COUNTRY

Germany

€114m

REVENUES

14.9%

OF GROUP REVENUE

254

EMPLOYEES

1

COUNTRY

Europe

(excluding France and Germany),
including Russia and Turkey

€210m

REVENUES

27.6%

OF GROUP REVENUE

237

EMPLOYEES

13

COUNTRIES

Americas

€109m

REVENUES

14.3%

OF GROUP REVENUE

177

EMPLOYEES

8

COUNTRIES

Asia/Pacific/ Africa

€199m

REVENUES

26.2%

OF GROUP REVENUE

342

EMPLOYEES

27

COUNTRIES

**A TECHNOLOGY
CENTRAL PLATFORM
IN FRANCE,
A FOOTPRINT
IN 50 COUNTRIES**

€1.1 Md
DIGITAL MUSIC SALES

€761 m
REVENUES

94%
PREMIUM
SOLUTIONS

6%
AUTOMATED
SOLUTIONS

+31.8%
REVENUE GROWTH

+32.2%
ORGANIC GROWTH

4.6%
ADJUSTED EBITDA
MARGIN

1.3 million
ARTISTS DIRECTLY OR THROUGH THEIR LABEL

+ 150
DIGITAL SERVICE PROVIDERS



1,650
EMPLOYEES

1,060
PREMIUM AND AUTOMATED
SOLUTIONS

590
CENTRAL PLATFORM

43%
WOMEN

57%
MEN

9%
AMBASSADORS

91%
TRAINING RATE*

* Employees who attended at least one training course during the year.

Shaping Music for Good 2023 EDITION

Engaging Leaders



A CSR Committee within the Board of Directors

CSR objectives integrated into the variable compensation of management teams



Engaging committed employees

9%

of People & Planet ambassadors, volunteers to support Shaping Music for Good called Shapers

1,200

participants in our solidarity program organized in

32 countries

Deploying good compliance practices

Diversity & Inclusion Charter
Ethics, anti-corruption, conflict of interest and cybersecurity training



Independent whistleblowing platform



ESG performance assessed by the financial community



MSCI: AA
Gaïa Ethifinance: Bronze

Sharing the value created

40% of eligible Believers have subscribed to the share ownership plan **b.shares**



Fair and transparent compensation contract and model for our artists & labels

Training and developing our expertise

91% of our employees trained

Leadership and management program

Advanced training programs and certifications in digital marketing and tech



Cutting-edge digital marketing training

Supporting our teams

97%

of Believers have at least one career review per year

78%

participation in the internal Your Voice survey

Wellness and mental health programs

Supporting our artists & labels

Local teams and digital music experts serve them in more than 50 countries



Training and masterclasses to increase their audience and monetize their content

Promoting Gender Parity

50%

women on the Executive Committee

43%

of employees are women

99/100 Gender Equality Index in France (2nd consecutive year)

Supporting initiatives

Supporting initiatives and organizations in favor of gender parity **KeyChange**, **Women In Music**, **50'InTech...**

Participation in **Spotify's Equal** program which supports female artists

Developing local female artists

"Songwriting camp" to support female composers and songwriters (Italy)



Partner of the **Rappeuses en Liberté*** program (France)

*Female rappers on the loose

Fostering Diversity & Inclusion

Be Fair DEI training for all

98% of Believers say they can be themselves at work*

95% of Believers say there is acceptance of people from different backgrounds and origins at Believe*

*Your Voice Internal Survey

Engaging the music industry

Believe leads the **Be The Change** study on discrimination faced by women and under-represented communities

Supporting Musical Heritage and Local Communities

BEAMS Projects to educate young aspiring artists from disadvantaged backgrounds (India)



Measuring and taking action to reduce our carbon impact

708 tCO₂ eq for our direct activities (scopes 1&2)



80% of electricity consumed coming from renewable energies

Supporting initiatives for the planet

Music Declares Emergency (MDE).



63,000 km travelled by 400 employees for a sports challenge in favor of the planet

Implementing eco-responsible practices

70%

of our office buildings applying "eco-gestures" (selective sorting and recycling, renewable energies, soft mobility, etc.)



believe®

Corporate Social Responsibility ●

Chapter 2 - Extract from Universal registration document 2022

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For this second publication of its Non-Financial Performance Statement (NFPS), Believe has brought together in Chapter 2 of its Universal registration document, the relevant information with regard to the Group's main non-financial risks, their management and their control, as required by the regulatory framework of the NFPS.

In addition to Believe's business model and values published in Chapter 1 of the URD, Believe publishes in this Chapter 2 (NFPS), useful social, societal and environmental information that is important to understand its CSR approach, *Shaping Music for Good*. This NFPS presents the initiatives already launched and the improvement focuses to be carried out in the short and medium term.

Sections 1 and 3 describe the governance of corporate responsibility, the materiality analysis and the ethics system.

Stakeholder expectations and a summary table of non-financial issues and risks with regard to policies are presented in Section 2.

Commitments to employees, addressing the material risks and opportunities identified, policies, actions and indicators are presented in Section 4.

The commitments to the society, and in particular to the artists and labels, are set out in Section 5.

Section 6 details the environmental initiatives.

Finally, Section 7 describes the methodology and indicators (key and additional indicators) monitored under this NFPS and the *Shaping Music for Good* program.

2.1 ***Shaping Music for Good: a strategy aligned with Believe's values***

The concept of social responsibility is embedded in Believe's history and its primary purpose. Since its creation in 2005, the Group has positioned itself with local artists and labels in an inclusive way: giving all the means

to access streaming and social media platforms, and to monetize their creations. Whatever the stage of their career, its innovative technological platform allows them to access the power of the digital market.

2.1.1 ***Shaping Music for Good, a CSR strategy at the heart of Believe's business model***

The early 2000s marked a major turning point in the history of the music industry with the arrival of the Internet, digital tools and social networks.

Very early on, Believe anticipated and prepared for the rapid evolution of digital uses (streaming, social networks, etc.), from music production to distribution and consumption. These new practices and tools have profoundly changed the role and expectations of the various players in the music industry, in particular with:

- the increased number of new digital tools to support musical creation, enabling artists to produce themselves;

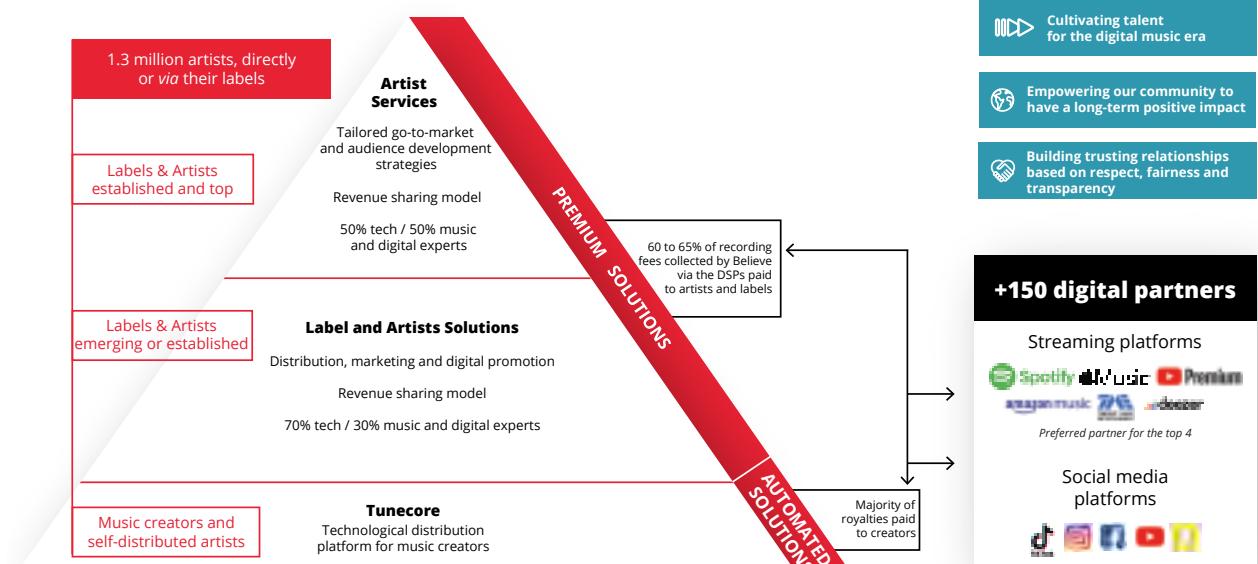
- a shift in the distribution of market value towards the middle class of artists, whose promotion and development are favored by streaming services;
- new expectations of artists, wishing to better control their rights, rebalance value sharing in a more transparent way and be independent from the record companies and their partners.

In this highly evolving context, traditional record companies no longer entirely meet the expectations of artists. Believe provides an alternative which enables artists and labels to drive their careers forward more independently, faster and with enhanced agility, while respecting their creativity and enhancing their digital promotion.

Chapter 2 of this Universal registration document provides a complete and transparent description of Believe's business model and its contribution to the creation of value, in the short and medium term, for the benefit of all its stakeholders.

*Believe's mission is to best serve local artists and labels at each stage of their development in the digital ecosystem, with **fairness, expertise, respect and transparency**.*

The 4 Shaping Music for Good pillars:



Resources	Creating shared value
Human capital	Artists, labels & business partners
<ul style="list-style-type: none"> +590 experts in the central platform 1,200 music and digital experts Training and monitoring Compliance practices 	<ul style="list-style-type: none"> Training & expertise (Artist Resources, TuneCore Rewards and Master Class solutions) + 245 billion streams on the 9 main DSPs + 892 billion views on YouTube + 1 billion in DMS (Digital Music Sales) Transparent and fair contracts and compensation Customer NPS
Capital tech & innovation	Employees
<ul style="list-style-type: none"> Proprietary and scalable technological platforms (Backstage, TuneCore) Data collection, processing and analysis capacity Innovation in functionalities & services adapted to new digital practices Cybersecurity and data protection 	<ul style="list-style-type: none"> 43% of women among employees 50% women on the Executive Committee 99/100 on the Professional Equality Index (France) 90.6% of employees trained 97% of career reviews completed 79% response rate to the internal Your Voice survey
Operating capital	Local communities and the music industry
<ul style="list-style-type: none"> A central platform that develops all solutions and innovations (products, formalization and deployment strategies for offers, etc.) A local network deployed in 50 countries 	<ul style="list-style-type: none"> 8.9% of ambassadors More than 1,000 participants in our solidarity month Believe Tomorrow 708 TeqCO₂ (scopes 1 & 2) "Be the Change" study on women and minorities in the music industry
Financial capital	Financial community
<ul style="list-style-type: none"> Solidary founding shareholder 303 million in net cash Equity Partnerships with digital service providers (DSP) Targeted acquisition policy to accelerate growth 	<ul style="list-style-type: none"> 763.1 million in revenue +32.7% organic growth 40% subscription to the share ownership plan by eligible employees Variable compensation for key executives aligned with CSR issues

On the basis of this historic commitment, in 2021, Believe formalized a Corporate Social Responsibility (CSR) strategy - **Shaping Music for Good** - which is at the heart of its business model and aligned with its values. True to its ambition of shaping the future of music, Believe has structured its CSR program with the aim of having a positive impact: directly through its activities, with players in the digital music industry, and by reconciling financial and non-financial performance.

Shaping Music for Good illustrates the social, societal and environmental ambition that Believe has as a Group and for the digital music industry. This very committed and long-term CSR strategy is integrated at the highest level of the Company. It is based on four pillars described below.

These four pillars illustrate the commitments made by Believe to its employees, its artists and labels, and the communities in which the Group operates. They structure the Group's policies, action plans and initiatives in order to meet the expectations of stakeholders and Believe's social responsibility challenges.

"At Believe, we have two hearts: our employees and our artists. Together, we are creating opportunities for mutual development and transforming the music industry in a positive way".

Denis Ladegaillerie,
Chairman and Chief Executive Officer of Believe

Believe's CSR ambition: Shaping Music for Good and its four pillars

believe[®] *Shaping Music for Good*



Developing diverse and local talent

Support artists and labels at every stage of their career through local teams around the world.

Focus on diversity, inclusion and gender equity, for artists and employees alike.



Cultivating talent for the digital music era

Help artists in their transition to the digital world.

Develop and train a new generation of experts in the digital music market.



Building trusting relationships through respect, fairness and transparency

Respect artists' creative independence and freedom of expression and protect their data and interests.

Promote Believe's values within the Group and throughout the music industry.

Share value creation with artists, labels and employees.



Empowering our community to have a long-term positive impact

Making the most of technology to sustainably develop talent.

Deploy a network of ambassadors within Believe and by engaging employees with local communities.

Reduce the environmental impact of Believe's activities.

2.1.2 Believe's values

Since its creation, Believe has made it its mission to support local artists and labels at every stage of their career in the digital world. It is in this context that Believe is deploying its CSR strategy, *Shaping Music for Good*, to meet the challenges and expectations of its stakeholders, and aligned with its values.

Generating trust for artists and labels, Believe's four values (*Driving Forces*) empower them while providing them the autonomy they need. For employees, they are also a source of efficiency, openness and proximity.

Believe's values

Respect	Expertise	Fairness	Transparency
Be respectful to all artists, all labels, and all employees at every stage of their career and in all countries where the Group operates.	Be an expert in developing the expertise of our teams, guaranteeing the effectiveness and excellence of the services we provide to artists & labels.	Be fair in our relations with artists and employees to offer equal opportunities and freedom of choice in terms of personal development.	Be transparent in our projects and contracts, by sharing the necessary information with artists, labels, employees and partners to enable everyone to make informed decisions.

2.1.3 A structured CSR organization

Driven, from the creation of the Group, by the ambition to develop the music industry and engage it in collaborative, sustainable and responsible practices, Believe's CSR approach had a pivotal year in 2021 with the structuring of the *Shaping Music for Good* strategy. In 2022, Believe continued to roll out actions in line with the approach's priorities.

2.1.3.1 From the CSR strategy to steering *Shaping Music for Good*

In 2021, Believe structured its CSR strategy around the following actions:

- strengthening of the governance model, with the creation of a CSR Committee within the Board of Directors and the formalization of a CSR Department reporting directly to the Group Human Resources Department;
- extensive consultation with internal and external stakeholders to better understand their expectations;
- structuring of the *Shaping Music for Good* ambition to meet the Group's main focuses and priorities;
- raising employee awareness of CSR fundamentals and developing the network of internal ambassadors, as relays for *Shaping Music for Good*;
- creation and diffusion of the Diversity, Equity and Inclusion Charter;
- an initial measurement of the Group's carbon footprint assessment.

In 2022, on the proposal of the CSR Committee, the Board of Directors confirmed Believe's CSR priorities with regard to the expectations expressed by the various stakeholders and the Group's main CSR priorities, namely:

- **expertise**, with the investment in the recruitment of local teams and the development and training of employees (2022 Target: 77% of employees attended at least one training course during the year), in order to support the Group's growth and ensure a high level of employee expertise to serve artists and labels. A special effort was also made to roll out standardized human resources management processes throughout the Group;
- **gender equity and parity** within the Believe teams (2022 Target: 43% of women in the headcount), with the continuation of the efforts made in all human resources processes. Gender parity targets are included in the variable and long-term compensation plan for Executive Committee members;

● **diversity and inclusion** within the music industry, with support for local artists and labels, in particular women, and under-represented communities in the music industry in order to support them. The objective is also to promote the development of diversified musical production and to showcase local musical heritage;

● **employee engagement** with local communities, in particular through the network of internal ambassadors⁽¹⁾ (2022 Target: 8.5% of ambassadors among employees), the *Believe Tomorrow*⁽²⁾ solidarity program and partnerships with civil society players;

● **environmental topics** with enhanced monitoring of the direct carbon impact of Believe's activities (scopes 1 & 2) and the implementation of the first action plans to reduce energy consumption.

2.1.3.2 CSR governance system

Driven by Believe's values, the CSR governance enables ownership of the challenges and the involvement of all to bring the *Shaping Music for Good* approach to life at all levels of the Company. Built on Believe's two essential components – Artists and Labels, and Employees – the pillars of *Shaping Music for Good* are rolled out throughout the Group. They support employee engagement and overall performance.

The attachment of the CSR Department to the Group's Human Resources Department illustrates Believe's desire to include CSR as a structuring element of management and motivation, involving employees directly. The CSR Department ensures the operational deployment of the approach, with the full attention of the Board of Directors. Within the latter, the CSR Committee is chaired by the independent director, Kathleen O'Riordan. The presence of Denis Ladegaillerie on this Committee reflects the importance given to social, environmental and governance issues in the definition of the strategy. Chapter 4 "Corporate governance" presents the functioning of the Committee and the details of its work during the 2022 fiscal year.

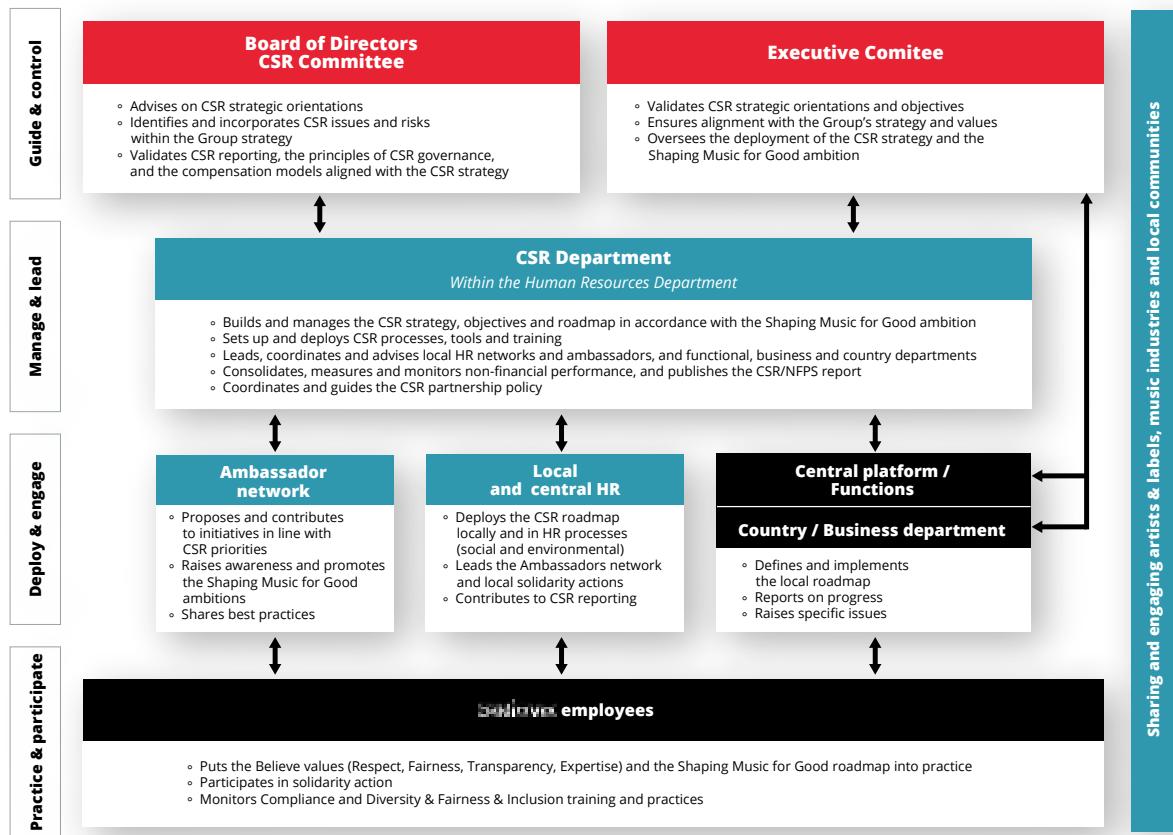
It should be noted that three CSR criteria (rate of women, ambassadors and training in the headcount) are included in the annual and long-term variable compensation of the members of the Executive Committee and managers of the Group's main subsidiaries.

(1) See Section 2.1.3.3 "A global network of committed ambassadors", page 11.

(2) See Section 2.5.2.4 "Supporting employee engagement with local communities", page 43.

CSR governance for *Shaping Music for Good*

The diagram below details the role of each body in the steering, implementation and control of the *Shaping Music for Good* approach.



2.1.3.3 A global network of committed ambassadors

Believe ambassadors are volunteer employees who propose and contribute to initiatives that have a positive impact for teams and local communities, in line with the priorities of *Shaping Music for Good*. The system operates on a collaborative basis, in close coordination with Executive Management, with the support of the Human Resources and local management teams.

The ambassadors implement concrete actions in areas such as the promotion of gender equality, diversity, support for local communities and environmental protection. The goal is to create and lead a community to share best practices, disseminate and implement the CSR strategy locally in line with the *Shaping Music for Good* approach. Examples of the ambassador network's contributions can be found in Section 2.5.2.4 "Supporting employee engagement with local communities", page 84.

To this end, the ambassadors receive information on the CSR strategy, objectives and resources allocated. They meet regularly at local and regional level to share best practices and define and implement concrete actions on the ground. The ambassadors also contribute to the preparation of the NFPS by providing the data and testimonies necessary for its realization.

Created in 2019, at the initiative of employees and with the support of human resources, the ambassador network has gradually been organized and structured into different communities, addressing Believe's priority topics:

- **Believe for People/Parity:** on the topics of gender equality, diversity and inclusion, well-being at work, mentoring and support for local communities;
- **Believe for Planet:** on environmental issues.

The Group has set itself the target of increasing the number of employees involved in the ambassador network. In 2022, it had nearly 140 ambassadors in 27 countries, i.e. nearly 8.9% of employees, thus exceeding the initial target of 8.5% ambassadors for the Group's total headcount.

This indicator is one of the non-financial criteria included in the variable and long-term compensation of the Executive Committee.⁽¹⁾

Indicator	2022	2021
% of Believe ambassadors among employees	8.9%	8.4%

(1) See also Section 4.2.1 "Compensation policy", page 169 in the Universal registration document.

2.2 Analysis of the risks and opportunities related to Governance, Social and Environmental issues

This statement for the 2022 fiscal year is based on a risk analysis, pursuant to Order 2017-1180 of July 19, 2017, in order to reflect the expectations of Believe's main stakeholders regarding the assessment and management

of CSR risks and opportunities. The methodology for identifying material risks is presented in Section 2.7 "Methodological note and summary of indicators" of this chapter, on page 96.

2.2.1 Nurturing the *Shaping Music for Good* approach through dialogue with stakeholders

2.2.1.1 Believe's stakeholders

In line with its values and in accordance with the principle of dual materiality, Believe attaches the utmost importance to the voices of its stakeholders. The Company has identified six categories of stakeholders to ensure that their expectations are taken into account when identifying priority CSR issues:

- Believe's talents (employees, etc.);
- artists and labels;

- members of governance and financial partners;
- business partners and suppliers;
- the music industry ecosystem;
- other key stakeholders.

This mapping also involves ensuring regular dialogue between Believe and all players in its ecosystem. It will be gradually refined by analyzing reciprocal interests and powers.

Mapping of stakeholders



2.2.1.2 Consultation with stakeholders

As part of its approach to co-constructing its CSR strategy – *Shaping Music for Good* – throughout the second quarter of 2021, Believe consulted employees, artists and labels, as well as partner platforms.

This consultation made it possible to identify the priority material topics and to reinforce and challenge the strategic priorities of *Shaping Music for Good*. This dialogue also gave respondents the opportunity to express their expectations and opinions in all their diversity in terms of social responsibility, in an authentic and personal way.

Results of the stakeholder survey on a panel of 320 people in 2021

(employees, artists and labels, platforms, etc.)

On a scale of 1 to 3, stakeholders rated the themes that should be a priority for Believe:

SOCIAL 

2.42/3

Equal opportunities, diversity and inclusion, fight against discrimination, talent development.

ENVIRONMENT 

2.26/3

Reduction of the buildings carbon footprint, digital carbon impact, IT equipment management.

SOLIDARITY 

1.33/3

Access to digital technology and monetization for artists, support for local communities.

Expression of Believe stakeholders' expectations and main actions implemented

The Group intends to permeate its relationships with its stakeholders with its values, and thus best meet their expectations, with concrete actions.

On the social aspect, stakeholders particularly approved three subjects:

- diversity and inclusion within teams;
- conscious measures to work towards reducing inequalities targeting minorities in the music and digital industries;
- the physical and mental health and well-being of employees and artists.

These issues are addressed via the Group's human resources policy⁽¹⁾ and projects carried out in support of local communities⁽²⁾.

On the environmental aspect, the measurement and control of the carbon footprint are considered important, in particular through reductions in energy consumption⁽³⁾. The environmental action plans were initiated in 2022 taking these issues into account.

Lastly, Believe's stakeholders expect the Group to maintain fair and transparent relations with all artists, labels, employees and partners⁽⁴⁾, which is a priority at the heart of its business model.

(1) See Section 2.4 "Employees at the heart of Believe's business model and Shaping Music for Good", page 24.

(2) See Section 2.5 "A committed player serving artists and labels and local communities", page 37.

(3) See Section 2.6 "Actions on the ground in favor of the environment", page 45.

(4) See Section 2.5 "A committed player serving artists and labels and local communities", page 37.

United Nations Sustainable Development Goals

Believe has identified the Sustainable Development Goals (SDG) defined by the United Nations to which the Group makes a significant contribution, in particular through its *Shaping Music for Good* program.

SDGs	Believe's priorities and actions
Good health and well-being 	Believe deploys a social protection floor for all its employees. The Group offers global and local activities that promote their well-being at work and their physical and mental health.
Quality education 	Believe shares its musical and technological expertise with artists, labels and local communities through employee engagement (mentoring, etc.) and partnerships (masterclasses, etc.). Numerous solidarity activities are also organized on the theme of education through music.
Gender equality & reduced inequalities  	The Group ensures the fairness and parity of all its HR and management processes. It trains teams in inclusive practices (including through training on cultural and gender prejudices), anti-discrimination and anti-harassment practices. Believe is committed to the issues of diversity, equity and inclusion in the music and digital industry ("Be The Change" study, 50InTech partnership), and via the actions of the ambassadors (<i>Believe for People/Parity</i>).
Decent work and economic growth 	Believe gives its employees, artists and labels the means to develop their careers, ensure their employability and monetize their musical talents. Believe provides them with its digital expertise, innovative technological solutions, as well as a transparent and fair value-sharing system.
Climate action 	Believe measures and manages its direct impacts on the environment through concrete actions in its offices via the commitment of its ambassadors (<i>Believe for Planet</i>) and employees. The Group is also beginning to analyze its scope 3, a still complex exercise that will make it possible to measure the impacts of data centers, the cloud and streaming practices.

2.2.1.3 Ongoing dialogue with the financial community

Since its IPO in June 2021, Believe regularly communicates on its activities, strategy and outlook to individual and institutional shareholders and, more generally, the financial community (investors, agencies, rating agencies, etc.).

The Group follows the best practices of the profession. Believe's management and Investor Relations maintain a regular dialogue on environmental, social and governance (ESG) issues with the financial community. They take part in roadshows, and other individual meetings and thematic conferences, notably on socially responsible investment (SRI) topics.

In 2022, the Group's Investor Relations met with more than 250 institutions.

On the Group's website, in the Investors Section, the following information is available:

- regulated information, of which the effective and complete distribution is carried out electronically, including on the AMF (*Autorité des Marchés Financiers* - Financial Markets Authority) website, by a professional distributor on the list published by the AMF;

- financial press releases, quarterly results presentations in webcast and their transcription;
- the financial publications calendar;
- the share price;
- the share capital structure.

2.2.1.4 Recognized non-financial performance

The Group's non-financial performance was assessed by internationally recognized agencies on the basis of governance, social and environmental criteria. The Group obtained positive ratings only one year after its IPO in June 2021 and the implementation of the associated regulations and best market practices. These assessments demonstrate Believe's level of maturity and commitment to CSR and its integration into its business model and values.

Rating agency	Believe's rating in 2022	Description
MSCI	Believe was rated AA (on a scale from CCC to AAA) in 2022 and is among the 12% highest-rated companies in its industry (Media & Entertainment).	<i>MSCI (Morgan Stanley Capital International) provides in-depth research and analysis on ESG topics on more than 5,800 companies. Its rating system is regularly updated to assess the ESG performance of organizations with regard to regulatory, technical and sectoral changes.</i>
Gaïa Research by Ethifinance	Believe obtained the Bronze level, with a score of 53/100 for the 2021 fiscal year, similar to the national and sectoral benchmarks carried out by the agency.	<i>Gaïa Research assesses the performance and management of ESG risks and opportunities of small and medium-sized companies listed on European markets. Its rating system is based on more than 140 ESG criteria linked to stakeholders updated annually.</i>

2.2.2 Policies and actions to address ESG challenges: risk and opportunities matrix

The table below presents the results of the analysis, as well as the description of the main ESG risks and opportunities identified with regard to Believe's activities, its challenges and those of the music industry. This analysis was carried out on the basis of the framework provided by the *Shaping Music for Good* strategy, the priorities identified by stakeholders in the context of the music and technology sector, regulatory expectations and best practices in non-financial reporting, and the recommendations of the CSR Committee and the risks identified in Chapter 3 to which Believe is exposed.

This matrix of risks and opportunities is organized into three main themes that cover Believe's main ESG issues:

- social, talent development and ethical practices issues;
- societal issues, with artists and labels and local communities;
- environmental issues.

The ESG risk analysis covers Believe's activity and its value chain. It did not reveal any material risks related to relations with its suppliers and subcontractors⁽¹⁾.

This table presents the main policies and action plans implemented to reduce these risks and develop opportunities within the framework of the four main pillars of the *Shaping Music for Good* (SMFG) strategy. It also specifies the Sections of this Chapter 2 – NFPS and of the Universal registration document that deal in more detail with these subjects. Finally, it illustrates the United Nations SDGs to which the Group contributes.

The Group's main risk factors, as presented in Chapter 3 of the Universal registration document, were enhanced in 2022 by the work carried out on the matrix of ESG issues. Some ESG risks have been added or adjusted, depending on the Group risk prioritization process.

(1) Type of suppliers and subcontractors: mainly related to purchases of real estate and related services, digital equipment and data centers.

BELIEVE'S ESG CHALLENGES, RISKS AND OPPORTUNITIES MATRIX

CSR ISSUES AND CHALLENGES	RISKS	OPPORTUNITIES	POLICIES AND/OR ACTION PLAN	SMFG PILLARS AND SDGS	NFPS AND URD SECTION
SOCIAL ISSUES AND CHALLENGES					
Having the skills necessary to maintain our leadership position in a rapidly changing industry and in a highly stressed labor market:	Risk of not being an attractive employer and not retaining the talent needed for growth	Developing a strong employer brand and attracting high-level candidates	<ul style="list-style-type: none"> ● Developing the visibility of the employer brand on the Internet and social networks with a new Careers website ● Deploying an effective recruitment policy and tools (deployment of Smart Recruiter, recruitment training guide, referrals, etc.) 	  	2.4.3, page 67
	Risk of not being an attractive employer and not retaining the talent needed for growth	Developing effective working conditions, well-being and mental health and creating the conditions for constructive social dialogue in the daily lives of the teams	<ul style="list-style-type: none"> ● Performing regular surveys of all employees to measure the various dimensions of their commitment and satisfaction (<i>Your Voice</i>) ● Supporting employees in the management of their work and their mental health (stress management, mentoring, external psychological support, etc.) ● Setting up local activities to promote well-being and team spirit (sports and physical activities, catering, etc.) ● Deploying a social protection floor to all employees 	  	2.4.6, page 74
	Risk of not being an attractive employer and not retaining the talent needed for growth	Retaining and supporting employees in their career development	<ul style="list-style-type: none"> ● Supporting their career development and assessing employee performance ● Supporting managers and leaders in their management role (training and coaching) ● Implement strategic talent development and succession plans 	 	2.4.4, page 69
	Risk of not providing artists and labels with the most advanced technical and digital marketing	Continuously developing the highest level of skills, and training employees in the most recent practices, particularly in technology and digital marketing	<ul style="list-style-type: none"> ● Deploying skills acquisition methods adapted to the practices of the digital sector, with updated shared modules and a powerful online platform ● Implementing the best practices and training in cybersecurity 	  	2.4.4.1, page 69 2.4.4.2, page 69

CSR ISSUES AND CHALLENGES	RISKS	OPPORTUNITIES	POLICIES AND/OR ACTION PLAN	SMFG PILLARS AND SDGS	NFPS AND URD SECTION
SOCIAL ISSUES AND CHALLENGES					
Managing the Group's rapid growth and internationalization:	Risk of disengagement of employees and non-alignment with Believe's values and compliance practices	Creating an inclusive environment and making diversity a lever for employee attractiveness, motivation and performance	<ul style="list-style-type: none"> Promoting gender equity and parity in all HR and management processes Raising employee awareness of inclusive, anti-bias, anti-discrimination and anti-harassment best practices 	  <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>5 GENDER EQUALITY</p> </div> <div style="text-align: center;">  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <div style="text-align: center;">  <p>10 REDUCED INEQUALITIES</p> </div> </div>	2.4.5, page 71
<ul style="list-style-type: none"> Sharing Believe's culture and values: developing a company recognized as diverse, inclusive and fair Ensuring the local performance of the teams 	Engaging and motivating employees thanks to our CSR <i>Shaping Music for Good</i> ambition and by uniting them around strong values	<ul style="list-style-type: none"> Developing an ambassador network (<i>Believe for Planet, Believe for People/Parity</i>) Promotion of Believe's Driving Forces (Respect, Expertise, Equity, Transparency) Deploying policies and tools to apply ethics and compliance standards Setting up and publicizing the whistleblowing system 	  <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>10 REDUCED INEQUALITIES</p> </div> <div style="text-align: center;">  <p>13 CLIMATE ACTION</p> </div> </div>	2.1.3.3, page 52 2.3.2, page 63 2.3.3, page 64	
	Risk of inconsistency and effectiveness of HR and talent management processes	Involving employees in the Company's growth Recognizing talent through compensation Implementing structured and robust HR processes and deploying them across all countries and subsidiaries	<ul style="list-style-type: none"> Deploying a fair and attractive compensation system (job/talent/compensation framework) Developing an attractive and fair employee shareholding program Define central policies applied locally and standardize human resources information systems 	  <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> </div>	2.4.1, page 65 2.4.7, page 76

CSR ISSUES AND CHALLENGES	RISKS	OPPORTUNITIES	POLICIES AND/OR ACTION PLAN	SMFG PILLARS AND SDGS	NFPS AND URD SECTION
SOCIETAL ISSUES AND CHALLENGES					
Engaging the music industry in favor of diversity, equity and inclusion: ● Being an inclusive partner for all diverse communities and all types of music genres	Risk of exclusion for certain communities and music genres, and non-alignment with Believe's values	Promoting emerging artists, women and minorities in the music industry	<ul style="list-style-type: none"> ● Understanding and measuring the challenges faced by women and minorities in the music industry (<i>Be The Change</i> study) ● Building partnerships with the music industry and technology for women and minorities (Key Change, WIM, 50'inTech, etc.) ● Supporting artists committed in favor of minorities 		2.5.2.2, page 82
Attracting, revealing and supporting local and diverse artists and labels in the development of their music careers through digital technologies and services ● Providing easy access to digital music technologies ● Mastering new digital music practices for all types of artists and labels (beginners or experienced)	Risk of digital divide, invisibility and lack of artist skills to make the most of new digital marketing technologies and practices	Engaging employees and providing the opportunity and framework to participate in solidarity activities	<ul style="list-style-type: none"> ● Developing solidarity-based activities and building music education programs (Believe Tomorrow) 		2.5.2, page 82
		Training and supporting artists in the development of their careers and their digital presence by making the most of the latest technologies and digital marketing practices	<ul style="list-style-type: none"> ● Developing easy-to-use digital platforms and service offerings adapted to the different needs of artists and at each stage of their career (TuneCore offer) ● Increasing the level of expertise of artists and labels, and training them in digital and digital marketing practices (Artist Resources program on Backstage, TuneCore Rewards, MasterClasses, etc.) ● Providing access to a broad portfolio of reliable digital service providers to ensure a level of visibility with local communities (150 DSPs assessed according to rigorous criteria, partnerships with DSPs, etc.) 		2.5.2, page 82
		Developing music education programs for disadvantaged communities and supporting future young musical talents as well as the local musical heritage	● Developing music education programs for disadvantaged communities and supporting future young musical talents (BEAMS India, Songwriting camp, Casa Preta Hub, etc.)		2.5.1, page 78

CSR ISSUES AND CHALLENGES	RISKS	OPPORTUNITIES	POLICIES AND/OR ACTION PLAN	NFPS SMFG PILLARS AND SDGS	AND URD SECTION
SOCIAL ISSUES AND CHALLENGES					
Maintaining relationships of trust with artists and labels to promote their artistic creativity and financial independence:		Respecting artists' fundamental rights and their artistic choices	● Protecting the creative independence of artists and labels while ensuring compliance with local regulations (monitoring and moderation of content depending on the country, advice and educational role for artists in the event of potentially sensitive content, etc.)	 8 DIRECT WORK AND ECONOMIC GROWTH	2.5.1.5, page 81
● Being an advisory partner while ensuring the independence and creativity of artists and labels	Risk of limiting the freedom of expression and independence of artists and labels, and of not respecting private data	Sharing value fairly and transparently	● Establishing a contractual and fair remuneration policy that respects the sharing of value with the artist according to the development of their career (new TuneCore rates, reduced exclusivity clause)	 8 DIRECT WORK AND ECONOMIC GROWTH 10 INNOVATION	2.5.1.6, page 82
● Helping artists protect their content and monetize their music		Respecting the data privacy of artists and labels	● Implementing measures and teams in charge of processing and protecting data of artists and labels (within Believe and in coordination with the DSPs)	 8 DIRECT WORK AND ECONOMIC GROWTH	2.5.1.5, page 81

CSR ISSUES AND CHALLENGES	RISKS	OPPORTUNITIES	POLICIES AND/OR ACTION PLAN	SMFG PILLARS AND SDGS	NFPS AND URD SECTION
ENVIRONMENTAL ISSUES AND CHALLENGES					
Promoting an eco-responsible digital music industry: <ul style="list-style-type: none"> • Ultimately contributing to carbon neutrality for our direct activities • Understanding and limiting the impact of the digital music industry on the environment and climate 	Climate and resource-related risks across the entire digital music and digital value chain (data center, streaming, equipment, etc.)	Reducing the direct environmental impact of our activities	<ul style="list-style-type: none"> ● Measuring and reducing energy consumption and GHG emissions from office buildings ● Measuring and reducing the use of electrical and electronic equipment by promoting recycling ● Encouraging low-carbon transport practices ● Training and engaging employees in eco-responsible practices 		2.6.2, page 96 2.6.3, page 96
		Using our role as a leader in digital music to engage the various players to have a positive impact on the environment throughout the value chain	<ul style="list-style-type: none"> ● Assessing the indirect impact (scope 3) and identifying the key levers for Believe to limit the physical and transition risks related to climate change. ● Developing best practices in streaming, data centers and merchandising products and music events 		2.6.1.1, page 86
			<ul style="list-style-type: none"> ● Promoting artists who are committed to environmental protection ● Training and engaging employees in eco-responsible practices (<i>Believe Tomorrow/ Believe for Planet</i> Ambassadors) 		2.6.3, page 96

2.3 An ethics and deontological system as close as possible to employees, artists and labels

Ethics is one of Believe's first requirements on a daily basis in its operations. It is anchored in the Group's history and values: Respect, Expertise, Fairness and Transparency.

Believe has put in place a set of tools and systems described below to promote and ensure the implementation of ethics and compliance principles in its activities. In the Group risk mapping, risks related to fraud, corruption and ethics are classified as medium risks.⁽¹⁾

2.3.1 Organizing the governance of ethical issues

The Compliance Officer reports directly to the Legal Department. She is responsible for designing and implementing the Group's compliance program. This includes, among other things, ethics, anti-corruption and conflict of interest tools and rules.

The Compliance Officer participates in the Ethics Committee to ensure the strict application of procedures by the Group's employees and partners. The Ethics Committee is dedicated to handling reports of breaches of internal rules and codes.

The Compliance Officer occasionally participates in the Risk Committee to report on the progress of work related to the *Sapin II* Law and the GDPR. This Committee is presented in Chapter 3, Section 3.2.1 "General organization of internal control", page 132.

This organization allows centralized governance, at Group level, of compliance and ethics issues, controls to be carried out and the management of alerts and risks.

2.3.2 Deploying policies and tools to apply ethics and compliance standards

The compliance program includes several tools, including the Code of Ethics and the Anti-Corruption Code (available in more than ten languages), as well as the conflict of interest procedure and control mechanisms. These Codes are made available on the Group's website (Compliance & Ethics | Believe), as well as on the Intranet site, which are both accessible to employees. They set out the recommended ethical behaviors, those that are prohibited, as well as the sanctions incurred for any reprehensible behavior committed by Believe's directors, shareholders or employees.⁽²⁾

Believe has set up a training and awareness program on ethics, compliance and respect for human rights to ensure the permanent application of these rules and procedures by employees. In particular, all newcomers follow an interactive training module on the subject, and workshops are organized for role-play. The program also provides for

regular updates and training campaign reminders for current employees. A major online training campaign was launched in 2021 (67% of employees trained), and was completed in 2022 (44% of employees trained).

The Group also deploys a training course called *Be FAIR* on Diversity, Equity and Inclusion, which explains the principles of non-discrimination and anti-harassment to be respected at Believe.⁽³⁾

Indicator	2022	2021
% of employees having completed the Code of ethics and/or anti-corruption and/or conflict of interest training	44%	67%

(1) See Chapter 3 "Risk factors and risk management", page 111 in the Universal registration document.

(2) The content and guidelines of the Ethics and Anti-Corruption Codes are detailed in Chapter 3 "Risk factors and risk management", page 111 in the Universal registration document.

(3) See Section 2.4.5 "Creating a diverse, inclusive and fair working environment", page 30.

"The extraordinary growth that Believe is experiencing is possible because these values are at the heart of our business. Our ethical standards, supported by strict regulations, must be imposed on us all, individually and collectively. Every day we have to make many decisions. Some of them can sometimes raise complex ethics issues that deserve special attention. It is in this context that the Believe Code of ethics was drawn up. It sets out the

main standards of conduct applicable to our business and sets out the guidelines that we must follow within Believe when we are required to make decisions. It is the adherence by each one of us to Believe's values that contributes to its success".

Xavier Dumont,
Chief Financial and Strategy Officer.

2.3.3 Setting up and publicizing the whistleblowing system

Since January 2021, the Group has rolled out a whistleblowing system available in five languages, 24/7 and managed by an independent organization. It should enable everyone to report online wrongdoing or inappropriate behavior that does not comply with Believe's Code of Ethics, whether proven or suspected.

Believe has also set up training modules for employees to inform and explain how this whistleblowing procedure works. This makes it possible to detect sensitive situations, in particular fraud, corruption, discrimination or harassment or non-respect of human rights. Employees are encouraged to express themselves confidentially, anonymously or not, depending on their wishes. This procedure enables them to report in good faith a serious breach of the law or of Believe's internal rules.

This system meets the requirements of the *Sapin II* Law and is open to all employees and stakeholders, including artists, labels, partners and digital service provider platforms, and suppliers. It is available on the Group's website: <https://believe.integrityline.org/index.php>. It is supported by a whistleblowing management protocol that has been rolled out within the Group. Depending on the type of incident and alert reported, the protocol provides for the opening of an investigation and their rigorous handling:

- alerts relating to labor law, harassment, discrimination, employee health and the working environment are transmitted to and analyzed by the Group's Human Resources Department. The latter then takes the necessary measures or appropriate sanctions if need be;
- other alerts, including fraud, corruption, conflict of interest and non-respect of human rights alerts, are sent to the Compliance Officer.

Believe is committed to considering all complaints and treating them with respect and confidentiality. The most serious alerts are examined by Believe's Ethics Committee, composed of the Compliance Officer, the Chief People Officer, the Legal Department and the Chairman and Chief Executive Officer of Believe.

In 2022, we did not receive any alerts through this specific system. Alerts of discrimination or inappropriate behavior towards employees were reported directly to local Human Resources departments. All these alerts were investigated and dealt with.

In line with the principles of the *Sapin II* Law, Believe has also set up a rigorous process for evaluating and selecting third parties, in particular its main digital service provider partners.⁽¹⁾

Lastly, risks related to taxation and changes thereto are addressed through regular tax monitoring and processes to ensure compliance with current regulations⁽²⁾.

(1) See Section 2.5.1.2 "Developing unique and innovative partnerships with local digital service providers", page 38.

(2) See Section 3.2.1.1 "Definition and objectives of internal control", page 132 in the Universal registration document.

2.4 Employees at the heart of Believe's business model and *Shaping Music for Good*

As a fast-growing international Group, Believe must be able to attract, recruit and develop the right talent at the central and local levels to ensure the development of its activities and remain at the forefront of digital music technology and practices. Employees are one of the

foundations of Believe's expertise. The ability to retain its teams, share the Group's values and its *Shaping Music for Good* ambition are also key to Believe's success. The risk related to human capital and its development is one of the Group's main risk factors.

2.4.1 A structured human resources organization to support the Group's growth

Believe has put in place structured and robust human resources management processes and tools capable of meeting the following challenges:

- recruiting and integrating a significant number of employees in more than 50 countries, in a context of pressure on available talent in certain segments, particularly in the technological, digital and music industry profiles;
- developing skills and offering career opportunities in a disruptive and rapidly changing industry;
- retaining and supporting employees and managers throughout their careers, in order to meet new expectations in terms of quality of life at work and "purpose". Developing best managerial practices, and thus ensuring a high level of commitment;
- integrating the resources of the acquired companies, by sharing and applying the same values and principles as within the Group.

An organization in central and local teams

This organization enables the consistent and rapid deployment of policies and tools in all Group entities. It also provides local management in the countries.

Believe has structured the Human Resources Department into three central divisions. They serve the human resources networks in the regions and countries.

- *People success*, which implements talent acquisition and development policies and strategies.
- *Operations*, which deploys compensation & benefits policies and tools, as well as human resources information systems, procedures and dashboards.

- *CSR & engagement*, which steers the *Shaping Music for Good* approach, non-financial performance and the deployment of certain employee engagement activities.

The role of the central teams

The main role of the central teams is to define the principles, policies and practices. They ensure consistency and equity in access to Group programs, tools and reporting.

The main role of the local human resources teams, with the support of the central teams, is to:

- implement these policies on the ground;
- adapt practices according to country specificities;
- operationally manage talent development and support managers in their role of effectively managing their teams.

The permanent dialogue between the central and local human resources teams allows the alignment of policies and practices while having a pragmatic and effective approach on the ground.

Group policies and practices

They cover the following topics:

- attractiveness, recruitment and retention of teams;
- skills development and support for managers;
- the promotion of the principles of Diversity, Equity and Inclusion, and gender parity;
- well-being at work and health;
- the sharing of value and the search for fair and attractive compensation;
- social dialogue.

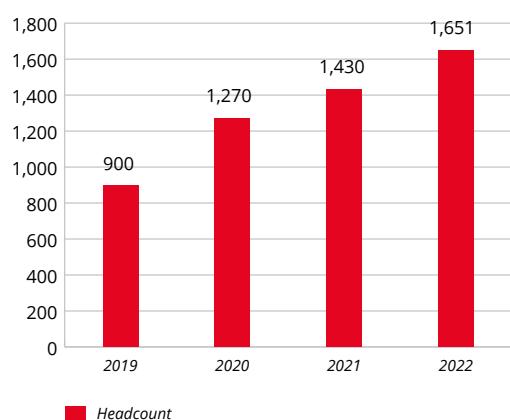
2.4.2 Believe employees in key figures

As at December 31, 2022, the Group had 1,651 employees in the companies included in its scope of consolidation, including 643 in France⁽¹⁾.

For the 2022 fiscal year, the Group's payroll amounted to €135.5 million compared to €104.8 million for the 2021

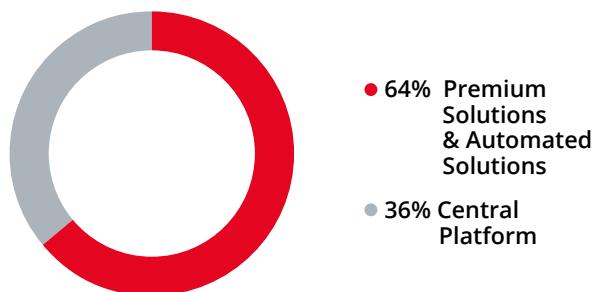
fiscal year, and €78.6 million for the 2020 fiscal year. The payroll is the sum of all gross salaries and the employer's social security contributions, as well as employee profit-sharing and other personnel costs, paid during each financial year.

Headcount evolution

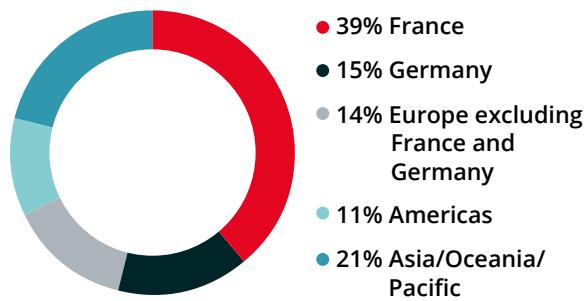


Since 2019, Believe's headcount has grown by 58.9%. In 2022, the headcount continued to grow with an increase of 13.4% compared to 2021 to further support the acceleration and structuring of Believe's growth. New hires represented 24.1% of the average headcount for the fiscal year ended December 31, 2022. Over the same period, the attrition rate was 16.1%, down significantly compared to 2021 (19.1%). This result is due to a better ability to retain talent in a labor market that remains highly stressed.

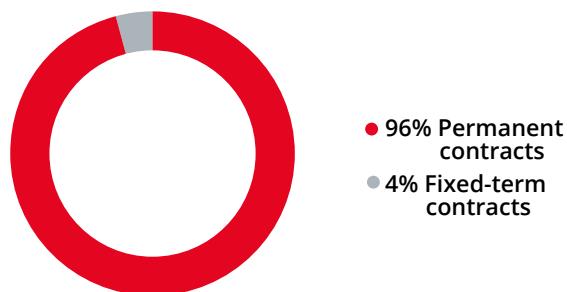
Headcount breakdown by business segment in 2022



Geographical breakdown of the 2022 headcount

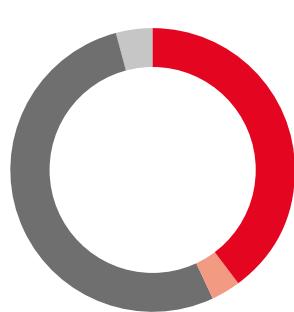


Breakdown of fixed-term/permanent contracts in 2022

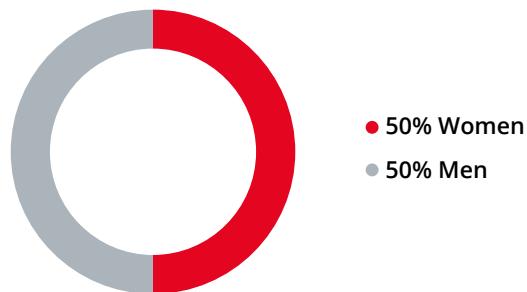


(1) In this Chapter, the Group's headcount is presented at the end of the period, excluding interns and temporary workers. In addition, the Group relies on the services of external consultants in a number of countries where it operates. These consultants are not counted as employees.

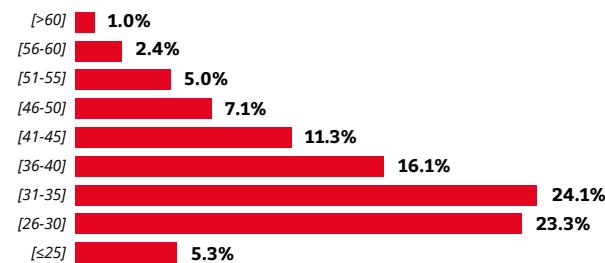
Breakdown of women and men in 2022



Breakdown of women and men in Executive Committee in 2022



2022 age pyramid



2.4.3 Attracting, recruiting and integrating employees

Believe's business model is essentially based on the expertise of its teams in highly competitive businesses. The ability to attract, recruit and integrate the right talent is an important issue in supporting the Group's growth. Every year and on all continents, Believe recruits large numbers of employees with diverse levels of skills and experience. These include experts in the music industry, IT engineering and development, digital and data management and analysis.

Procedures for each stage of recruitment are deployed in a uniform manner in all countries. The aim is to deal with competition and strengthen the Group's attractiveness, in

particular among "Tech" profiles which are also sought after by companies with a stronger reputation⁽¹⁾. The job market in the digital world is characterized by strong and global competition.

Believe's talent acquisition policy is also based on the Group's values. The *People success* team manages and coordinates the recruitment process in all countries. It ensures successful recruitment and guarantees a transparent, fair and uniform candidate life cycle. Dedicated teams are set up in countries where the number of hires is particularly high.

(1) See also Section 3.1.3 "Risks related to the Company", page 125 in the Universal registration document.

2.4.3.1 Developing the visibility and attractiveness of the employer brand

For several years, Believe has been developing the visibility and attractiveness of its employer brand by promoting:

- a diverse and inclusive work environment;
- the Group's transparent relationships with its employees;
- the professional opportunities offered throughout the employee's career;
- fair compensation in line with market practices.

In 2022, the Group rolled out its employer brand, *Set the tone*, notably by developing a new website dedicated to recruitment and accessible from the Group's website (<https://careers.believe.com/en/>). Promoting the *Shaping Music for Good* approach also contributes to Believe's attractiveness and pride in belonging, particularly among young talent. The Group is also very attentive to presenting the values, working conditions and compensation to potential candidates in complete transparency and thus ensuring the success of recruitment.

Believe's employer brand strategy aims to:

- recruit committed talent in line with Believe's values;
- strengthen Believe's positioning with technology and music industry candidates, by promoting Believe's initiatives and opportunities, and by promoting the *Shaping Music for Good* program;
- engage employees in the recruitment process, in particular via co-optation and promoting the employer brand on social networks;
- increase the Group's visibility on the Internet and on specialized platforms such as Indeed, Welcome to the Jungle and Glassdoor. More specific actions are also carried out on the platforms used by talent and experts in the technology and music industry.

The Group is increasing its recruitment opportunities by welcoming interns, apprentices or candidates who have not yet graduated. To this end, it is strengthening its relations with schools and universities, and developing its visibility on the campuses of schools and universities, in accordance with its diversity policy. In addition, Believe is continuing its proactive policy of recruiting women⁽¹⁾.

2.4.3.2 Deploying an effective recruitment policy and tools

Believe has implemented and deployed procedures, tools and training for the various stages of recruitment in all countries.

Preparing for recruitment:

- training and supporting managers by providing recruitment guides and training, as well as the value proposition as an employer brand;
- defining the content of the position and the profile sought by sharing a set of objectives and skills by business line;
- calibrating positions with regard to market prices, using internal compensation grids and recognized external benchmarks such as that of Towers Watson;
- publishing attractive job offers, that are clear with regard to roles and responsibilities, and faithful to the reality of the position;
- generating and selecting a pool of candidates that meet the Group's needs.

Interviewing and assessing candidates:

- transparently explaining to the candidate the various stages of recruitment, as well as the benefits and challenges of joining Believe;
- preparing the interviews in order to effectively and fairly assess candidates;
- assessing the candidate in the most objective and unbiased way possible, in particular through the upstream training of managers and recruiters on the conscious and unconscious influence of each person's biases⁽²⁾;
- testing and assessing the suitability of the candidate with Believe's "culture" and values, in particular through a profile test specific to Believe;
- identifying and explaining to the candidate career development and skills enhancement opportunities.

At each stage, Believe has also set up a monitoring of satisfaction with the recruitment process from the point of view of the candidate-hire and the manager-recruiter. It will be rolled out more widely at a later date.

2.4.3.3 Offering effective and rapid onboarding of new employees

The onboarding process is essential to ensure the new employees have a successful experience at Believe from the start and allows them to efficiently integrate within the organization.

The first onboarding step is offered online and starts before the employees arrive at Believe. This is followed by additional online as well as face-to-face onboarding steps.

This process facilitates the integration of new joiners and shares the fundamentals of Believe's culture and values from the outset.

(1) See Section 2.4.5.1 "Promoting gender equity and parity", page 30.

(2) See Section 2.4.5.3 "Training employees in the principles of diversity, equity and inclusion (DCI) and anti-discrimination: the Be FAIR program", page 33.

This onboarding phase includes:

- the management of administrative matters (contract, equipment, social benefits, organization, etc.);
- the presentation of the Group, its activities and its values;
- the first mandatory training sessions (Code of Ethics and conflicts of interest, *Be FAIR* on diversity, equity and inclusion, IT security, etc.).

These shared Group training modules are supplemented by "business line" training. Interviews at 30 days and 90 days, carried out with local HR, make it possible to measure the level of employee satisfaction and to complete the onboarding process if necessary (reinforce a subject, facilitate internal contacts, etc.).

In addition, the integration of teams from acquired companies is subject to specific management adapted to the company, the number of people involved and the commercial strategy, with a dual objective:

- share Believe's common values and deploy key processes (technology, operations, product, finance, compliance, human resources, etc.). On this occasion, the *b.shares* shareholding plan launched in 2022 was open to all acquired companies in eligible countries. 19% of employee subscribers were from these companies;
- maintain the necessary autonomy and agility that are the strength of the brand, while sharing expertise.

2.4.4 Retaining and supporting employees in their careers

In a constantly changing industry, it is essential for Believe to develop and train the next generation of digital music leaders and experts who will offer a high level of service to artists and labels. The Group's ability to meet the new expectations of employees, to retain and develop them is a major asset in supporting its growth and its innovation policy. It is also a lever to differentiate itself from other players in the "Tech" and digital music industry, that are Believe's competitors in the talent market.

2.4.4.1 Supporting career development and employee performance

In the technology and digital music industries, and more generally in fast-growing companies, employees have high expectations in terms of career development and mobility. Believe, therefore, deploys precise management of employee performance. Robust tools to support employees throughout their career Believe also offers them mobility and development opportunities in order to retain its talents.

Since 2020, Believe has implemented a career review process that is structured and common to the entire Group. This is a key stage in the employee's career management and development. Across all countries, each employee receives at least one career review per year, via a global digital platform. This review allows the employee and the manager to take stock of past activities and the achievement of the objectives set. Employees also identify their needs for individual support and training, and share their wishes for professional development. On this occasion, the manager may propose development or support plans, the results of which will be shared at the next career review.

Indicator	2022	2021
% of employees who conducted at least one career review during the year	97%	95%

Among the development actions, the practice of mentoring is popular. It was, therefore, continued in 2022. Launched in 2021, the *Believe for Parity* ambassador network continues to deploy it in France with the support of the human resources team. In two years, more than 60 mentors and mentees have enrolled in this program to support new hires, enable the discovery of digital music professions, or share business or management expertise. This practice facilitates the assumption of duties and the rapid increase in skills. It also facilitates professional mobility by expanding the employee's network.

2.4.4.2 Offering training and development programs adapted to employees and our business sector

Believe offers a wide range of training programs to all employees, so that they can remain or become experts on topics specific to their field. The aim of these training courses is to strengthen or acquire skills, in particular managerial and personal development skills, or on highly evolving or disruptive subjects (IT development, data analysis, digital marketing, etc.).

Each employee is encouraged to follow the training courses that best meet their needs and the changes in Believe's activities. The content offer, the methods of acquiring skills and their results are managed within the *Believe Academy* and *Business Campus* online platforms. Digitization enables each employee to follow their training path and to know the mandatory and recommended modules adapted to their profile.

Believe has partnered with recognized training platforms to offer a catalog adapted to the Company's business lines and selected for their quality. The development of short, educational and varied online modules offers great flexibility and facilitates self-learning. The content formats are multiple (tutorials, videos, webinars, personalized training, e-books and podcasts) on a wide range of topics. Some training courses can also provide certification, particularly for the "technology" professions. From 2023, content from the largest institutions and enabling the acquisition of high-level skills (MIT, Harvard Business School, ESSEC, HEC, Singapore University, AWS certification, etc.) will also be offered.

Online training programs, supplemented by face-to-face training more specific to a department or business, cover the following areas:

- people development;
- support for managers;
- business line expertise;
- the fundamentals of Believe.

The *People success* team manages the quality of training and verifies that the content and teaching methods are in line with market expectations and new practices. It conducts regular surveys to collect the satisfaction rate, and measures it with indicators such as the Net Promoter Score (NPS). The aim is to ensure the relevance and quality of the training provided.

All of these training courses and tools demonstrate Believe's intense investment in the development of its employees. This training policy is part of the career development plan for each employee, which is drawn up during career review sessions.

The Group indicator "% of employees who attended at least one training course during the year" is included in the variable and long-term compensation criteria for executives.⁽¹⁾

Indicator	2022	2021
% of employees who attended at least one training course during the year	90.6%	77%

2.4.4.3 Supporting managers and preparing a talent pool

Believe is very committed to supporting its managers, who are often young or junior in their roles, and who assume their responsibilities in a fast-paced and fast-growing environment. The objective is to:

- prepare them for taking up their duties;
- support them in their day-to-day management role;
- and build a career plan with them.

The Executive Committee and managers are supported on a daily basis by the central and local Human Resources teams. Together, they monitor recruitment, carry out biannual interviews, salary reviews, the reviews of objectives and support measures for the development of their teams.

All managers and leaders benefit from two specific programs, *Managers@Believe* and *Leadership practices*. They include quarterly seminars, online modules, group work, practice sessions, podcasts, coaching and mentoring, etc., to reinforce managerial practices. These cover:

- conflict management;
- career and salary reviews;
- the definition of performance objectives;
- the culture of feedback;
- change management, etc.

To anticipate and support skills development, some of these training courses take place before the manager takes office. Believe measures the satisfaction rate of these training courses.

In 2022, Believe defined a strategic talent development planning process that will be gradually rolled out throughout the Group.

This structured process aims to:

- identify critical positions and key experts for the Group's activities today and tomorrow;
- support the individuals identified to retain and develop them;
- define succession plans in the event of departure or absence in order to ensure business continuity;
- prepare potential future leaders.

As part of this strategic talent development plan, Believe began to formalize a methodology for developing a succession plan in 2022. It will be applied in 2023 for the members of the Executive Committee and the main leaders. This work focused on the organization of a continuity plan in the event of an unexpected absence or departure among executive corporate officers and executives in each country and department. It consists of:

- anticipating the intentions of employees identified as key people;
- identifying future potential leaders for each key position;
- confirming their ambitions within the Group;
- and preparing them for their future responsibilities and duties.

(1) See Chapter 4 "Corporate governance", page 139 in Universal registration document.

2.4.5 Creating a diverse, inclusive and fair working environment

Operating in over 50 countries and with more than one million artists served directly or via their labels, diversity is part of the daily life of Believe's employees. The Group promotes and supports diversity in all its forms – gender, ethnicity, nationality, religious beliefs, sexual orientation, disability, age – as a source of creativity, innovation, and individual and collective development.

"Being surrounded by people who think differently constantly challenges you and makes you grow. Diversity is critical to providing the best solutions to our artists and labels in a constantly changing environment. Fairness and inclusion are key drivers of the well-being and engagement of our employees. Believe's goal is to be an inclusive, responsible and example-setting player in order to be one of the top employers in the music industry".

Denis Ladegaillerie,
Chairman and Chief Executive Officer
and Founder of Believe

The Group thus attaches particular importance to promoting Diversity, Equity and Inclusion (DEI), both among artists and labels and among employees. Believe is particularly committed to gender equity and also actively fights against sexism, racism and all forms of discrimination and harassment. Aligned with the Group's values, these DEI principles are deployed in all human resources processes and among managers. The *Believe for People/Parity* ambassadors also help to put these principles into practice⁽¹⁾.

2.4.5.1 Promoting gender equity and parity

Believe attaches particular importance to gender equity and parity, in particular through the recruitment and promotion of women within the Executive Committee, among managers and for all employees.

Building increasingly gender-balanced teams

Largely exceeding the provisions of French law under preparation, at end 2022, 50% of Executive Committee members are women. In addition, in 2022, 57% of the members of the Board were women⁽²⁾. Three independent women directors chaired the three Audit, Nomination & Compensation and CSR Committees.

In addition to the management bodies, the Group has set itself an ambitious target of gender parity with an

indicator of the percentage of women among all employees as a non-financial criterion included in the variable and long-term compensation of executives. At end 2022, Believe had 43.1% women among all employees, exceeding its target. The proportion of women in the Group's headcount increased by three points compared to 2021. This significant improvement is the result of the commitment of the entire Executive Committee, a proactive policy to attract female talent and the creation of a more equitable and inclusive working environment.

The Group is working on its attractiveness, its recruitment processes and the retention of female employees. For example, gender terms in job offers are deleted and the list of selected candidates must contain female profiles. The results are convincing: in 2022, women accounted for 51% of hires, a very significant increase compared to the last two years (45%).

The Group is also focusing its efforts on the "tech-IT" population, where the number of women in the business lines is still limited.

In France, since 2021 Believe has partnered with 50inTech, a global organization fighting for gender equality in science, technology, engineering and mathematics (STEM), sectors where women are still underrepresented and do not receive sufficient support. The organization highlights on its website the robustness of Believe's inclusion and diversity system, in all its dimensions. In 2021, Believe obtained a score of 85/100 in 50inTech's Gender score, which is one of the best scores.

Implementing equity practices on a daily basis

In France, Believe also monitors the professional gender equality index according to the criteria provided by French legislation.

The continuous and remarkable improvement of this index in France between 2019 and 2023 demonstrates the Group's commitment to fairness (from 56 in 2019 to 99/100 for the 2021 and 2022 data). Believe obtained this score for the second consecutive year. It is due, in particular, to better monitoring of equity practices in all human resources processes: recruitment, compensation, development, promotion, return from maternity leave. The Group also applies this indicator in the main countries where it operates (UK, Germany, India, China and the United States) and monitors the progress made and the actions implemented since.

(1) See Section 2.1.3.3 "A global network of committed ambassadors", page 11.

(2) See Chapter 4 "Corporate governance", page 139 in the Universal registration document.

Other activities, at Group level or locally, support this gender equity and parity approach:

- the fight against sexism and sexual harassment, in particular through training and the *Be FAIR*⁽¹⁾ program, a reminder of the "zero tolerance" policy, as well as the implementation of the whistleblowing procedure⁽²⁾;

- free and inspiring exchanges with the women members of the Executive Committee, as well as the mentoring program⁽³⁾;
- the promotion of career paths and their expertise, with profiles published on the Careers website (<https://careers.believe.com/en/>), the Believe blog (<https://www.believe.com/blog>) and the Believe site.

Indicator	2022	2021
% of women among employees	43%	41%
% of women among managers ⁽¹⁾	(Target: 42%)	34%
% of women in management teams ⁽²⁾	37.6%	34%
% of women on the Executive Committee	42.9%	41.8%
% of women recruited	50%	54%
	51%	45%

(1) The population of managers corresponds to internal categories from levels 5 to 12 (including management teams, for "Executive" and "Leaders" Career Paths).

(2) The population of management teams corresponds to internal categories from levels 9 to 12 (including "Executive" and "Leaders" Career Paths) and represents 7.3% of positions with the highest responsibilities (see Section 4.1.3.2 "Diversity and gender equality policy" on page 158).

Indicator	2023-2022	2022-2021	2021-2020	2019-2018	2018-2017
Gender equality index ⁽³⁾	99/100	99/100	97/100	90/100	56/100

(3) The French gender equality index (Law of September 5, 2018) comprises five indicators including gender pay gaps, differences in individual salary increases, promotion differences, the percentage of women who benefited from a salary increase after their maternity leave and the representation of women among the ten top salaries.

(1) See Section 2.4.5.3 "Training employees in the principles of diversity, equity and inclusion (DEI) and anti-discrimination: the *Be FAIR* program", page 33.

(2) See Section 2.3.3 "Setting up and publicizing the whistleblowing system", page 23.

(3) See Section 2.4.6.3 "Implementing local activities promoting well-being and team spirit", page 34.

2.4.5.2 Formalizing our commitment with the Diversity, Equity and Inclusion Charter

Believe has adopted a Diversity, Equity and Inclusion Charter for its employees. This charter was widely distributed to all employees throughout 2021 via a dedicated communication campaign and the "Be FAIR" training program.

BELIEVE'S DIVERSITY & INCLUSION CHARTER IS BASED ON SIX MAJOR COMMITMENTS.

The principles of Believe's Diversity & Inclusion Charter	Believe's DEI practices and actions
Ensuring equal opportunity within the recruitment, development and promotion processes.	The recruitment process, career development and training systems have been designed to be objective, fair, and thus avoid any discrimination.
Ensure fair compensation for equal work, performance and skills.	Pay equity is guaranteed by a guide for the various positions and levels of responsibility with internal and external compensation guidelines. In addition, compensation is reviewed at least once a year.
Raising awareness of unconscious bias and discrimination and educating employees about legal implications to promote inclusive behavior in everyday life.	Dedicated diversity and inclusion workshops were rolled out in all countries in 2021 and 2022, supplemented by the <i>Be FAIR</i> online training course (mandatory in the onboarding program for newcomers since mid-2022).
Creating an environment where people can express themselves safely.	A whistleblowing protocol to manage discrimination complaints has been implemented in 50 countries. For Believe, it is essential that everyone feels safe, heard and, above all, accepted.
Encouraging employees to join ambassador communities in order to propose, promote and implement concrete initiatives in favor of Diversity, Equity and Inclusion.	8.9% of employees around the world have formed local ambassador groups organized around diversity and inclusion topics and in favor of the planet.
Proposing, promoting and implementing concrete initiatives for diversity and inclusion in the workplace and in the music industry.	These actions have been rolled out for all employees, artists and partners regardless of their gender, ethnicity, religious beliefs, sexual orientation, disability, age and in all countries where Believe operates.

Since 2021, Believe has set up an annual internal survey, *Your Voice*, with a significant module of questions on employees' experience in terms of Diversity, Equity and Inclusion and well-being at work.

The results obtained in December 2022 (with a response rate of 78%) are a good illustration of the Group's ability to create a diverse and inclusive environment.

- **97.6% of respondents said: "I feel comfortable being myself at work".**
- **95.1% of respondents consider that: "Believe facilitates the acceptance of people from different origins and backgrounds".**

2.4.5.3 Training employees in the principles of diversity, equity and inclusion, and anti-discrimination: the *Be FAIR* program

Be FAIR is a specific Believe program in favor of diversity, fairness and inclusion, deployed in all countries where the Group operates.

This program was designed internally to help employees develop more inclusive behaviors and inform them about applicable legislation. From 2021, training was also provided to recruitment teams and managers on these principles of Diversity, Equity and Inclusion and possible bias in recruitment. Available on Believe Academy, the *Be FAIR* program is one of the mandatory training modules in the onboarding process.

The main contents of the *Be FAIR* training modules are:

- the principles of Diversity, Equity and Inclusion at Believe and their implementation;
- conscious or unconscious cultural biases, learning to identify them and adapting your behavior to the situation;
- the fight against discrimination and harassment, and the means to report any inappropriate behavior.

Believe regularly reiterates its desire to fight against all forms of discrimination, sexism and harassment. The

Group monitors all sensitive situations thanks to the whistleblowing protocol and local human resources teams. Believe also uses the results of the annual internal *Your Voice* survey to identify sensitive situations of discrimination, harassment or inappropriate behavior, in order to implement the necessary measures.

2.4.5.4 Employment and integration of people with disabilities

The Group strives to contribute to the integration and maintain the employability of people with disabilities.

However, it should be noted that the number of employees with disabilities remains limited, in particular due to the following challenges:

- a limited pool of candidates with the necessary skills for the digital music industry;
- specific regulations depending on the country, which do not allow the implementation of a global indicator;
- a reluctance of employees to report their disability. In 2022, only 0.33% of employees in France shared their disability with the HR department.

In France, a three-year disability plan was launched in 2020.

In November 2022, Believe made a strong commitment to the European Week for the Employment of People with Disabilities. The teams also took part in the *Duo Day*, initiative to welcome people with disabilities for a day so that they can discover Believe's business lines. Awareness-raising activities were also offered to employees in France: sign language courses, a conference on cognitive disorders and the role of music, a tasting of food products produced by specialized organizations, etc.

Whenever possible, the General Services Department also favors the use of companies in the protected worker sector. This is notably the case for the maintenance of green spaces on the terrace, and waste management in the offices.

2.4.6 Developing efficient working conditions, well-being and mental health

Believe intends to offer working conditions favorable to the well-being of its employees in all countries. The approach focuses, in particular, on the organization and working environment, personalized support for

employees, work-life balance and a social protection floor. These elements are important for retaining employees and attracting candidates.

2.4.6.1 Ensuring a social protection floor for all employees

Believe aims to offer its employees safety and protection, so that they can work with confidence. The Group is committed to providing everyone with a good level of protection against health, disability and disability risks, in addition to legal obligations and taking into account the socio-economic environment of each country. For this, the Group operates with the assistance of an external firm, to implement the necessary measures in a harmonized manner adapted to the legal and socio-economic market context.

Depending on the country, the Group may also supplement certain employee benefit measures. For example, in France, 100% of employees benefit from additional legal risk coverage in 2022, in line with market practices. This practice has been gradually rolled out in other countries (Italy, Luxembourg, United States, Germany, Singapore, etc.). In addition, Believe had offered – even before the entry into force of the French regulations in July 2021 – one month of paid leave to all second parents, regardless of their gender, for the birth or adoption of a child.

2.4.6.2 Supporting employees in the management of their work and their mental health

Believe is attentive to the well-being and mental health of its employees, to risky situations and to their work-life balance.

During the Covid-19 health crisis in 2020, Believe partnered with the international care and quality of life at work operator Eutelmed to provide psychological support to employees. The Group has continued this partnership to prevent psychosocial risks and support employees in situations of stress or workload.

Through this collaboration, employees benefit from online conferences and workshops, documentation and advice on stress and psychosocial risk management. Employees can also self-assess their level of stress and anxiety through an online test. Psychological help is available free of charge 24/7. Finally, Believe finances consultations with a dedicated psychologist (3 to 5 hours per year) for employees who feel the need. These measures are covered financially by Believe and are managed by Eutelmed in order to guarantee total confidentiality to the employee.

On a daily basis, the local Human Resources teams provide local support and personalized monitoring of employees and managers. High-risk situations, such as periods of more intense work or the taking on of new functions, are supported by managers and human resources teams in a proactive manner in most situations.

Since 2016, Believe has set up a program dedicated to well-being in France with a Shiatsu expert. Employees can benefit from individualized 30-minute sessions, enabling them to apply best practices in stress management and prevention, and physical and mental recovery.

In all countries, Believe offers a flexible work organization, which promotes the commitment and performance of teams, in compliance with local regulations. Given the strong digital component of the Group's activities, teleworking is a tool popular with teams, who are used to working remotely. The work tools available to employees are designed for the organization of meetings and for collaborative online work.

In this spirit, the agreement on teleworking signed in December 2021 in France was renewed with the possibility of two days of remote working per week. Depending on the personal situation, Believe can offer an even more flexible work organization.

In 2022, the absenteeism rate was 3%. This rate reflects the relevance of the actions implemented to promote the well-being and mental health of employees. In addition, tertiary sector activities are less prone to absences related to workplace accidents.

Indicator	2022	2021
Absenteeism rate ⁽¹⁾	3%	2.04%

(1) Absence due to an accident or occupational illness, any other illness, or a family event during the period.

2.4.6.3 Implementing local activities promoting well-being and team spirit

Numerous initiatives are implemented locally to create an inclusive, collaborative working environment conducive to well-being. These actions also contribute to developing a team spirit, a sense of belonging to the Group and employee satisfaction.

The local human resources, CSR and communication teams organize these initiatives, in coordination with the ambassadors network, which is a source of proposals.

For example, they initiated the "Pause" program at Believe's head office in France. Employees can take part in social events (afterworks, artist showcases), discussions and conferences on Believe's various business lines, atypical workshops (maintenance of plants on the terrace, nutrition courses, creation of bouquets of flowers, etc.). The company canteen was also involved. It now offers more varied (including vegetarian), balanced and seasonal meals.

On the proposal of the *Believe for People/Parity* ambassador network, a breastfeeding room and gender-neutral toilets have been set up, as well as menstrual protection provided free of charge.

Believe also promotes sports and solidarity practices, both locally and globally.

In France, for example, a gym has been available since 2022 and the Social and Economic Committee (SEC) offers subscriptions to gyms and online training platforms at negotiated prices.

Globally, Believe rolled out the SquadEasy app in 2022, promoting walking, running and cycling as part of a solidarity and environmental challenge organized for all Believe employees. Over one month, 440 employees divided into 56 teams in 32 countries covered nearly 63,000 km on foot or by bicycle. They also took quizzes on

best environmental practices. The sharing of photos and comments fostered a strong team spirit. The fun, sporting and solidarity dimension of the challenge was acclaimed, and 92% of participants want to repeat the experience. At the end of this operation, the Group undertook to participate in the financing of environmental and solidarity projects at the global level and in the countries of the first five winning teams.

Lastly, the activities as part of the solidarity month of *Believe Tomorrow* and the ambassadors program help to create moments of conviviality, team spirit and pride in belonging to the Group⁽¹⁾.

2.4.7 Deploying a fair compensation system and sharing value creation with employees

Believe pays particular attention to the overall coordination of its compensation policy, based on internal equity, performance and attractiveness. To this end, the Group relies on structured and robust processes deployed in all countries.

2.4.7.1 Applying a fair, consistent and attractive compensation policy

Since 2020, the Group has used an internal business line framework to structure compensation in a consistent manner according to the position, level of responsibility and skills. The guidelines establish a minimum, median and maximum level of compensation for each job level based on Believe's and local market practices.

When a position is created, the process includes an assessment to determine its level of contribution.

Believe's compensation policy is, therefore, based on the level of skills and contribution expected for a position. No discrimination of any kind is applied.

Compensation is reviewed annually to recognize the performance and contribution of each person while ensuring that compensation is competitive with the market. Each year, the Group participates in compensation surveys relevant to its sector of activity. These benchmark data are used to update the internal compensation grids. Where appropriate, "catch-up" increases are applied, in particular to ensure equal compensation for men and women.

The level of employee satisfaction on compensation is monitored during career reviews (dedicated question) and through the internal *Your Voice* survey.

2.4.7.2 Setting up a first attractive and fair employee shareholding plan

Believe wants to involve its employees in the Group's development and value creation. In 2022, the Group set up its first global employee shareholding plan, called ***b.shares***. Deployed in its six main countries (France, Germany, United States, India, UK, China), it covers 80% of the Group's employees.

Believe offered a very advantageous scheme. This plan was built according to its equity principles, in order to offer as many employees as possible the possibility of subscribing to it, for all income levels:

- a maximum investment to ensure the consistency of personal investment amounts and thus guarantee equity between employees;
- a matching incentive and threshold to promote access to all eligible employees;
- a 20% share price discount applied to the entire investment.

The results were very satisfactory, with a subscription rate of 40% of eligible employees, including nearly 60% for France. These results demonstrate the commitment and involvement of employees as employee investors in the Group's future development.

From this first edition, the ***b.shares*** offering has made it possible to achieve a Group-wide employee shareholding rate of 31%. At end November 2022, employees held directly or through the company mutual fund (FCPE) *Believe shares*, 0.35% of the Company's share capital, *i.e.* a total of 334,999 shares⁽²⁾.

The company savings plan was extended to the Group and internationally as part of the ***b.shares*** shareholding plan.

(1) See Section 2.5.2.4 "Supporting employee engagement with local communities", page 43.

(2) See Section 7.3 "Shareholding", page 317 in the Universal registration document.

2.4.7.3 Sharing value creation with employees: the commitment of the Chairman and Chief Executive Officer

In line with the Group's values, Denis Ladegaillerie, Chairman and Chief Executive Officer and founder of Believe, wished to implement a mechanism for sharing the capital gains on the sale of his Believe shares with employees in addition to employee shareholding.

This mechanism, provided for by the Pacte Law of May 22, 2019 on company growth and transformation, offers Believe, under the leadership of Denis Ladegaillerie, the opportunity to strengthen the long-term commitment of its employees and recognize everyone's contribution to the Company's success. It offers the possibility of sharing part of the value created collectively.

The sharing of capital gains takes the form of a contract between Denis Ladegaillerie and Believe SA and is the subject of a related-party agreement published on December 7, 2022⁽¹⁾.

This agreement allows Denis Ladegaillerie, in the event of a future sale of his Believe shares, over a long-term horizon beyond three years, to share up to 10% of the capital gains realized with the employees with over 2 years of presence.

This system supports the deployment of employee shareholding within the Group: the amounts paid will be invested in the Group Company Savings plan and directed as a priority to the Company Mutual Fund (*Believe Shares*) invested in Believe shares.

2.4.8 Ensuring continuous dialogue with the teams and measuring the level of commitment and satisfaction

High-quality social dialogue is an essential component of Believe's model. It illustrates the Group's desire to involve employees in its development and fully reflects its values of respect, expertise, fairness and transparency. In each country, the proximity and accessibility of managers and human resources teams enable employees to express any concerns. The annual internal *Your Voice* survey also makes it possible to collect expectations, feed into discussions and adjust the Group's actions (see below).

In addition, Believe has put in place a strategy, tools and internal communication means, in order to share and make accessible the necessary information for all employees, in particular via global webcasts. During these events, the Chairman and Chief Executive Officer and members of the Executive Committee present the Group's strategy and performance to all employees. They also communicate via regular newsletters and an online information platform called *Believe Insider*.

In France, Believe SA has a Social and Economic Committee (SEC) since 2019, which replaces the Unique Staff Representative Body (*délégation unique du personnel* - DUP). Regular and transparent dialogue allows for very constructive discussions on all subjects affecting the life of the Group and its employees.

Since the creation of the SEC, two collective agreements have been signed in France, on employee profit-sharing and teleworking.

A staff representative body is also in place in Luxembourg.

The Group gives all employees the opportunity to give their opinion and their feelings during **the annual internal *Your Voice* survey**. This social barometer is carried out on a voluntary, anonymous and confidential basis. The detailed questionnaire measures the various dimensions of employee engagement and satisfaction worldwide. Set up in 2021, these surveys are an important steering and management tool for measuring progress and implementing action plans specific to the various departments and countries.

Renewed in December 2022, the *Your Voice* questionnaire covers the following topics in particular:

- employee satisfaction and development, working conditions;
- relationship with their manager, putting the Group's values into practice;
- employees' understanding of the strategy and a sense of contributing to the Group's success;
- career development and skills development opportunities;
- Diversity, Equity and Inclusion, experience of discrimination or inappropriate behavior;
- recognition of work carried out, satisfaction with compensation;
- knowledge and implementation of the *Shaping Music for Good* ambition;
- Believe's level of recommendation as an employer.

(1) See Section 4.1.4.6 "Related-party agreements and valuation procedure for current agreements" on page 159 in the Universal registration document.

The response rate in December 2022 increased significantly, which makes it possible to obtain relevant and representative results. The results are then shared with managers and all employees. Action plans will be defined and implemented in 2023 within each entity and country in cooperation with the teams.

Indicator	2022	2021
Internal Your voice survey response rate	78%	60% in March 2021 63% in December 2021

2.5 A committed player serving artists and labels, and local communities

Aligned with its *Shaping Music for Good* ambition, Believe's mission is to best serve local artists and labels at all stages of their development in the digital ecosystem with fairness, expertise, respect and transparency. They assessed their talent, their market potential and their way of interacting with local communities.

The Group is driven by strong convictions about the future of the music industry and its role in serving artists and labels. In more than 50 countries, Believe offers local teams who are experts in their field. They share its vision of a more diverse and inclusive music industry and contribute to the life of local communities.

Its policies and action plans aim to:

- consider each artist as different and unique;
- serve as a priority local and independent artists and labels;
- put all the opportunities of digital development at the service of artists;
- build relationships of trust by sharing our values;
- build unique partnerships with digital service providers for artists and labels.

2.5.1 Nurturing relationships of trust and supporting creativity with our artists and labels, and our stakeholders

Thanks to its local teams and its digital solutions, Believe now supports more than one million artists around the world directly or via their labels, with an offering adapted to the needs of each artist and label, according to their stage of development. The Group offers them a wide range of services based on cutting-edge technologies, local experts and unique partnerships with digital service providers.

The objective is to:

- enable each artist to learn and master all the specificities of the digital music market;
- create new opportunities for the emergence of local artists and all music genres.

2.5.1.1 Promoting diverse and local music through access to the digital market

Music reflects the changes in societies and contributes to the richness and cultural heritage of the world. It enables

artists from different communities and representing diverse music styles to make their voices heard and contribute to a diverse and inclusive world. With this conviction, Believe is committed to promoting access to the digital music market for all types of local artists, especially female artists and under-represented styles, and to helping them develop their talents.

Believe's commitment to a responsible, diverse and inclusive music industry is reflected in:

- an effective, targeted dissemination policy which enables artists and labels to step up their exposure and monetize their creation, whatever the stage of their career development;
- a fair compensation policy that respects the sharing of value with the artist according to the levels of career development and services used by the artists and labels⁽¹⁾;
- local teams, that are experts in their area, serving artists located directly in the main cities and regions for music production;

(1) See Section 2.5.1.6 "Distributing value fairly and transparently with artists and labels" on page 41 in this extract, as well as Section 1.2.4.2 "Believe provides digital go-to-market solutions for all music artists, from music creators to top artists" on page 21 in the Universal registration document.

- a local recruitment program for artists and training initiatives for artists and labels to support them in their development.

The Group invests in markets where the penetration rate of streaming is still low. Through digitization, Believe makes new music catalogs available on platforms, which would otherwise risk disappearing in the long term. It thus promotes the preservation and transmission of the local musical heritage.

"When we expand into a new market in Asia, for example, we set up a local team, recruiting local experts in the music industry. Through this proximity, these experts understand the culture, local specificities and trends, and ensure a better approach with artists and labels."

Sylvain Delange, Chief Executive Officer Asia-Pacific.

"In Africa, many artists did not have the means to distribute their music on the Internet. Today, thanks to social networks, such as TikTok, the musical works of these artists can go viral overnight. Believe offers them a support solution, in order to give them all the keys to understanding the various digital diffusion platforms. Thus, many artists from the African continent have been supported by Believe".

Andreea Gleeson, Chief Executive Officer of TuneCore

Examples of local initiatives serving musical heritage

- In 2022, TuneCore funded a grant in India to support the career of an up-and-coming Indian artist. This artist was selected by a jury made up of 8 local music industry experts. They assessed their talent, their market potential and their way of interacting with local communities. The event showcased the 160 Indian artists who took part in the competition.
- In 2021 and 2022, Believe's Indian subsidiary partnered with the Snehadhara Foundation and the Vasu Dixit musical Collective to develop the PaDa project, a 5 part music docu-series to support India's folk music traditions.
- Believe has co-created the BEAMS (Believe for Educational Advancement through Music Scholarship) program in India to support young talents from disadvantaged backgrounds. Since the launch of the program two years ago, more than 4,000 young people in 25 institutions have received financial support and benefited from certifying training and advice to launch their careers in music.
- In Thailand, The Youth Music Incubator program aims to educate young people about digital music industry. The program was initially launched during Believe Tomorrow 2021 and an album of 8 songs was released. The same initiative was carried forward during Believe Tomorrow 2022, during which the 6 beneficiaries of the program performed live.

2.5.1.2 Developing unique partnerships with local digital service providers

Believe strengthens its relationships with major local and global music, social media and entertainment platforms every day. The ability to develop partnership relationships with these platforms is key to ensuring the distribution, promotion and visibility of local artists. Today, Believe has over 150 partners from global and local platforms, and is present in 50 countries. These platforms cover a fairly broad spectrum, from the largest industry-players to small start-ups.

The quality and reliability of the partnerships established with the platforms are at the heart of the Group's development model. They are a guarantee of innovation, responsible risk management and protection of artists.

Believe has implemented a rigorous process to assess and select digital service providers based on three main criteria:

- interest for the artist: potential audience, potential revenue and competitive advantage;
- the reliability of the platform: financial robustness, seniority, potential for development, profile of managers, corruption risks, illicit activities or financial irregularities;
- digital security: digital quality relating to content security processes and protection against fraudulent content (streaming). The contracts include content protection clauses against fraudulent distribution and server attacks, as well as clauses on technical quality standards in line with Believe's requirements.

The Group assesses the level and progress made by the main platforms with regard to these three criteria, through quarterly and/or half-yearly reviews. A dashboard summarizes these assessments.

Believe is also developing highly innovative partnerships with the most recognized platforms, such as Spotify, Apple Music, YouTube, TikTok, etc. The Group thus enables its artists and labels to benefit from its capacity for partnership and innovation to increase their visibility, audience and monetization.

2.5.1.3 Being at the cutting-edge of technology and innovations for artists and labels

Digital technology and practices on social networks and platforms are constantly evolving. As a result, Believe is particularly attentive to the latest innovations and technical and regulatory developments in the market. This ongoing monitoring work enables it to:

- anticipate opportunities and threats;
- and adapt its range of services and technological solutions.

Innovation and the deployment of the most current and relevant technologies are carried out in partnership with leading platforms. They contribute to the sustainability of Believe's activities, as well as those of artists and labels.

The Group's ability to maintain an attractive and differentiating technological offer for artists and labels is one of the Group's main risk factors⁽¹⁾.

In 2022, Believe continued to develop its offerings thanks to the partnerships set up in 2021 with globally recognized platforms – such as Spotify, Apple Music, TikTok and YouTube. They allow artists to better exploit digital marketing capabilities in order to be more visible. This increases their ability to monetize their music, including for emerging creators and artists⁽²⁾.

Some examples of innovations:

- Believe has invested in a data platform and digital marketing solutions specifically for the titles included in Discovery Mode. This allows independent artists to broaden their audience and find their next fans by optimizing the discovery of their titles, particularly on Spotify;
- the Believe teams have developed an algorithm to predict the virality of a piece of music on the TikTok platform. Believe uses this data to inform artists and labels of existing and emerging opportunities, and to implement optimal digital strategies to develop their audience;
- as part of the launch of the YouTube Shorts platform in 2021, Believe invested and developed functionalities to offer new monetization opportunities to artists. This allows artists to share short videos made with a mobile phone with their communities. In 2022, this partnership was strengthened as part of the Creator Music initiative, which makes it easier to monetize the music of creators, and to position Believe as one of YouTube's leading partners.

2.5.1.4 Training artists and labels in digital technology and career management

Believe has always put the development of artists at the center of its missions through personalized support and training. This is what makes the Group so unique: it offers training, information and support programs that enable artists to learn, understand and reinforce their autonomy to use their digital environment and their talents to their best advantage.

In 2010, Believe developed Backstage, a global distribution software for artists and labels available as part of Premium Solutions.

Via the Backstage platform, Believe provides artists and labels with functionalities, content and services to help them manage their digital careers:

- statistics and analysis of the performance of online songs and revenues generated by listening. For example, Backstage is the only platform for artists to track the performance of their songs on TikTok;
- tools for promoting their content on social platforms and networks (visuals for social networks, notifications, direct alerts to fans, etc.). Artists and labels can manage communication campaigns on social networks directly from the Promotion Section of Backstage;
- unique educational content and training programs aimed at increasing artists' expertise in digital marketing and making them increasingly autonomous and independent. New certifying training courses and content have been added to the *Backstage Certification Program* in 2022 such as: *Growing audience on streaming platforms*, or *Produce stylish creative assets to promote your releases on all social media platforms*.

Believe offers two main training programs for artists, labels, and music creators:

- *Artist Resources* is a training program for artists and labels as part of Premium Solutions. Launched in 2021 and enriched in 2022, it includes more than 250 articles written by Believe experts. These articles, in the form of tutorials, provide an understanding of the use of social networks and video platforms, streaming, optimization of sales processes, etc. The training provided may be validated by certifications. 36% of artists with a Backstage account use *Artist Resources*, and more than a third of them obtained one of the two certifications available (Social Networks and Streaming Platforms) since the launch of the offer;
- *TuneCore Rewards* is a training program for music creators. Launched in 2021, it covers a wide range of themes, such as social media, release planning and music promotion on the Internet. Structured into several levels, it offers, *inter alia*, educational videos produced by experts in the sector allowing artists to get familiar with best industry practices. At the end of each level of training, artists receive bonuses and discounts, before obtaining a VIP status, allowing them to become increasingly expert and independent.

(1) See Section 3.1.2 "Risks related to the Group's business", page 116 in the Universal registration document.

(2) See Section 1.2.4.3 "Believe provides artists and labels with the tools and expertise they need to grow", page 23 in the Universal registration document.

"Believe's tools and training help artists to better manage their development and their fans. Whether on advertising optimization platforms or social networks, the approach is to constantly develop the profile of artists to enable them to set up a complete digital presence. At the local level, promotion mainly takes place through social networks. Then, the work to promote artists on advertising optimization platforms ensures the migration of subscribers to musical streaming platforms".

Céline Hitti, Head of Editorial Partnerships and marketing for the MENA region.

2.5.1.5 Respecting the creative independence and data privacy of artists

Believe is committed every day to defending the fundamental rights of its artists and labels. The Group encourages and protects the creative independence and freedom of expression of its artists. It ensures that their data is respected and protected.

Respecting creative independence and freedom of expression

Believe is convinced that artists must own their art and remain free to make their artistic choices, in total independence. The Group also ensures the delicate balance between freedom of expression and compliance with applicable laws.

In the event of controversy over content produced and/or distributed by Believe, the Group investigates and ensures that local laws and platform guidelines have been complied with. If the content has violated a law, it is immediately removed from the platforms in the relevant territory(ies); this withdrawal may be the result of the platforms themselves or Believe.

If the infringement of the law is not obvious, or if the content is sensitive without violating an applicable law, discussions with the artist may be necessary. They make it possible to clarify the artist's intentions, explain the legal texts and adjust the communication concerning this sensitive content.

The Group's primary approach is not to remove or modify the texts or music, but to educate and engage in dialogues with artists and the general public.

"We place a special focus on compliance with the regulations of the various sales platforms. We explain to our artists the importance of following the rules, and the risks and consequences for their careers. We maintain dialogue with our artists to empower them."

Claire Weill, Chief Legal Officer Deputy

Respecting the data privacy of artists and labels, and employees

Respecting the data privacy of artists and labels is a crucial issue for Believe.⁽¹⁾ The Group has implemented measures to protect the data privacy of artists, labels and music creators, as well as that of employees.

The main data protection measures deployed at Believe are as follows:

- a privacy policy and a policy on the management of cookies are available in 15 languages and are updated on a regular basis;
- a team within the Technology Department ensures the protection of personal data processed by Believe. The Group has organized a network of data protection officers;
- the Group has set up a register of personal data processing. It makes it possible to identify when a data protection impact assessment (PIA or Privacy Impact Assessment) is necessary. This register is based on a solution published by a specialized third party;
- This PIA impact assessment tool ensures that data is processed in accordance with the General Data Protection Regulation (GDPR) and respectful of privacy. Particular attention is paid to the processing of sensitive data (origin, nationality, religion, biometric data, etc.) and in the case of high risk for the rights and freedoms of the persons concerned. This tool is included in the data processing register. It makes it possible to complete a questionnaire for sensitive data and proposes remediation recommendations if necessary;
- an intranet module dedicated to compliance and including a "personal data protection" Section with press articles, procedures and templates, is made available to employees;
- the onboarding program includes compliance, cybersecurity and data protection training modules. These modules are reviewed throughout the employee's career.

Believe also works closely with some of the most important global platforms to protect artists data. With them, the Group develops solutions that offer artists the option of sharing their information or not. Believe has established due diligence procedures and quarterly reviews to assess platforms on a set of criteria, including data security⁽²⁾.

(1) See Section 1.3.2.5 "Personal data regulation" on page 32 and Section 3.1.2 "Risks related to the Group's business", page 116 in the Universal registration document.

(2) See Section 2.5.1.2 "Developing unique and innovative partnerships with local digital platforms", page 38.

2.5.1.6 Distributing value fairly and transparently with artists and labels

Since its creation, Believe has aimed to build and develop relationships of trust with artists and labels. This calls for a fair distribution of value with artists and labels under simple and clear contracts.⁽¹⁾

These values of fairness and transparency form the basis of the remuneration system for artists proposed by the Group as part of its Premium Solutions. The contracts that Believe signs with its artists and labels are consistent with market standards or superior to these practices. The Group offers more favorable clauses, such as the absence

of rebates, much shorter periods of exclusivity for new albums at the end of the contract, or non-exclusivity on featuring⁽²⁾.

Almost all artists can thus access information concerning their remuneration, their content as well as all data relating to their relationship with Believe, via the interfaces offered by the Group. These simple and educational interfaces are a differentiating element of Believe. Artists can consult their data and analyze it independently.

With TuneCore, Believe provides music creators with solutions tailored to the level of their career development. They choose the level of service they wish, with transparent pricing.

2.5.2 Leading change in the music industry and developing a culture of engagement with local communities

Believe is committed to using its technology and expertise to serve a diverse, inclusive and responsible music industry. This ambition has been integrated into its business model since its creation and in line with its *Shaping Music for Good* ambition. The Group engages the various players in this industry, artists and labels and its employees, on themes that are close to its heart, such as diversity, equity and inclusion, the promotion of women, education through music and respect for the environment.

2.5.2.1 Sharing its expertise with the artistic community and the music industry

Believe is very active in the music community. The Group participates in or creates events and conferences to share its know-how and its commitment to a more diverse and inclusive music industry.

Some initiatives and events illustrate the "educational" role of Believe with artists and labels:

- Since 2019, the Group has organized Believe Days. These "educational" days are dedicated to a digital theme. Believe invites artists, labels, competitors and digital platforms. They were initially held in Asia and are now expanding in Eastern Europe and Latin America. These days are an opportunity to help artists better master digital technology;

- In 2021 and 2022, Believe took part in the *Music Matters Academy* event in Singapore. Various Group experts took part in training sessions, particularly on the subject of diversity (*Diversity matters*). This online academy recorded more than 750 registrations. The videos of these sessions, made available online free of charge, totaled more than 20,000 views during the first week of their publication;
- at *Midem Digital 2021* (international music industry event), Denis Ladegaillerie, Chairman and Chief Executive Officer and Founder of Believe, shared his vision for an innovative, fair and inclusive music industry. He also commented on the role and contribution of artists and labels to the new economy of creativity.

2.5.2.2 Spotlighing and promoting women and under-represented communities in the music industry

As part of its commitment to Diversity, Equity and Inclusion and gender parity, Believe pays particular attention to the promotion of women and under-represented communities, as artists and more broadly within the music industry.

Believe supports globally recognized initiatives – such as Be the Change, Keychange, Women in Music and more local actions to support and train women artists in their musical careers.

(1) See Section 1.2 "Overview of the Group's activities" on page 11 in the Universal registration document, and Section 2.3 "An ethics and deontological system as close as possible to employees, artists and labels", page 22 in this extract.

(2) *Featuring* consists of singing a song in duet with another singer. This practice revives the general public's interest in the title.

Believe supports major international initiatives in favor of Diversity, Equity and Inclusion

- **Be the Change study:** Since 2020, Believe and its subsidiary TuneCore have partnered with recognized partners to conduct the global Be the Change study. This annual survey helps to understand the discrimination and obstacles faced by women and under-represented communities in the music industry. Believe strives to engage the various players in the industry to implement the action levers identified to attract and promote women artists. The challenge is to manage to generate access to composition and music production. To that end, Believe widely disseminates the findings of the study.

- **Keychange:** Since 2021, Believe has also been a signatory of the Keychange initiative, a global organization working for equity in the music industry and talent development. Andreea Gleeson, Chief Executive Officer of TuneCore, is an ambassador for Keychange and actively contributes to its development in the United States.

- **Women in Music:** Believe, through its subsidiary TuneCore, is a partner of Women in Music. This organization supports women artists through numerous initiatives and events organized in the United States and around the world. Believe and TuneCore employees are members of this organization.

Be the change survey: women and minorities making music

The study carried out in 2021 conducted on the independent artist sector by Believe/TuneCore and MIDiA Research highlighted the challenges and experiences of 486 women creators worldwide. The results of this 2nd edition illustrate the immense room for improvement:

- 61% of the women in this panel were subject to harassment or inappropriate behavior, and 45% felt pressure to give up their music careers;
- 68% doubt their own capabilities, are victims of the “impostor syndrome” and lack confidence;
- 35% have experienced criticism or abuse on social networks;
- on the other hand, 40% of the women questioned noted an improvement in the presence of women at events or conferences.

The entire Be The Change: *Women Making Music 2022* study is available on the MIDiA website: <https://www.believe.com/sites/believe/files/2022-05/Be-The-Change-x-2022-Women-in-Music.pdf>.

For the third Be the Change study in 2023, Believe and TuneCore have partnered with Luminate⁽¹⁾ to understand gender inequality and the experiences of women and under-represented communities in the music industry. The survey was completed at the end of 2022 in 13 languages (English, French, Spanish, Dutch, Turkish, Indonesian, Portuguese, Japanese, German, Swahili, Mandarin, Korean and Thai).

The results were published in March 2023 and are available here.

Some figures illustrating some of the challenges facing the music industry:

- 53% of music industry professionals in this panel say that men are better paid than people in other genres;
- 66% of respondents said they would like to see more women and people from under-represented communities in positions of responsibility in the industry;
- 70% of artists from under-represented communities in this panel say they are subject to harassment on social media.

Believe's local teams are also committed to female or minority artists

Some examples in 2022:

- Believe and TuneCore Italy organized a music composition and song-writing camp in an exceptional site near Florence, in partnership with Spotify and Equal⁽²⁾. The “Believe ME” experience enabled nine Italian female artists to be surrounded by experts to better exploit their talent as songwriters;

- Believe and TuneCore supported Keychange Europe for the organization of master classes, training sessions and workshops on the topic of gender equality, as part of the *Reeperbahn* music festival in Germany;
- in France, Believe and TuneCore renewed their partnership with “Rappeuses en Liberté”, a support and training program for the 10 finalists and 3 winners. Believe experts give personalized advice to increase the digital visibility of these artists and their positioning on social networks. TuneCore also offers a one-year subscription for the distribution of their music;

(1) Luminate is an organization recognized worldwide for its commitment to under-represented communities. It works to strengthen their information, rights and powers over the factors that affect their lives.

(2) Equal is a community of Italian music professionals who share the ambition to develop a fair and inclusive industry.

- to celebrate International Women's Day in March 2022, Believe showcased female employees and artists on its Instagram site. These new content and videos garnered a significant level of engagement (up to 13,000 impressions per video).

Andreea Gleeson, Chief Executive Officer of TuneCore, actively contributes to the development and emergence of female creators

Thanks to the continued commitment of Andreea Gleeson, Chief Executive Officer of TuneCore, and her teams, the number of women artists at TuneCore has increased significantly since 2020 to reach 42% in 2021. On average, women artists represent only 12% worldwide. The use of TuneCore enables women artists, especially young women, to produce and distribute their music without being confronted with a discriminatory or disrespectful environment, such as recording studios or concerts.

In 2022, Andreea Gleeson received the International Woman of the Year award as part of the *Women In Music Awards* 2022.

"Women do not want to be treated differently. They want to have access to the same resources and opportunities as their male counterparts. In the music industry, it is an ongoing fight to give confidence to women artists, give them access to resources and make them visible and respected throughout their careers".

Andreea Gleeson, Chief Executive Officer of TuneCore

2.5.2.3 Promoting music as a vehicle for committed messages and responsible practices

Music is both a reflection of its time and a powerful tool for conveying committed messages reaching a very large audience. This is why the Group intends to take advantage of its role in the music and digital industry to amplify the social and environmental commitment of its artists and labels.

In France, Believe supports committed artists and labels, sharing the same desire to promote diversity and fight against discrimination:

- in 2022 Believe committed itself alongside the French artist Jeanne Added to the fight against all forms of discrimination, by including a bilateral clause on ethical behavior in its contract. This clause, which engages both the artist and Believe, is unprecedented in the music industry in France. It formalizes the joint fight of Jeanne Added and Believe against all forms of discrimination;
- Believe also actively supports the singer Yseult in her fight against racism and body shaming. Believe's teams support and advise her on her image, promotion and marketing strategy;

- since 2021, Believe and its naïve label have supported the *Listen & Donate* initiative carried by the hip hop artist Pone, founder of the group Fonky Family, to raise funds for the Trakadom association. Suffering from Charcot's disease, Pone mixed the music for the closing ceremony of the Olympic Games in 2020 using eye-tracking software. With Believe, this artist fights against prejudice related to disability.

2.5.2.4 Supporting employee engagement with local communities

As part of the deployment of *Shaping Music for Good*, Believe asks its employees to propose and lead initiatives in two areas:

- make a positive impact on local communities;
- and promote the Group's values, both internally and with the music industry.

Since 2021, Believe has set up the *Believe Tomorrow* program. This brings together employees around civic and solidarity activities that are close to their heart and in line with the priorities of *Shaping Music for Good*. On a voluntary basis, employees can contribute and participate in activities organized by the Human Resources and CSR teams and the ambassador network⁽¹⁾. The aim is to raise employee awareness on Believe's CSR commitments and encourage their implementation through concrete actions, notably serving local communities.

Following the first edition of Believe Tomorrow Day launched in 2021, the Group decided to extend the program to one month in 2022 with local activities and a global solidarity challenge. In 2022, nearly 1,200 participants in 32 countries contributed to the success of Believe Tomorrow, in cooperation with external stakeholders, charities, local partners, and through the SquadEasy app.

Nearly 60 local activities took place supporting the three major dimensions of *Shaping Music for Good*:

- Diversity, Equity and Inclusion;
- education through music;
- respect for the environment.

A global solidarity challenge, carried out via the SquadEasy app brought together 56 teams, *i.e.* 440 participants, committed to walking, running and cycling in order to reach the target of 50,000 km in one month. Believe committed to financing solidarity and environmental projects at Group and local level for the five winning teams.

Beyond the civic and solidarity commitment that *Believe Tomorrow* represents, this month of sharing also creates a strong sense of pride in the teams, cohesion and a sense of belonging to the Group, thus contributing to employee commitment and loyalty.

(1) See Section 2.1.3.3 "A global network of committed ambassadors", page 11.

Examples of initiatives in 2022

These examples illustrate the strong commitment of the Group and its employees to the *Shaping Music for Good* ambition. The *Believe for People/Parity* and *Believe for Planet* ambassadors as well as the participants in *Believe Tomorrow* contributed to initiatives in favor of local communities in many countries where the Group operates.

Promoting diversity, inclusion and education through music

- In Brazil, the Afro lab, an intensive three-day seminar for black artists from disadvantaged neighborhoods was organized in collaboration with the Casa Preta association in São Paulo and Bahia. Believe and TuneCore experts trained and advised 60 artists on their music projects. The Group has also undertaken to distribute them and provide them with the Believe and TuneCore platforms and tools.
- In the United States, TuneCore gives the Notes for Notes association free access to the master classes available on the platform. TuneCore employees also shared their expertise with disadvantaged young artists supported by this association, which provides them with musical instruments and recording studios.
- In Canada, on the proposal of the ambassadors, Believe funds a scholarship as part of the *Accelerate Scholarship* program at MusiCounts, a charity dedicated to music education. The beneficiary receives a scholarship and mentorship to support their musical career. During *Believe Tomorrow*, Believe experts also supported seven high school students selected by MusiCounts on the topics of digital music distribution.

- In India, Luxembourg and Turkey, 26 employees took part in the recording of an educational audio book for visually impaired students from disadvantaged backgrounds, in collaboration with the WE4YOU association, based in India.
- In Germany, Believe is involved in the Hanseatic Help project to provide assistance to people in need and to refugees.
- In France, a week was dedicated to disability issues at work. Events and activities highlighted the employees concerned and partnerships with associations (ESAT). Employees organized a visit to the *Cité de la Musique* with a group of disadvantaged young people. A mentoring program has been set up for young people from disadvantaged neighborhoods.

In favor of the environment

- In France, a *Tech Talk* on the digital footprint was organized with a digital sobriety expert. Employees also took part in climate and digital fresco workshops. They reflected on very practical solutions to be implemented within the Group to reduce the environmental impact.
- In Mexico, the ambassadors organized a garbage collection and tree plantation at a historic site in Mexico City, contributing to the restoration and protection of the site's biodiversity.
- In China, employees' cardboard waste was collected and reused by Chinese sculptor ZHANG Xiangxi. His work will raise awareness of recycling among the general public.
- In several countries around the world, Believe has organized beach clean-up days (in Australia, Taiwan and China) and natural site clean-up days (in Germany, China).

2.6 Actions on the ground in favor of the environment

Believe is aware of the role it must play in the fight against climate change and the protection of the environment.

As a player in the digital and music sectors, Believe's impacts on the planet take on several dimensions. In line with its *Shaping Music for Good* ambition, the Group intends to play its role as a responsible company by gradually approaching them using two complementary approaches:

- measuring the direct and indirect impact of activities, defining and managing a long-term environmental policy;
- using the influential power of music, in particular through artists and labels, to change the behavior of employees and various players in the industry.

2.6.1 Formalizing the environmental approach

Believe's environmental approach is managed by the CSR Department and reviewed by the Board of Directors' CSR Committee. It defines the policies and action plans to be rolled out within the Group.

The approach is based on Group indicators, which are structured and enhanced each year. The measurement scope is also broadened in order to match the financial scope as closely as possible. It gradually takes into account the more recently acquired entities.

Environmental reporting aims to:

- report to management and stakeholders on Believe's environmental performance;
- manage the policies and action plans implemented and define objectives.

The CSR teams work closely with the human resources and general services teams to monitor buildings. The IT, merchandising and distribution teams contribute to the other dimensions. The *Believe for Planet* ambassadors are

also called upon and involved to make progress in the commitment to the environment.

2.6.1.1 Measuring to better understand Believe's carbon and environmental impact

In 2021, the Group carried out an initial carbon footprint assessment based on 2020 data of its direct (scopes 1 and 2) and indirect (scope 3) activities. This assessment was carried out by EcoAct (Atos Group) according to the GHG Protocol international carbon accounting methodology. It assesses the sources of greenhouse gas emissions in the various scopes. This first stage made it possible to better understand the various carbon impacts and levers available to Believe in the short and long term, both directly and indirectly.

FIRST MAPPING OF THE CARBON IMPACT OF BELIEVE'S ACTIVITIES ACROSS THE THREE SCOPES (SCOPE 1, 2 AND 3)

Scopes 1 and 2	<ul style="list-style-type: none"> Offices and buildings: energy used for electricity, heating and air conditioning, and the operation of IT equipment, as well as refrigerants. Buildings are the main source of greenhouse gas emissions for Believe's direct activities. Company vehicles, in limited numbers. Believe does not have a vehicle fleet, and has 51 company vehicles.
Scope 3	<ul style="list-style-type: none"> Transport: employee commuting, business trips for employees and artists, transport of merchandising products or equipment for events. Waste from the use of cardboard, paper, packaging, etc., in offices or for activities with artists (events, promotional campaigns). IT equipment (computers, screens, printers, etc.). Data centers and cloud services. They host the technological platforms of Backstage and TuneCore, and the data of Believe and the artists and labels used for Premium Solutions & Automated Solutions. Streaming: the distribution of audio and video files on digital platforms and the use by the end-user of music.

The annual reporting set up in 2021 and enhanced in 2022 extended the scope on which the Group's scopes 1 and 2 GHG emissions are assessed, notably with the inclusion of legal entities based in Turkey (DMC and NetD), in Japan (TuneCore Japan), and in France (6&7 and Jo&Co). New indicators and data collection procedures were also added in 2022.

This environmental reporting will make it possible to carry out a more detailed analysis of emission factors and to define an action plan and reduction targets for scopes 1 and 2.

Within the indirect scope (scope 3), the activities of data centers and streaming significantly represent the largest share of the indirect carbon impact of Believe's activities. Nevertheless, the quantification and analysis of scope 3

still need to be refined. The collection of data in this scope is very complex, particularly for streaming. In addition, Believe has no direct leverage on these emission sources. In 2023, Believe will continue to analyze this indirect scope, in particular for emissions related to data centers, IT equipment and transport.

GHG emissions on scopes 1 and 2 decreased by nearly 19% between 2021 and 2022. This improvement is due to the use of renewable energy not recorded in 2021 for the head office located in France, Believe's main site. In addition, the more precise reporting made it possible to better record the actual consumption of energy and refrigerants, which in some cases had to be overestimated in 2021.

Indicator	2022	2021
Emissions in tons of CO ₂ equivalent for scope 1	306.18	448.95
Emissions in tons of CO ₂ equivalent for scope 2	401.86	422.12
Emissions in tons of CO ₂ equivalent for scopes 1 and 2	708.04	871.07
Emissions in tons of CO ₂ equivalent for scope 3 – Transport	235.50	-

All the environmental indicators monitored by Believe are available in Section 2.7 "Methodological note and summary of indicators", page 55.

2.6.1.2 Applying the principles of the "green taxonomy" to measure its contribution to the European Union's climate objectives

In 2021, Believe carried out a first assessment of the eligibility of its activities for the climate objectives according to the criteria defined by the European green taxonomy standard. This aims to identify and promote economic activities that contribute significantly to adaptation and the fight against climate change.

In 2022, the Group reviewed this eligibility assessment in terms of revenue, investments and operating expenses. The analysis was completed to reflect the alignment of activities with the climate objectives of this framework.

In addition to the production of taxonomy indicators, the Group's commitment to the fight against climate change and the preservation of resources is reflected in the implementation of actions to reduce the carbon impact of its direct activities.

Drawing on its environmental, social and societal commitments, Believe fully supports the European Commission in its work to guide the investments of public and private players in projects contributing to the transition towards a sustainable and low-carbon economy. This is notably the case in the context of the implementation of the *Shaping Music for Good* strategy and the *Believe for Planet* ambassador program. Targeted actions are gradually being rolled out to achieve the Group's sustainable development and environmental objectives (see Section 2.6 "Actions on the ground in favor of the environment" on page 86).

The Group also applies the principles of the "green taxonomy" to measure its contribution to the environmental objectives of the European Union. Indeed, the Taxonomy requires companies to publish the shares of their revenues, capital expenditure and operating expenses that contribute substantially to one of the following six environmental objectives: climate change mitigation, adaptation to climate change, protection and sustainable use of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. To date, the technical assessment criteria address the substantial contribution for the first two objectives only.

Methodology for the technical assessment of activities

A detailed analysis of all of Believe's activities within the various consolidated entities was carried out jointly by the

Finance and CSR Departments, as well as with the operational teams. The identification of eligible activities and the qualification of their level of alignment with the Taxonomy were carried out in accordance with the instructions and criteria of the Taxonomy Regulation⁽¹⁾, its delegated acts⁽²⁾ ⁽³⁾ and additional information⁽⁴⁾ ⁽⁵⁾ provided by the European Commission. In accordance with these regulations, Believe has published key performance indicators (KPIs) since 2021 highlighting the share of its net revenue, capital expenditure (CapEx) and operating expenses (OpEx) associated with the activities described in the Taxonomy framework: the portion "eligible" for the Taxonomy. From fiscal year 2022, Believe publishes KPIs indicating the share of its net revenue, its CapEx and OpEx resulting from products and/or services considered sustainable within the meaning of the Taxonomy: the portion "aligned" with the Taxonomy.

The calculation of these ratios involves the analysis of the eligibility of the underlying activities as well as the compliance by these activities with the technical assessment criteria used to qualify their alignment with the Taxonomy.

Status of eligibility.

For fiscal year 2022, activities can be assessed solely with regard to the objectives of climate change mitigation and adaptation to climate change.

A large portion of Believe's distribution and artist promotion activities, representing more than 90% of the Group's consolidated revenue, could be considered as covered by economic activity 13.3. "Production of motion pictures, videos and television programs; sound recording and music publishing" of the Delegated Act of Objective 2 - "Adaptation to Climate Change". However, as for fiscal year 2021, and pending clarification on the criteria applicable to its sector of activity, Believe has decided, as part of a "prudent" approach, not to consider its main activity as being eligible for the Taxonomy for fiscal year 2022. As a result, the share of revenue eligible for the Taxonomy remains zero.

Nevertheless, an analysis of the eligibility (and then alignment) was carried out on capital expenditure (CapEx) and focused on the identification of "individual measures" - *i.e.* those that are linked to the purchase of the output of economic activities aligned with the Taxonomy and individual measures enabling targeted activities to become low-carbon. For Believe, these include acquisitions or long-term leases of buildings, vehicles and IT equipment associated with servers that could offer energy efficiency and greenhouse gas emissions reduction potential.

(1) <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R0852&from=EN>

(2) https://eur-lex.europa.eu/resource.html?uri=cellar:d84ec73c-c773-11eb-a925-01aa75ed71a1.0003.02/DOC_2&format=PDF

(3) https://eur-lex.europa.eu/resource.html?uri=cellar:d84ec73c-c773-11eb-a925-01aa75ed71a1.0003.02/DOC_3&format=PDF

(4) <https://ec.europa.eu/finance/docs/law/221219-draft-commission-notice-disclosures-delegated-act-article-8.pdf>

(5) <https://ec.europa.eu/finance/docs/law/221219-draft-commission-notice-eu-taxonomy-climate.pdf>

TABLE 1: BREAKDOWN OF BELIEVE'S ELIGIBLE ACTIVITIES

Taxonomy activity (according to the Climate Delegated Act: "climate change mitigation" objective)	Types of Believe CapEx valued
6.5 Transport by motorcycles, passenger cars and light commercial vehicles	Purchase or long-term leasing of vehicles for staff travel
7.7 Acquisition and ownership of buildings	Long-term leasing of buildings
8.1 Data processing, hosting and related activities	Purchase or lease of equipment associated with data management

The methodology used to identify the aligned investments – among the eligible activities – is presented below.

Assessment of the substantial contribution and the DNSH of eligible activities

6.5 Transport by motorcycles, passenger cars and light commercial vehicles

Believe leases a fleet of service vehicles on a long-term basis. The granularity of the information available in the Group's management system does not make it possible to identify whether these activities strictly comply with the criteria in terms of substantial contribution to climate change mitigation.

7.7 Acquisition and ownership of buildings

Method of analysis

Allocation to the numerator: the Finance Department collected information to determine the Taxonomy activity of each real estate CapEx and then conclude on its alignment or not with the criteria of substantial contribution to the objective of climate change mitigation and the Do No Significant Harm (DNSH) criteria, in other words, does not cause significant harm to any of the other specific environmental objectives. As such, the office buildings in France, Germany, Luxembourg and outside of Europe are classified under activity 7.7 due to the right-of-use assets under IFRS 16, which was subject to a change during the year. For all other items, a search for proof of alignment with the criteria of substantial contribution or the non-enforceability of a DNSH criterion was carried out. If a proof lacks consistency or does not exist, the item is deemed not aligned.

Calculation of the denominator: the total sum of investments in 2022 is obtained from the table of changes in non-current assets. This work was audited as part of the preparation of the Universal registration document (URD).

Substantial contribution to climate change mitigation

As these are exclusively buildings for which the building permit application was filed before December 31, 2020,

the assessment consisted of confirming the energy performance diagnosis (DPE) A or not of the buildings, or the comparison of the primary energy demand with the thresholds of the 15% most energy-efficient buildings published by the Green Building Observatory (OID). The assessment of substantial contribution was made on the basis of the buildings' energy consumption data.

Following the assessment of substantial contribution, five buildings, representing an amount of €1.16 million of CapEx in 2022, meet the criteria of substantial contribution to climate change mitigation.

DNSH: Adaptation to climate change

As the scope of Believe's eligible activities is focused on the real estate activities in Section 7 of the climate change mitigation appendix, the Group is required to comply with the generic DNSH related to climate change adaptation. Among the buildings meeting the substantial contribution criteria, two buildings meet the DNSH Adaptation criterion.

8.1 Data processing, hosting and related activities

Believe has invested in the long-term leasing of a set of equipment related to the management and mass processing of data as part of its artist promotion and production activities.

The information available did enable compliance with the substantial contribution criteria to be established.

Assessment of minimum guarantees

Believe followed the recommendations of the European Platform on Sustainable Finance report dated October 2022 concerning the study of minimum guarantees (Final report on Minimum Safeguards)⁽¹⁾. The Group conducted an in-depth analysis of its practices with regard to the four themes described in the report (human rights, corruption, taxation and competition law), as well as an analysis of controversies with regard to the criteria for non-alignment described in the report. The results of these analyses show that Believe complies with the minimum guarantee requirements for this first alignment exercise.

(1) https://finance.ec.europa.eu/system/files/2022-10/221011-sustainable-finance-platform-finance-report-minimum-safeguards_en.pdf.

TABLE 2: DOCUMENTS AND PROCEDURES ASSOCIATED WITH MINIMUM GUARANTEES

Criteria	Detailed criteria	Believe policies and procedures
Due Diligence on Human Rights	The company has put in place an adequate human rights due diligence process, as outlined in the United Nations Guiding Principles and the OECD Guidelines for Multinational Enterprises.	A Code of Ethics Alert mechanism to combat all forms of discrimination Diversity and Inclusion Policy
Anti-corruption procedures	The company has implemented anti-corruption processes.	Policy on conflicts of interest Anti-corruption policy Procedures for compliance with the Sapin II law
Tax governance	Tax governance and compliance are considered important elements of supervision, and adequate tax risk management strategies and processes are in place.	Existence of a tax policy
Fair competition procedures	The company educates its employees on the importance of complying with all applicable competition laws and regulations.	Group Code of Ethics

These policies and procedures, supplemented by the Group tax policy, are in line with the requirements of the European Platform on Sustainable Finance report relating to the implementation of procedures specific to the four themes of minimum guarantees.

Qualification of indicators and presentation of results

Definition of indicators

The KPIs (revenue, CapEx and OpEx) have been calculated in strict compliance with the regulatory definitions of the delegated act of Article 8 of the Taxonomy⁽¹⁾.

Calculation and results of Believe indicators

Revenue KPI result

As Believe's business lines are focused on artistic production activities, no eligible revenue has been identified for the climate change mitigation and adaptation to climate change objectives, as the Group's activities do not meet the activity criteria for these objectives.

Believe's consolidated revenue amounted to €760.81 million in 2022, constituting the Taxonomy denominator for this indicator. The revenue KPI is 0%.

CapEx KPI result

The Group analyzed its acquisitions of property, plant and equipment and intangible assets (IAS 16 and 38), right-of-use assets (IFRS 16) and business combinations (IFRS 3) constituting the Taxonomy CapEx denominator. This amounted to €42.81 million for 2022.

The eligibility and alignment of the Group's activities were only analyzed for the climate change mitigation objective. The risk of double-counting between objectives is therefore non-existent.

The CapEx eligibility ratio stands at 14.11%, with €6.04 million of eligible investments out of a total of €42.81 million in 2022. Right-of-use assets represent all eligible investments.

The CapEx KPIs (alignment) in 2022 amounted to 0.62% of total investments, *i.e.* €0.265 million of CapEx aligned with the Taxonomy.

OpEx KPI result

In 2022 – as in 2021 – this Taxonomy OpEx denominator, which stands at €1.37 million, represented 0.2% (less than 5%) of total consolidated OpEx (amounting to €725.8 million). On the basis of the analysis of OpEx, the amount analyzed is considered not material with regard to the Group's materiality thresholds. On the basis of this observation, combined with the fact that the Group's activities are not eligible to date, Believe has applied the exemption provided and not calculated the Taxonomy OpEx indicator in more detail

(1) <https://www.amf-france.org/fr/actualites-publications/dossiers-thémérales/taxinomie>.

(in € million)	Category (transitory activity) (21)	Category (enabling activity) (20)	Proportion of revenue aligned in year N-1 (19)	Proportion of revenue aligned in year N (18)
Economic activities (1)	Biodiversity and ecosystems (16)	Pollution (15)		
	DNSH	Circular economy (14)		
	Water and marine resources (13)	Adaptation to climate change (12)		
	Climate change mitigation (11)	Climate change mitigation (11)		
	Biodiversity and ecosystems (10)	Pollution (9)		
	Circular economy (8)	Circular economy (8)		
	Water and marine resources (7)	Water and marine resources (7)		
	Adaptation to climate change (6)	Adaptation to climate change (6)		
	Climate change mitigation (5)	Climate change mitigation (5)		
% of revenue (4)				
Total revenue (3)				
Code(s) (2)				
TOTAL (A.1. + A.2.)				
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY				
Revenue from activities not eligible for the Taxonomy (B.)	0,00	0,0%		
TOTAL (A. + B.)	760.81	100.0%		

2.

Corporate social responsibility

Actions on the ground in favor of the environment

Category (transitory activity) (21)		Category (enabling activity) (20)		Proportion of capital expenditure aligned in year N-1 (19)										Proportion of capital expenditure aligned in year N (18)				
				Minimum guarantees (17)														
Economic activities (1)				Biodiversity and ecosystems (16)					Pollution (15)									
				Biodiversity and ecosystems (16)	Pollution (15)	Circular economy (14)	Water and marine resources (13)	Adaptation to climate change (12)	Biodiversity and ecosystems (16)	Pollution (15)	Circular economy (14)	Water and marine resources (13)	Adaptation to climate change (12)					
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																		
A.1. Environmentally sustainable activities (aligned with the Taxonomy)																		
7.7. Acquisition and ownership of buildings		7.7																
Capital expenditure for environmentally sustainable activities (aligned) (A.1.)		0,26		0,6%		Yes	-	-	-	-	NA	Yes	NA	NA	NA	Yes 0,6%		
A.2. Activities eligible for the taxonomy but not environmentally sustainable (not aligned)																		
6.5. Transport by motorcycles, passenger cars and light commercial vehicles		6,5		0,25		0,6%												
7.7. Acquisition and ownership of buildings		7.7		2,59		6,0%												
8.1. Data processing, hosting and related activities		8.1		3,20		7,5%												
Capital expenditure for activities eligible for the Taxonomy but not environmentally sustainable (not aligned) (A.2.)		6,04		14,1%														
TOTAL (A.1. + A.2.)																		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																		
Capital expenditure for activities not eligible for the Taxonomy (B.)		36,77		85,9%														
TOTAL (A. + B.)		42,81		100,0%														

(In € million)			Category(transitory activity) (21)
			Category(enabling activity) (20)
			Proportion of operating expenses aligned in year N-1 (19)
			Proportion of operating expenses aligned in year N (18)
			Minimum guarantees (17)
Economic activities (1)			
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY			
A.1. Environmentally sustainable activities (aligned with the Taxonomy)			
Operating expenses for environmentally sustainable activities (aligned) (A.1.)	0,00	0,0%	0,0%
A.2. Activities eligible for the taxonomy but not environmentally sustainable (not aligned)			
Operating expenses for activities eligible for the Taxonomy but not environmentally sustainable (not aligned) (A.2.)	0,00	0,0%	
TOTAL (A.1. + A.2.)			
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY			
Operating expenses for activities not eligible for the Taxonomy (B.)	725,80	100,0%	
TOTAL (A. + B.)	725,80	100,0%	
Code(s) (2)			
% of operating expenses (4)			
Total operating expenses (3)			

Change compared to the previous fiscal year

Change in eligibility results

In 2021, this eligibility ratio was 9.06% for Group consolidated CapEx, compared to 14.11% in 2022. The main changes compared to 2021 are partly due to a slight increase in the proportion of IFRS 16 right-of-use assets compared to total investment flows.

Methodological changes

No methodological changes were made between the two fiscal years.

Outlook

Improved Taxonomy KPIs

As indicated in the Ssecction "Status of eligibility", Believe's artistic production and distribution activities are not

considered eligible for the Taxonomy. Consequently, no change in Believe's revenue KPI is expected in the coming fiscal years. A possible revision of the delegated acts in the medium term, or clarification from the relevant authorities, could enable this sector to assess and communicate its performance in terms of the fight against climate change under the terms of the Taxonomy. The adoption of the delegated acts relating to the other objectives of the European Green Taxonomy, or those relating to a possible social taxonomy, could be better applied to Believe's activities. Similarly, the OpEx KPI should remain non-material with regard to the Group's business model. With regard to the CapEx KPI, better integration of energy performance criteria in future investments as well as improvement of the processes for collecting technical information should make it possible to improve the potential level of this indicator.

2.6.1.3 Prioritizing action on Believe's direct carbon and environmental impact

As part of its *Shaping Music for Good* ambition and with regard to the analysis of its carbon impact, Believe prioritizes actions for which the Group and its employees have a direct leverage on reducing their environmental impact. Several projects were launched in 2022 and will be more widely deployed in 2023.

The main initiatives for 2022 and 2023 concern offices energy consumption, transport and resources:

- reducing energy consumption and spreading environmentally-friendly gestures;
- the study for the use of renewable energies;
- business travel management;
- the reasonable use of disposable products and the recycling or recovery of waste.

2.6.1.4 Reducing energy consumption and the carbon impact of offices

Reducing the energy used in offices

A first action plan in favor of energy savings and the reduction of GHG emissions is being rolled out in the main countries where the Group operates.

The CSR Department has distributed an action guide to promote energy efficiency in offices to all subsidiaries. The aim is to help General Services identify possible actions locally to reduce energy consumption, by involving building owners and managers, as well as employees.

This guide proposes a very pragmatic approach with:

- measures that are quick and easy to implement;
- and more complex and long-term initiatives.

For each action, the General Services and Human Resources teams can identify the necessary investments and the potential impact in terms of energy savings and GHG emissions reduction.

The aim is to encourage local teams to:

- determine target temperatures for heating and cooling, and limit their use to office hours;
- disseminate best practices and environmentally-friendly gestures to employees such as opening windows and turning off electrical appliances;

- review the adaptation and maintenance of systems with building managers;

- adapt the temperature control in the server rooms, in compliance with the conditions necessary for the proper functioning of the equipment.

Examine the level of environmental certifications (BREEAM, LEED, HQE, etc.) of the premises in coordination with the lessor.

These measures aim to limit energy consumption in offices, while teams are gradually moving away from remote working following the health crisis. This, coupled with the extension of the reporting scope, explains the increase in energy consumption between 2021 and 2022.

Indicator	2022	2021
Energy consumption in kWh per m ² for offices	118.7	96.8

Encouraging the use of renewable energies

Believe has begun its transition on a few buildings by increasing the share of its electricity consumption from renewable sources, via purchasing green electricity contracts from suppliers and using certificates of guarantee of origin. At the end of 2022, four sites worldwide, in France, Germany (in Donzdorf and Hamburg) and the United Kingdom, were using 100% renewable electricity. These sites represent 80% of the Group's electricity consumption. The ability to deploy the "renewable energy" policy depends on several factors independent from Believe: technical equipment of the building, the will of the owner and lessor and the country's energy mix.

Indicator	2022	2021
% of renewable energy in total electricity consumption	80.3%	-

Outlook

Environmental indicators will be increasingly detailed as part of the CSR reporting and the technical sobriety guide. Believe will then have more robust data to identify and manage the most relevant actions to be implemented in the premises.

On this basis, the Group wants to set short- and medium-term targets for reducing energy consumption and greenhouse gas emissions for its main sites.

2.6.1.5 Adapting the transport policy and promoting low-carbon travel

Believe also wants to promote best practices to reduce greenhouse gas emissions in its scope 3, when the Group can use levers. In the short term, this concerns, in particular, transport emissions related to business travel and home-work commuting.

As part of the 2022 environmental reporting, Believe asked travel agencies and local teams to start measuring the carbon impact of business travel. Data collection was quite uneven across countries. In 2023, the Group will strengthen this reporting to identify the main sources of emissions by country and type of transport. In the long term, the challenges are to:

- set targets for reducing emissions from business transport;
- formalize and roll out a low-carbon transport policy. It will aim to limit the number of trips and reduce the use of airplanes which is a high-carbon mode of transport.

The teleworking policy and the use of efficient communication tools already make it possible to organize meetings and work remotely. This reduces business travel and commuting.

Local human resources teams are also implementing initiatives to limit or optimize employee trips. They thus reduce the carbon impact of daily transport.

Some examples of low-carbon mobility actions for employees, deployed according to the site situation and the country's regulations:

- internal survey to identify employees interested in low-carbon mobility and the actions to be implemented (public transport and/or bicycle package, bicycle parking, solicitation of public authorities to install a bicycle station, etc.);
- shared bicycle system (Germany);
- hybrid and electric company vehicles (Turkey, France, etc.);
- payment of part of the public transport subscription (France, Japan, etc.);
- participation in the purchase of bicycles (France, etc.);
- global sporting challenge SquadEasy, which largely motivated employees to replace the use of the car by soft mobility.

2.6.1.6 Controlling the need for resources and reducing waste

In addition to climate actions, Believe is also developing initiatives to promote the circular economy and the preservation of resources, mainly in three areas:

- for IT equipment: measuring the recycling rate of waste electrical and electronic equipment in France;
- in offices: limiting the use of single-use products and developing selective sorting and recycling practices;
- for merchandising products for artists: offering eco-designed and recyclable products.

Indicator	2022	2021
Recycling rate of electrical and electronic equipment in France (WEEE)	100%	95%
% of sites that have implemented eco-responsible practices (selective sorting, recycling, reuse, etc.)	70%	-

With regard to waste of electrical and electronic equipment (WEEE), data collection, monitoring of equipment, as well as the implementation of recycling and reuse practices, are complex to deploy in all countries. In 2023, the Group will initiate discussions with the teams concerned to further develop the WEEE reporting and define eco-responsible practices, identify reliable partners and ensure the recycling of this waste locally if possible.

At the same time, some committed artists wish to offer their listeners and fans eco-designed CDs, vinyls, or accessories (packaging, mugs, t-shirts, tote bags, etc.). Believe then identifies specialized suppliers and defines specifications as part of its merchandising activities on behalf of its customers.

In Germany, for example, Believe's subsidiaries propose to artists who so wish to work with manufacturers of vinyls produced from recycled records.

In the offices, the local human resources teams, with the support of the *Believe for Planet* ambassador network raise employee awareness in order to apply eco-responsible practices and gestures on a daily basis: on-site recycling of waste products, clothing drives, etc. ⁽¹⁾.

(1) Numerous examples in Section 2.5.2.4 "Supporting employee engagement with local communities", page 43.

2.6.2 Supporting the engagement of employees and the music and digital industry to the environment

Within the *Shaping Music for Good* framework, Believe wants to raise awareness and involve its employees and the various players in the music industry in climate and environmental issues through global and local initiatives. These actions also help to strengthen the pride of belonging to the Group and the level of employee engagement, with employees being very committed to these issues.

2.6.2.1 Promoting employee awareness of the environment

Actions implemented by the local CSR and human resources teams and by the *Believe for Planet* ambassadors aim to raise awareness and train employees. The challenge is to promote eco-responsible practices and actions on a daily basis, as an employee and as a citizen.

Some examples of activities and initiatives that promote eco-responsible practices and awareness of environmental issues:

- replacement of disposable cups with reusable cups and water bottles;
- waste sorting;
- workshops as part of the *Believe Tomorrow* month of solidarity: climate fresco, digital fresco, conference on "Green IT", manufacture of cleaning products and natural cosmetics, cleaning of beaches and public places, tree planting, etc.;
- soft mobility: SquadEasy challenge to replace the car by walking or cycling with quizzes on the environment;
- financial aid for public transport and bicycle purchases⁽¹⁾;
- measuring the personal carbon impact with the *Good Planet Carbon* calculator;
- coordination of the *Believe for Planet*⁽²⁾ ambassador network.

2.6.3 Participating in the music industry's mobilization around the climate emergency

Drawing on its leadership in its sector, Believe is convinced of the importance of taking action in concert with all players in the music industry. This is why it joined the *Music Declares Emergency* (MDE) group in 2021. Born in England in 2019, this movement aims to unite the music industry around climate emergency and help reduce its environmental impact. It relies on the ability of music through its cultural influence to change the public opinion and rally support for its cause.

Since 2022, Believe has been contributing skills to the initiative of the Mangrove Music label, in cooperation with the Albert II of Monaco Foundation. The Mangrove Music label is the first music label with a positive social and environmental impact. It finances projects in the field with the support of committed artists.

Believe provides advice and distributes the *One Song One Forest* title created by one of Believe's artists, Youssoupha, with the singer Oumou Sangare (<https://www.mangroovemusic.org/>). This project will raise funds to restore and protect mangroves in West Africa.

(1) See Section 2.6.1.5 "Adapting the transport policy and promoting low-carbon travel", page 54.

(2) See Section 2.1.3.3 "A global network of committed ambassadors", page 11.

2.7 Methodological note and summary of indicators

Believe has built its Non-Financial Performance Statement (NFPS) with the aim of ensuring uncompromising standards in terms of non-financial reporting through the strict application of regulatory obligations and the convergence with existing standards. This method makes it possible to anticipate future European regulatory requirements. It meets the obligations set out in Articles R. 225-105-2 *et seq.* and L. 225-102-1 of the French Commercial Code, by presenting information on the way in which Believe takes into account the social and

environmental consequences of its activity. A detailed cross-reference table is presented in Section 8.5.3 "*Management Report*", page 339.

In line with regulatory guidelines, the reporting of Believe's non-financial indicators is based on an internal framework specific to its activities, and on the Global Reporting Initiative (GRI) for its areas of application, its performance indicator recommendations and its "*GRI GA*" guidelines. This is a voluntary framework recognized worldwide.

2.7.1 Non-financial risk analysis methodology

The methodology for identifying material risks is based on several stages:

- identification of a scope of CSR risks based on the specificities of the music and technology/digital sector;
- a comparison of these specific CSR risks with Believe's "classic" risks as identified by the French Financial Markets Authority (*Autorité des marchés financiers* - AMF), identified in particular in Chapter 3 of this Universal registration document;

- an analysis of these CSR risks cross-referencing regulatory expectations, a sector watch, the Global Reporting Initiative framework and the *Shaping Music for Good* strategy;
- a comparison of these CSR risks with the results of the stakeholder survey conducted in July 2021 (see Section 2.2.1.2 "*Consultation with stakeholders*" on page 54).

The table summarizing the pillars of the CSR strategy, non-financial risks, policies, indicators and actions is presented in Section 2.2.2 "*Policies and actions to address ESG challenges: matrix of risks and opportunities*", page 63.

2.7.2 Scope of the risks covered

This statement for the 2022 fiscal year is based on a risk analysis, in accordance with regulatory obligations, and reflects the expectations of the main stakeholders regarding the assessment and management of CSR risks and opportunities. The description of this analysis is detailed in Section 2 of this Chapter 2, page 48.

In the context of the risk mapping task, the following topics were not considered relevant or material with regard to the Group's activities.

Due to its activity, the Believe group is not directly affected by issues related to:

- the fight against food waste;
- the fight against food insecurity;
- respect for animal welfare;
- respect for responsible, fair and sustainable food;
- the prevention, reduction or remediation of emissions into the air, water and soil that seriously affect the environment;
- land use;
- the protection of biodiversity.

2.7.3 Reporting period and frequency

The data collected covers the period from 01/01/2022 to 12/31/2022, corresponding to Believe's fiscal year. Unless otherwise stated, societal, social and environmental indicators refer to consolidated data as of December 31, 2022.

2.7.4 Reporting scope

The scope of non-financial reporting is based on the financial scope of consolidation. Social data represents 100% of the Group's total workforce, with the exception of the following indicators:

- number and percentage of ambassadors among employees;
- percentage of employees who completed at least one training course during the period;
- percentage of employees who have completed at least one training module on ethics, the fight against corruption or conflicts of interest;
- percentage of employees who validated at least one career review during the period.

These data exclude the 6&7, Jo&Co, DMC, NetD and TuneCore Japan subsidiaries. This is due to the fact that these entities have not yet adopted all the HR data management tools and still use different processes for the collection of indicators. They represent 6% of the Group's total workforce, and €22.26 million in revenue, *i.e.* 2.3% of the Group's revenue.

Environmental data excludes the Taipei, Chennai, Hyderabad, Mohali, Syracuse, Montreal and Toronto sites, which are co-working spaces and correspond to 3.2% of the Group's workforce. The reporting of WEEE collected and recycled, is limited to France, which represents 39% of employees and €129 million in revenue, *i.e.* 16.9% of the Group's revenue.

A very limited number of indicators was therefore assessed on scopes that were significantly different from the 2021 scope of CSR reporting:

Note:

- headcount is calculated in terms of number of employees (natural persons present at the end of the period) and not in "full-time equivalent";
- estimation methods have been applied for the energy consumption of sites in Germany, the United States (Atlanta, Brooklyn, Culver City, Nashville), India (Mumbai) and Russia. Energy consumption for these sites was estimated using the data available for 2022 and the 2021 data for periods for which 2022 data was unavailable.

2.7.5 Non-financial indicators

2.7.5.1 Consolidation and internal control

The protocol of CSR reporting for Believe Group's subsidiaries was implemented in 2021 when the CSR approach was formalized by the *Shaping Music for Good* strategy. It was updated in 2022 to better meet the expectations of the Group's stakeholders.

This protocol enables the application of unified definitions, data collection, validation and consolidation rules within the Group's entities. To this end, it defines in detail the methodology for calculating and collecting indicators and qualitative information concerning CSR, as well as the scope concerned by the reporting.

Environmental data are reported and consolidated using a data collection system, the Tennaxia Reporting tool. Automatic consistency checks are performed by the tool during data entry.

Social data are reported and consolidated at the local and central levels using the Human Resources information system tools and Excel.

Other data is collected directly from local and central contributors.

For each indicator, an initial check is carried out by each subsidiary. These indicators are then aggregated and monitored by the Group's head office. A second validation is carried out at the time of consolidation. Lastly, an analytical review and general control ensure the overall consistency of environmental and social data.

2.7.5.2 External control

Believe's Independent Third-party Body for 2022 is KPMG, which performs the audit mission as defined by Articles L. 225-102-1 and R. 225-105-2 of the French Commercial Code, consisting of the audit of the compliance and sincerity of the NFPS.

2.7.5.3 Definition of non-financial indicators

In order to better manage its CSR strategy and performance, Believe has identified key non-financial performance indicators. They make it possible to monitor the implementation of the four pillars of *Shaping Music for Good* and policies and actions to address the Group's non-financial risks.

These indicators are rolled out across the 2022 CSR scope of reporting, which is almost identical to the Group's financial scope of consolidation⁽¹⁾.

Three of them are included in the variable and long-term compensation of the members of the Executive Committee (% of women among employees, % of

ambassadors among employees and % of employees having attended at least one training course during the period) and 13 are considered "priority" because they provide information on key topics for Believe: gender equality, talent attraction and retention, training, reduction of greenhouse gas emissions related to buildings and management of IT equipment.

Certain definitions and methodologies for calculating indicators have evolved during the period (01/01/2022 – 12/31/2022) in order to allow a more accurate and robust measurement.

As part of its active external growth policy, Believe is also committed to gradually integrating new subsidiaries and activities into non-financial reporting.

Performance indicator	2022	2021	Definition	Scope
Headcount				
Total workforce	1,651	1,430	Number of Group employees on permanent contracts, fixed-term contracts, work-study and apprenticeship contracts at the end of the reporting period.	2022 CSR scope of reporting. 2022 Financial scope.
% of employees working for the Central Platform among all employees	36%	34.3%	Number of employees working for the Central Platform at the end of the period/total headcount.	2022 CSR scope of reporting. 2022 Financial scope.
% of employees working for Premium Solutions and Automated Solutions among all employees	64%	65.7%	Number of employees working for Premium Solutions and Automated Solutions at the end of the period/total headcount.	2022 CSR scope of reporting. 2022 Financial scope.
% of employees in France among all employees	39%	39.1%	Number of employees in France at the end of the period/total headcount.	2022 CSR scope of reporting. 2022 Financial scope.
% of employees in Germany among all employees	15%	17.2%	Number of employees in Germany at the end of the period/total headcount.	2022 CSR scope of reporting. 2022 Financial scope.
% of employees in Europe, Russia and the Middle East (excluding France and Germany) among all employees	14%	15.4%	Number of employees in Europe, Russia and the Middle East (excluding France and Germany) at the end of the period/total headcount.	2022 CSR scope of reporting. 2022 Financial scope.
% of employees in North and South America among all employees	11%	10.9%	Number of employees in North and South America at the end of the period/total headcount.	2022 CSR scope of reporting. 2022 Financial scope.

(1) The 2022 CSR reporting does not take into account the subsidiaries acquired in the last quarter of 2022, unlike the Group's financial scope of consolidation. These subsidiaries have no significant and material impact on the 2022 CSR reporting.

Performance indicator	2022	2021	Definition	Scope
% of employees in Asia, Oceania, Africa among all employees	21%	17.4%	Number of employees in Asia, Oceania, Africa at the end of the period/total headcount.	2022 CSR scope of reporting. 2022 Financial scope.
% of permanent contracts	95.6%	91.5%	% of employees on permanent contracts among the Group's employees on permanent and fixed-term contracts.	2022 CSR scope of reporting. 2022 Financial scope.
% of fixed-term contracts	4.4%	8.5%	% of employees on fixed-term contracts among the Group's employees on permanent and fixed-term contracts.	2022 CSR scope of reporting. 2022 Financial scope.
% men	56.9%	60%	2022 CSR scope of reporting. 2022 Financial scope.% male employees among all Group employees.	2022 CSR scope of reporting. 2022 Financial scope.
% women CSR objective included in the variable and long-term compensation of the members of the Executive Committee	43.1%	40%	% female employees among all Group employees.	2022 CSR scope of reporting. 2022 Financial scope.
% employees among management teams	7.2%	8.4%	Number of employees among management teams at the end of the period/Total headcount. The population of management teams corresponds to internal categories from levels 9 to 12 ("Executive" and "Leaders" Career Paths). It represents 7.3% of the most senior positions.	2022 CSR scope of reporting (excluding TuneCore Japan, 6&7, JoandCo, DMC & NetD).
% women in management teams	42.9%	41.8%	Number of female employees in management teams at the end of the period/Number of employees in management teams. The population of management teams corresponds to internal categories from levels 9 to 12 ("Executive" and "Leaders" Career Paths). It represents 7.3% of the most senior positions.	2022 CSR scope of reporting (excluding TuneCore Japan, 6&7, JoandCo, DMC & NetD).
% men in management teams	57.1%	58.2%	Number of male employees among management teams at the end of the period/Number of employees in management teams. The population of management teams corresponds to internal categories from levels 9 to 12 ("Executive" and "Leaders" Career Paths). It represents 7.3% of the most senior positions.	2022 CSR scope of reporting (excluding TuneCore Japan, 6&7, JoandCo, DMC & NetD).

Performance indicator	2022	2021	Definition	Scope
% of employees at "Manager" level among all employees	23.2%	20.6%	Number of "Manager" level employees at the end of the period/Total headcount. The population of managers corresponds to internal categories from levels 5 to 12 (including management teams, for "Executive" and "Leaders" Career Paths).	2022 CSR scope of reporting (excluding TuneCore Japan, 6&7, JoandCo, DMC & NetD).
% of women among "Manager" level employees	37.6%	34%	Number of female "Manager" level employees at the end of the period/"Manager" level employees The population of managers corresponds to internal categories from levels 5 to 12 (including management teams, for "Executive" and "Leaders" Career Paths).	2022 CSR scope of reporting (excluding TuneCore Japan, 6&7, JoandCo, DMC & NetD).
% of men among "Manager" level employees	62.4%	66%	Number of male employees at "Manager" level at the end of the period/"Manager" level employees. The population of managers corresponds to internal categories from levels 5 to 12 (including management teams, for "Executive" and "Leaders" Career Paths).	2022 CSR scope of reporting (excluding TuneCore Japan, 6&7, JoandCo, DMC & NetD).
Parity				
Gender equality index (France)	99/100 Pay gap: 39/40 Pay increase gap: 20/20 Promotion gap: 15/15 Maternity leave: 10/10 10 highest paid employees: 10/10	99/100 Pay gap: 39/40 Pay increase gap: 20/20 Promotion gap: 15/15 Maternity leave: 10/10 10 highest paid employees: 10/10	Methodology recommended by the French government based on four indicators: equal opportunities, fair compensation, prevention and protection, and commitment.	Believe SA (France)
Executive Committee				
% of women on the Executive Committee	50%	54%	Number of female employees that are members of the Executive Committee at the end of the period/number of Executive Committee members.	2022 CSR scope of reporting. 2022 Financial scope.
% of male on the Executive Committee	50%	46%	Number of male employees that are member of the Executive Committee at the end of the period/number of Executive Committee members.	2022 CSR scope of reporting. 2022 Financial scope.

Performance indicator	2022	2021	Definition	Scope
Hires and departures				
Number of employees hired during the period	257	251	Total number of employees hired during the period regardless of their type of contract: permanent, fixed-term, work-study, apprenticeship. A candidate becomes an employee and is considered hired after signing his employment contract and having actually joined the Company.	2022 CSR scope of reporting. 2022 Financial scope.
% of women among employees hired during the period	16.1%	19%	Total number of female employees hired during the period regardless of their type of contract/Number of employees hired during the period.	2022 CSR scope of reporting. 2022 Financial scope.
% of men among employees hired during the period	56.3%	37.8%	Total number of male employees hired during the period regardless of their type of contract/Number of employees hired during the period.	2022 CSR scope of reporting. 2022 Financial scope.
Number of layoffs and job losses	257	251	This includes departures due to layoffs, end of probationary period at the initiative of the employer.	2022 CSR scope of reporting. 2022 Financial scope.
Attrition rate	16.1%	19%	Total number of departures over the last 12 months/Average headcount.	2022 CSR scope of reporting. 2022 Financial scope.
Turnover rate	26%	28%	The turnover rate measures the rate at which employees leave the company and are replaced. It is calculated by taking into account the total headcount at the beginning of the period (01/01/2022). ((Number of voluntary departures during the period + number of layoffs and job losses over the period)/2)/total headcount at 01/01/2022.	2022 CSR scope of reporting. 2022 Financial scope.

Performance indicator	2022	2021	Definition	Scope
Absenteeism				
Absenteeism rate	3%	2.06%	Absence due to an accident or occupational illness, any other illness, or a family event during the period.	2022 CSR scope of reporting. 2022 Financial scope.
Training				
% of employees having followed at least one training module on ethics, anti-corruption and conflicts of interest	44%	67%	Number of employees who started at least one of the online training modules on ethics, anti-corruption and conflicts of interest during the period/total headcount. Employees still under contract at the end of the period are taken into account.	2022 CSR scope of reporting. 2022 Financial scope.
% of employees who completed at least one training course during the period CSR target included in the variable and long-term compensation of the members of the Executive Committee	90.6%	77%	Number of employees who completed at least one online training module during the period/Total headcount. Employees still under contract at the end of the period are taken into account.	2022 CSR scope of reporting. 2022 Financial scope.
Ambassadors				
% of ambassadors CSR target included in the variable and long-term compensation of the members of the Executive Committee	8.9%	8.4%	Total number of ambassadors among all employees/Total headcount.	2022 scope of CSR reporting (excluding TuneCore Japan, 6&7, Jo&Co, DMC & NetD).
Career reviews				
% of employees who validated at least one career review during the period	97%	95%	Number of employees who validated at least one career review during the period/Total headcount. A career review is considered "validated" when a report has been drafted and signed by the employee and their assessor (their manager or one of their managers).	2022 scope of CSR reporting (excluding TuneCore Japan, 6&7, Jo&Co, DMC & NetD).

Environmental indicators

Performance indicator	2022	2021	Definition	Scope
Site description				
Total surface area of sites in m ²	24,351.6	25,875.2	Total surface area of sites where Group employees work (excluding co-working spaces).	2022 CSR scope of reporting. 2022 Financial scope.
Energy consumption				
Total electricity consumption in kWh Scope 1	1,586,136.95	1,642,170.85	Sum of electricity consumption at all sites where Group employees operate (excluding co-working spaces) during the period.	2022 CSR scope of reporting. 2022 Financial scope.
Total electricity consumption/m ² Scope 1	65.13	63.46		2022 scope of CSR reporting. 2022 Financial scope.
% of renewable energy in total electricity consumption Scope 1	80%	-		2022 scope of CSR reporting. 2022 Financial scope.
Total consumption of other energy sources in kWh Scope 2	1,304,373.05	863,379.15	Urban heating, domestic fuel oil and natural gas consumption in kWh are taken into account (excluding co-working spaces) during the period.	2022 CSR scope of reporting. 2022 Financial scope.
Total consumption of other energy sources/m ²	53.56	33.36	Sum of electricity consumption at all sites where Group employees operate (excluding co-working spaces) during the period/total surface area of the sites where the Group's employees work (excluding co-working spaces).	2022 CSR scope of reporting. 2022 Financial scope.
Total energy consumption in kWh Scopes 1 and 2	2,890,510	2,505,550		2022 CSR scope of reporting. 2022 Financial scope.
Total energy consumption in kWh/m ² Scopes 1 and 2	0.12	96.80		2022 CSR scope of reporting. 2022 Financial scope.

Performance indicator	2022	2021	Definition	Scope
GHG emissions				
GHG emissions - scope 1	306.18	448.95	GHG emitted by the Group's activities under scope 1 (offices and buildings) (in TeqCO ₂).	2022 CSR scope of reporting. 2022 Financial scope.
GHG emissions - scope 2	401.86	422.12	GHG emitted by the Group's activities under scope 2 (indirect emissions related to energy consumption and company vehicles) (in TeqCO ₂).	2022 CSR scope of reporting. 2022 Financial scope.
GHG emissions - scopes 1 and 2	708.04	871.07	GHGs emitted by the Group's activities under scopes 1 & 2.	2022 scope of CSR reporting. 2022 Financial scope.
GHG emissions - scope 3 - Transport	235.50	-	GHG emitted by the Group's activities as part of employee business travel (in TeqCO ₂).	2022 scope of CSR reporting. 2022 Financial scope.
Waste Electrical and Electronic Equipment (WEEE)				
% of WEEE recycled (France)	100%	95%	Quantity of WEEE recycled by the sites in kilograms/Quantity of WEEE produced by the sites in kilograms.	France.

2.8 Report by one of the Statutory Auditor, appointed as independent third party, on the consolidated non-financial statement

For the year ended 31 December 2022

This is a free English translation 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 with, and construed in accordance with, French law and professional standards applicable in France.

To the Annual General Meeting,

In our capacity as Statutory Auditor of your company (hereinafter the "entity") appointed as independent third party, and accredited by the French Accreditation Committee (COFRAC) under number 3-1884⁽¹⁾, we have undertaken a limited assurance engagement on the historical financial information (observed or extrapolated) in the consolidated non-financial statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended... (hereinafter, the "Information" and the "Statement" respectively), presented in the Group's management report pursuant to the legal and regulatory provisions of Articles L. 225102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Conclusion

Based on the procedures we have performed, as described under the "Nature and scope of procedures" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the non-financial performance Statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practices on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarized in the Statement and available on the Entity's website or on request from its headquarters.

Inherent limitations in preparing the Information

As stated in the Statement, the Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the entity

Management of the Entity is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators, and the information set out in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- preparing the Statement by applying the Entity's "Guidelines" as referred above; and
- designing, implementing and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Board of Directors.

(1) Accreditation Cofrac Inspection, number 3-1884, scope available at www.cofrac.fr

Responsibility of the Statutory Auditor, appointed as independent third party/independent third party

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 fairness of the information provided pursuant to part 3 of Sections I and II of Article R. 225-105 of the French Commercial Code, i.e., the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information".

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to report on:

- the entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy) and provisions against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (GreenTaxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to such engagement, in particular the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes, "Intervention du commissaire aux comptes - Intervention de l'OTI - Déclaration de performance extra-financière", acting as the verification program, and with the International Standard on Assurance Engagements 3000 (revised)⁽¹⁾.

Our independence and quality control

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement.

Means and resources

Our work engaged the skills of five people between November 2022 and March 2023 and took a total of three weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted about a dozen interviews with the people responsible for preparing the Statement.

Nature and scope of procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information:

- we obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;
- 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;

(1) ISAE 3000 (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information

- 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 main risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented,
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix. Concerning certain risks⁽¹⁾, our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities⁽²⁾;
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection process aimed at ensuring 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, 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 definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing entities⁴ and covers between 22% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidance of the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, on 15 March 2023

KPMG S.A.

Jean-Pierre Valensi
Partner

Anne Garans
ESG Expert

(1) *Risk of lack of consistency and efficiency in HR and talent management processes; Risk of exclusion of certain communities and musical genres, and of non-alignment with Believe's values; Risk of digital divide, invisibility and lack of skills of artists to make the best use of new technologies and digital marketing practices; Risk of limiting the freedom of expression and independence of artists and labels, and of not respecting private data; Risks in terms of respect for human rights and the fight against corruption and tax evasion*

(2) *Believe S.A.*

Appendix

Qualitative information (actions and results) considered most important

Employee well-being assessment systems

Talent attraction and retention schemes

Programmes for training and career development of artists

Actions to raise employee awareness of environmental protection

Initiatives to support women artists and under-represented communities in the music industry

Personal data protection measures in place

Human rights measures in place

Business conduct and anti-corruption procedures in place

Key performance indicators and other quantitative results considered most important

Total number of employees at the end of the year

Share of women among managers

Percentage of employees who attended at least one training course during the year

Percentage of employees who have followed the training Code of ethics and/or anti-corruption and/or conflict of interest

Absenteeism rate

Turnover rate

Percentage of employees who have had at least one career development interview during the year

Percentage of Believe ambassadors among employees

Share of participation in the 2022 employee share ownership programme

Energy consumption per m² for offices (kWh/m²)

Greenhouse gas emissions (scope 1 and 2) in tonnes of CO₂ equivalent

WEEE recycling rate