

STATEMENT OF NON-FINANCIAL
INFORMATION
SUSTAINABILITY REPORT (ESG)



Let's move mountains

SO BE SURE WHEN YOU STEP, STEP WITH CARE AND GREAT TACT,
AND REMEMBER THAT LIFE'S A GREAT BALANCING ACT.

WILL YOU SUCCEED? YES, YOU WILL INDEED!
KID, YOU'LL MOVE MOUNTAINS.



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About smartphoto group

Smartphoto group is active under the brand name **smartphoto™** in B2C e-commerce offering affordable, high quality personalised products such as gifts, cards, photo books, photo calendars, prints and wall decoration. Our mission is to help socially active young mums and families create and give affordable, high-quality personalised products using smart and simple apps and websites. We only deem our mission successful when you can transform your pictures into unique personal products without too much effort.

This also means that our products have to be of high quality, but also need to be affordable. The products of smartphoto should not only be fun to make, they should also be fun to receive and share.

Furthermore, smartphoto group is, through **naYan**, active in B2B e-commerce, one of the market leaders in e-commerce distribution in Europe by offering a unique 'E-commerce as a Service' (EaaS) for international brands looking for growth, and the sale to companies of personalised gift packages with chocolate, alcohol, fruit or flowers through websites such as Gift.be and GiftsforEurope.com.

At naYan, an international team of omnichannel specialists is dedicated to help brands with their e-commerce growth, based on three pillars (Full e-commerce, Customer 360 and Marketplaces).

An entrepreneurial and ambitious team uses its knowledge and experience to generate data-driven, sustainable and profitable growth for the brands with whom they work. In addition to this 'E-commerce as a Service', naYan also offers, through Gift.be and GiftsforEurope.com, additional services to companies, such as individual or grouped delivery of large quantities of gifts, personalised packages and gifts, and complete loyalty programmes for customers or employees, and all of this with delivery in Belgium or across Europe.

Through **TopFanZ**, smartphoto group is also market leader in merchandising products and services in the sports and entertainment sector, ranging from product procurement, support in e-commerce activities and logistics, to full-service partnerships, including marketing advice (www.topfanz.com).

Moreover, smartphoto group is, through **Image Insight**, the commercial name of System Insight Ltd, specialised in bespoke photo solutions for visitor attractions, events, and venues globally. System Insight Holdings Ltd, and its subsidiaries, were acquired by smartphoto group on 13 January 2025.

More information about the activities and the markets on which the smartphoto group is active, can be found on pages 10 to 24 of this annual report. The general risk factors related to the Company's business activities are described in the report of the Board of Directors

under the Corporate Governance Statement, under the heading 'Risks and internal control' on pages 53 to 57 of this annual report.

Our sustainability vision: Building together to a more sustainable world

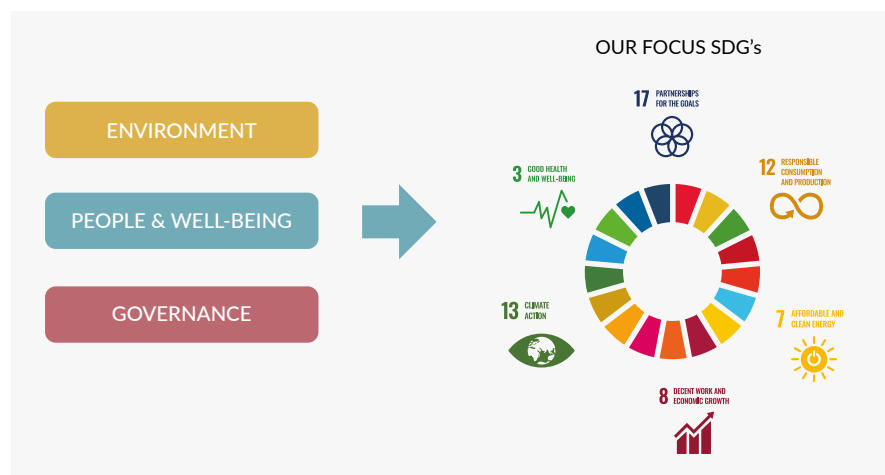
ESRS SBM-1 – Strategy, business model and value chain

VSME C1 – Strategy: Business model and sustainability

At smartphoto, we embrace our role in creating meaningful moments for our customers with our slogan 'smart.simple.smile'. This mission extends beyond providing smart and simple solutions; it is a promise to create positive change for our community and the planet. Sustainability is at the heart of everything we do, reflected by our unwavering commitment to corporate social responsibility.

Sustainability strategy based on three pillars

In line with our CSRD ambition, we reorganised our sustainability approach according to the three main categories of the ESRS: Environment (E), People and Well-being (S), and Governance (G). These pillars reflect our commitment to both reduce our environmental impact and create a positive and ethical working environment.



1. Environment

We take responsibility for our environmental footprint, and focus on sustainable practices through the whole value chain. By dealing responsibly with raw materials, transport and packaging, we strive for more efficient and environmentally friendly operations.

- Sustainable procurement (paper and other raw materials)
- Greenhouse gas emissions, transport and logistics
- Sustainable packaging
- Product quality

2. People and well-being

We believe in creating an enjoyable and motivating workplace where our employees feel valued and respected. Our commitment to a balanced corporate culture goes hand in hand with supporting the communities in which we operate, always striving to make a positive impact on people's lives.

- Working conditions
- Diversity, equity and inclusion
- Training and development

3. Governance: Responsible and ethical entrepreneurship

We maintain high ethical standards in our business and ensure safe and transparent handling of data.

- Business conduct
- Data protection and cybersecurity

Sustainable Development Goals of the United Nations

In order to build up a clear reference frame around our sustainability policy, smartphoto opted in 2021 to develop an action plan within the Voka Charter for Sustainable Entrepreneurship ('VCDO'). The basis of this plan is the model of the United Nations Sustainable Development Goals (SDGs).

Our focus goes to the following six SDG goals:



Together with the Sustainability team, smartphoto group managed to implement the planned actions according to the 2024 action plan.

In July 2024, we received for the third time the certificate of Laureate for the translation of our sustainability strategy in specific actions.

These actions are developed within the VOKA Charter Sustainable Entrepreneurship (VCDO), and are linked to the 'Sustainable Development Goals (SDG's)' of the United Nations.

This led to the award of the UN Sustainability Certificate 'SDG Pioneer 2024', in recognition of the United Nations for investing in knowledge accumulation, implementation and communication on the SDGs.

Collaborating with stakeholders

We acknowledge the crucial role of our internal and external stakeholders - from employees to customers, suppliers, and our local communities. By being transparent in our efforts and active engaging in dialogue, we strive to push sustainability forward together. Our Sustainability team, reporting directly to the CEO, closely collaborates with all departments and partners to achieve our sustainability goals.

Our future

With the launch of our sustainability roadmap in 2021, we have set clear objectives to create not only economic, but also social and environmental value. We are committed to continuous improvement and innovation, aiming to be a leading company contributing to a more sustainable future. Our journey is a testimonial of our dedication to the mission, corporate values, and the core of our business activities, focusing with every step we take, on bringing a smile on the face of our customers, but also benefits our environment and our community.

Our 2024 ESG HIGHLIGHTS

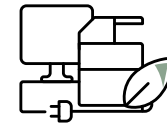
At smartphoto group, sustainability is key in the way we work, and in 2024 we again achieved important milestones. We were recognised as SDG Pioneer 2024 for successfully completing the first phase of the UNITAR/CIFAL Flanders PCA2030 sustainability journey. We were also named a Great Place to Work® in both Belgium and the Netherlands for the third time, a recognition of our strong work culture. We also make a difference in logistics: 98% of our parcels are sent CO₂-neutral, an important step in reducing our ecological footprint.

De CSR Directive (CSRD) and the omnibus proposal: implications for smartphoto group

The **Corporate Sustainability Reporting Directive (CSRD)** is a European directive requiring companies to report more transparently on their ESG impact (**ESG: Environmental, Social & Governance**). In Belgium, the CSRD was transposed into national legislation in November 2024.



81%
of the fleet
fully electric
or hybrid



Optimisation
of printing process
led to structural
savings
of over **400K** sheets



47%
of total energy
from carbon-free
sources



55%
of the employees
of smartphoto Belgium
participated in the
'Cafeteria Plan'



Recognised as
**SDG-pioneer
2024**

for successfully
completing
the first phase of the
UNITAR/CIFAL Flanders
PCA2030 sustainability
journey through the
VOKA charter.



For the **3rd** time
declared as
Great Place to Work®



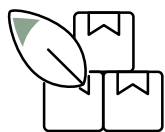
An average of
30
hours of training
per employee



CO₂-neutral
shipping of
98%
of our parcels



54K
less shipments
due to package
consolidation



100%
of the cardboard
used is, FSC-certified



Residual
waste decreased
by **17%** over
the past 3 years

In this context, we conducted a **double materiality assessment** in 2024 to determine our most material sustainability themes. Material themes include two aspects: **impact materiality**, which focuses on the impact smartphoto group has on the environment and society, and **financial materiality**, which evaluates which sustainability risks or opportunities affect smartphoto group's financial performance.

Smartphoto group had already prepared itself thoroughly in the context of the fundamental CSRD obligation from mid-2025. Our reporting themes are aligned with the European Sustainability Reporting Standards (ESRS), and based on the results of our double materiality assessment.

Although the Omnibus proposal of 26 February 2025 postpones the reporting deadline to financial year 2027 (with reporting in 2028) and does not impose any definitive complexities for companies such as smartphoto group for the time being, we continue to adhere to our sustainability ambitions.

The whole process of the double materiality assessment added great value for us. It not only provided insight into the issues that really matter to our stakeholders, but also forms a solid foundation for further developing our sustainability actions in a structured and targeted way.

In the coming period, we will therefore again place greater emphasis on concrete action and impact, while continuing to closely monitor regulatory developments.

Our approach

Regardless of whether the Omnibus proposal will be adopted and how it will affect our commitments, we continue to integrate ESG priorities, guided by our double materiality assessment, to ensure that sustainability remains central to our operations. Smartphoto group voluntarily produces this sustainability report because we are convinced that in this way we are contributing to increasing collective commitment to sustainability.

For companies that may no longer be covered by the CSRD, the new VSME standard is recommended as an alternative reporting framework. We therefore refer to both the ESRS and VSME standards in this sustainability report.

A statement according to article 3:6 §4 of the Belgian Companies and Associations Code is not applicable to smartphoto group since the threshold of an average workforce of 500 employees was not exceeded during the fiscal year.

Double materiality assessment

ESRS IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

In line with ESRS standards, the double materiality assessment is addressed as follows:

What	Defining the context and relevant ESG effects, risks and opportunities	Stakeholder survey	Determination of impact and financial materiality	Defining material sustainability themes	Preparation of sustainability strategy and action plan
How	<ul style="list-style-type: none"> Deskresearch (peers, industry standards) Longlist of sustainability topics Selection of shortlist of sustainability topics 	<ul style="list-style-type: none"> Identify relevant stakeholders Assess the importance of topics to stakeholders 	<ul style="list-style-type: none"> Evaluation of actual and potential impacts (scale, scope, recoverability and likelihood) Evaluation of financial materiality (scale and likelihood) 	<ul style="list-style-type: none"> Define the threshold Identify material sustainability topics 	<ul style="list-style-type: none"> Define a sustainability strategy Define ambitions and action plan
Result	<ul style="list-style-type: none"> Shortlist of relevant ESG topics 	<ul style="list-style-type: none"> Importance of the ESG topics to stakeholders 	<ul style="list-style-type: none"> Environmental and social impact Financial impact of ESG topics 	<ul style="list-style-type: none"> Material topics to report on and build a sustainability strategy on 	<ul style="list-style-type: none"> Sustainability strategy and actions

Defining the context and relevant ESG effects, risks and opportunities

Based on the classification of themes, sub-themes and sub-sub-themes in ESRS 1, paragraph AR 16 and sustainability reports from similar organisations (peers), we compiled a longlist of relevant themes. This process focused on identifying the most common sustainability themes in the industry. These sources also provided an initial list of the potential impacts, risks and opportunities associated with our operations and value chain.

Value chain of the smartphoto activities (B2C e-commerce)



● Upstream ● Internal activities ● Downstream



UPSTREAM Providers & input flows

Technology infrastructure providers
Cloud services (such as AWS, Google Cloud, etc.)
External software providers (such as Salesforce, Shopify)
Payment solutions / payment gateways



INTERNAL ACTIVITIES

Customer strategy and consultation
Technology development and implementation
Marketing & channel management
Data management and analytics
Operational activities and customer support



DOWNSTREAM Customers & output flows

E-commerce activities of customer brands
Customer experience and satisfaction

● Upstream ● Internal activities ● Downstream

Value chain of the B2B-activities (B2B e-commerce)

The relevance of the topic is determined by the number of consulted sources that mentioned this topic as a potential impact, risk or opportunity (IRO). Sustainability topics that appeared as relevant in 20% or more of the sources consulted are included in a shortlist of relevant topics.

Some topics were clustered into a consolidated list of 24 sustainability topics, along with their associated impacts, risks and opportunities. These will be further explored with stakeholders to identify their relative importance and any additional relevant IROs, and assess them for impact and financial materiality.

Shortlist of 24 relevant sustainability topics

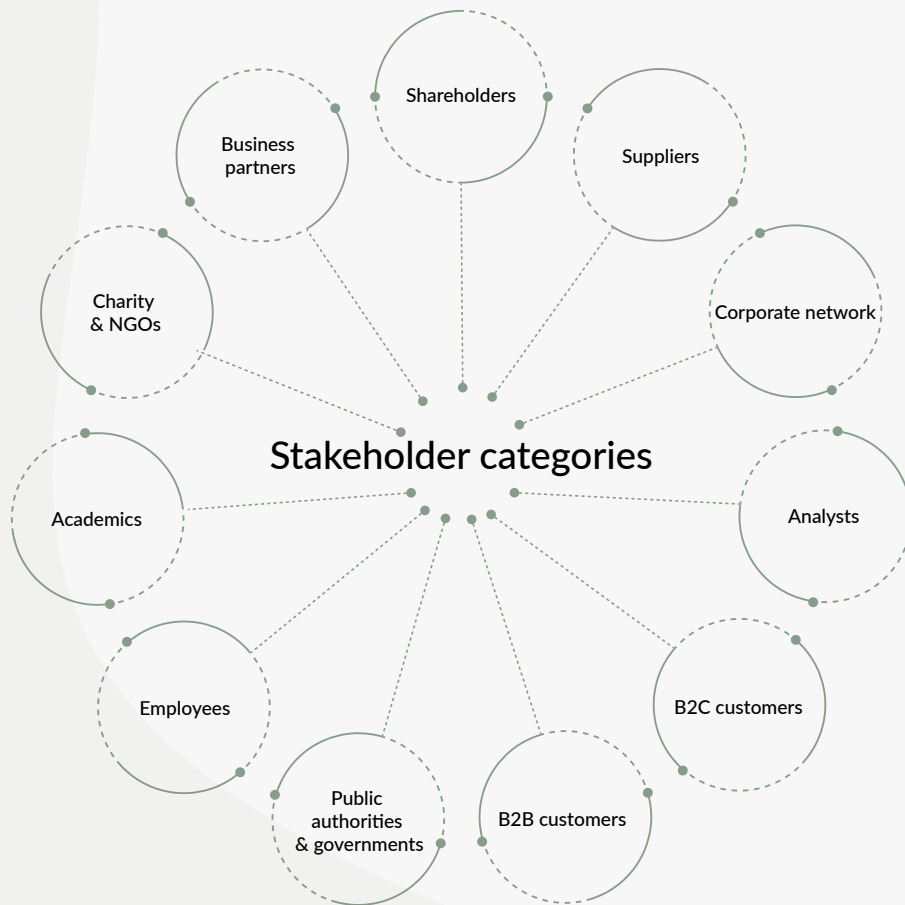
- Climate change:
 - Climate change physical risks
 - GHG emissions from own operations (Scope 1 and 2)
 - GHG emissions in the value chain (Scope 3)
 - Transport and logistics
 - Energy efficiency and renewable energy
- Pollution
 - Air emissions
 - Water emissions
 - Pollution of soil
- Water consumption and reuse
- Use of resources and circular economy
 - Sustainable sourcing of paper
 - Resource use and circular economy
 - Sustainable packaging
 - Waste management
- Own workforce
 - Working conditions
 - Health, safety and well-being
 - Diversity, equity and inclusion
 - Training and skills development
- Working conditions in the supply chain
- Impact on local communities
- Customers and end users
 - Privacy and data protection
- Business conduct, including responsible sourcing
- Smartphoto-specific themes:
 - Product quality
 - Data protection and cyber security

Stakeholder survey

ESRS SBM-2 – Interests and views of stakeholders

A longlist of stakeholders was rated on their interest in smartphoto group and on the impact or influence they have on smartphoto group. They were scored on high or low interest and high or low impact.

The overview below shows the stakeholders involved.



To ensure that our stakeholders remain well informed and actively involved in our sustainability initiatives, we have developed an action plan, which includes the following:

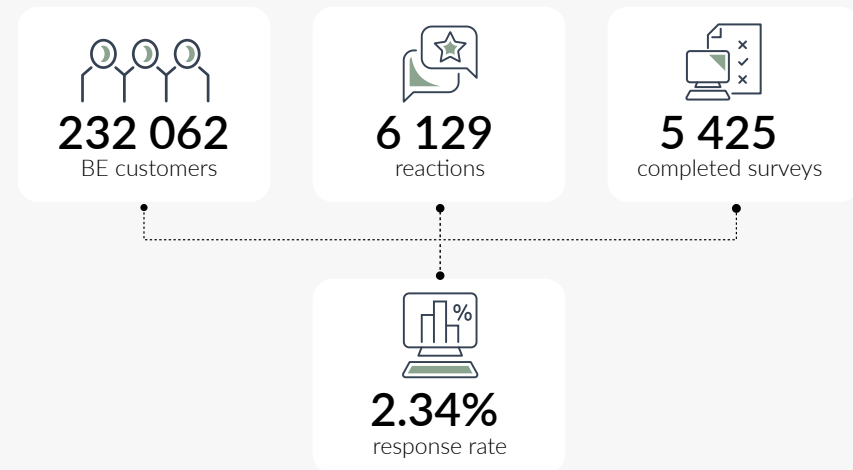
- Establish and maintain effective communication channels to keep our stakeholders regularly informed about our sustainability initiatives.
- Providing transparent and comprehensive annual reports that highlight our progress, achievements and areas for improvement.
- Organising and participating in discussions with our stakeholders, peers and industry organisations.
- Responding to the specific needs of stakeholders by conducting surveys, organising workshops and holding information sessions and one-to-one meetings.
- Actively searching for collaborations and partnerships with stakeholders who share our sustainability objectives and integrate feedback into our strategy.

Stakeholder engagement, B2C-customers smartphoto (Belgium)

We conducted a survey among our Belgian customers to gather their feedback on, for example, how important they consider sustainability when making a purchase, which sustainability topics they consider important for smartphoto, how they rate smartphoto's sustainability as a company, ...

In total 5 425 customers completed this survey

Stakeholder categories



The results show that the following five topics are considered most important:

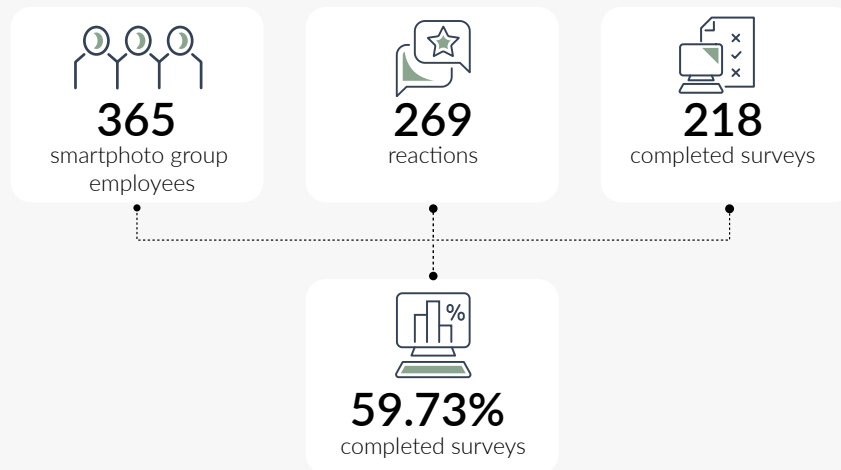
- Good working conditions and well-being of our employees
- High product quality
- Data protection
- Sustainable resources to produce our products
- Sourcing local products and providing employment

Stakeholder engagement - employees

Our employees from both the smartphoto segment and the B2B segment were surveyed about, among other things, which five sustainability themes they think are most important for smartphoto group to focus on, how they rank them from important to less important, how they rate our performance on them, ...

In total 218 employees completed the survey.

Range and response rate



Top 5 most important topics for our employees are:

- Good working conditions and attention to the well-being of our employees
- A diverse working environment with equal opportunities for all employees
- Use of sustainable packaging
- Sustainable waste management
- Transparent and ethical business

Stakeholder engagement - customers, suppliers, financial partners and business networks

Finally, we also conducted a survey among selected B2B customers, suppliers, financial partners and business networks with the following content:

- Their views on whether our activities, value chain or business relationships have a positive or negative impact on sustainability issues
- Their assessment of the severity of this impact
- The likelihood of these impacts occurring

In total, we received 20 completed surveys from this stakeholder group.

According to them, the main impacts are:

- GHG emissions in the value chain (Scope 3)
- Transport and logistics
- Cyber security
- Privacy and data protection
- Product quality

Determination of impact and financial materiality

Impact materiality

The management team, consisting of 5 representatives from different functions and divisions, completed the impact materiality survey during a workshop, assessing smartphoto group's impact on people and the environment.

They were asked to score sustainability impacts based on the following criteria:

- Positive/negative: Do they see the impact of our activities, value chain or business relationships on people or the environment as positive or negative?
- Scale: How big is the harm of a negative impact? How big can the benefits of a positive impact be?
- Scope: What is the geographical range of impact and how many individuals may be affected?
- Likelihood: Is the impact already ongoing (current) or a future possibility (potential)? How likely is it to occur?

For negative effects only, they were also asked to rate the following:

- Recoverability: can the negative impact be mitigated? Is it possible to restore the environment or individuals to their original state?

Six of the 24 sustainability topics were identified as the main themes where smartphoto group has the greatest positive or negative impact on the planet and society:

- Working conditions
- Training and skills development
- Business conduct
- GHG emissions in the value chain (Scope 3)
- Transport and logistics
- Responsible sourcing

Financial materiality

The Audit Committee evaluated the risks and opportunities facing smartphoto group, using their in-depth knowledge of the company's performance to assess both the severity and likelihood of these risks and opportunities.

The aim was to identify key risks and opportunities affecting smartphoto group. They were asked to give scores for sustainability risks and opportunities based on the following criteria:

- Time horizon: Within what time frame do they expect the impact to occur?
- Risk/opportunity: Do they consider this issue to be more of a risk or an opportunity?
- Severity: How serious is the risk or opportunity, measured as a potential financial loss/profit, that it affects our business, reputation or market position, and how?
- Likelihood: How likely is the risk or opportunity to occur?

The key risks and opportunities that smartphoto group should consider addressing or pursuing are listed below:

- Transport and logistics
- Working conditions
- Cybersecurity
- Sustainable packaging

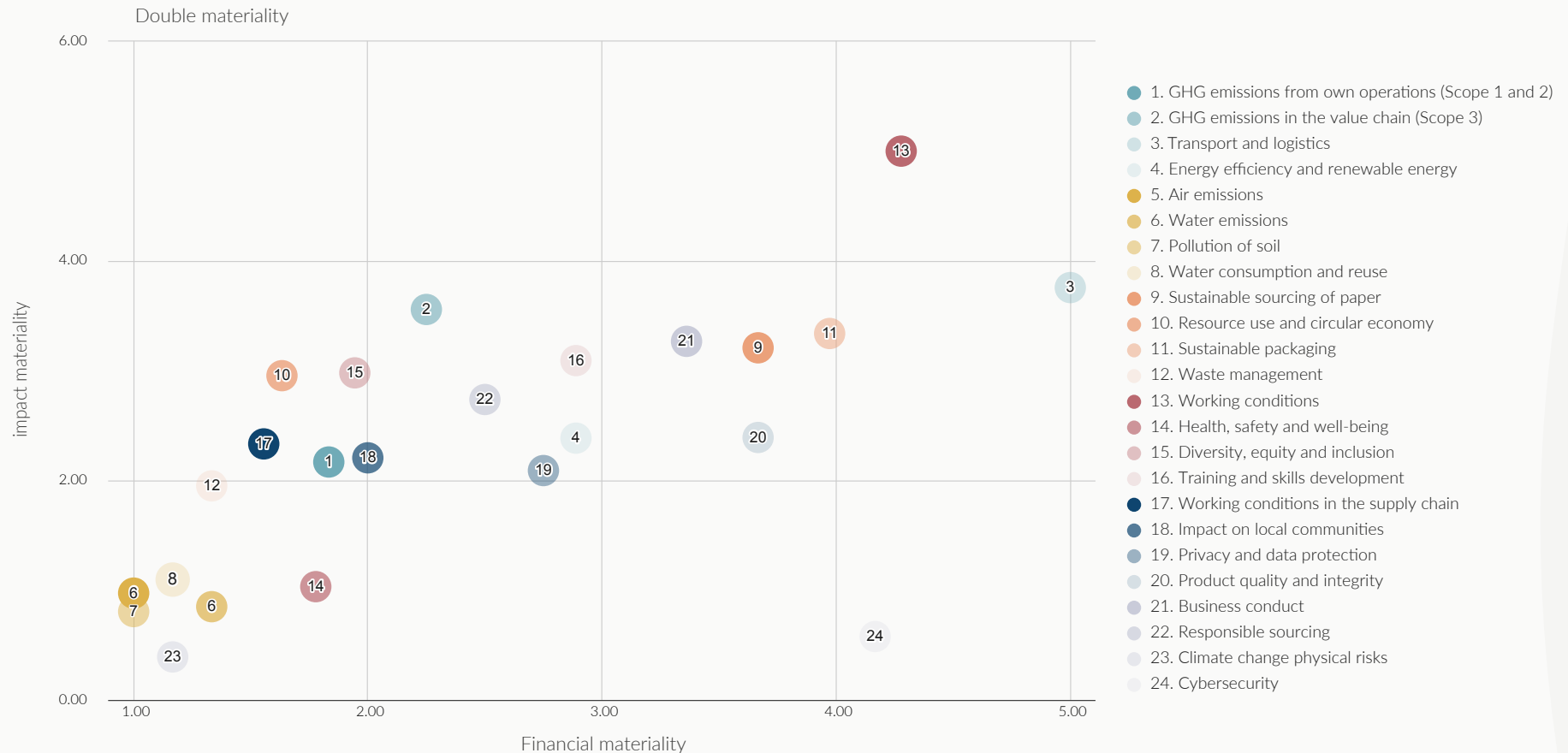


Defining material sustainability topics (Double materiality)

ESRS SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

ESRS IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

Inputs from both the context analysis, internal and external stakeholder survey and the impact and financial materiality score, were consolidated and analysed to select the most material sustainability themes.



This double materiality chart visualises the sustainability topics with their scores on financial and impact materiality. For topics where certain stakeholder groups have more expertise, we have given their scores a higher weighting. For example, the topic 'working conditions' received a higher weighting when scored by our employees.

Given the complexity of CSRD requirements and the uncertainty surrounding the omnibus package, we chose to limit the number of topics to the most material ones for the first reporting year. The following sustainability topics are identified as material from an impact or financial perspective, complemented by two topics - (i) diversity, equity and inclusion, and (ii) product quality - that were deemed important by our stakeholders:

ESRS	Material themes
ESRS E1	· GHG emissions, transports and logistics
ESRS E5	· Sustainable packaging
ESRS S1	· Working conditions · Diversity, equity and inclusion · Training and development
ESRS G1	· Business conduct · Sustainable sourcing (paper and other raw materials)
Smartphoto specific	· Data protection and cyber security · Product quality

Smartphoto group is committed to report on all ESG topics identified as material, and the related impact, risks and opportunities.

Preparation of sustainability strategy and action plan

Based on the insights from the materiality assessment, we are taking specific steps to further concretise our sustainability strategy.

One of the first priorities here is to define concrete and measurable KPIs (Key Performance Indicators) directly linked to the most material themes. These will allow us to measure our progress and to report transparently.

Following the determination of the KPIs, an action plan will be developed, including, for example, which actions must be taken to achieve the KPIs, who is responsible for the implementation of the proposed actions, when the actions must be implemented, etc.

By integrating KPIs into our reporting, we not only demonstrate our short-term commitment, but also our long-term ambition to create sustainable value and make lasting improvements.



Our results and realisations

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For the best



Happy Mother's Day

Love, Emma

2024 REALISATIONS

ENVIRONMENT

Conducting a stakeholder analysis and prepare a materiality matrix as part of the implementation of sustainability reporting

Improving energy efficiency of the building in Kwatrecht (Belgium)

Offering second-hand lease electric company cars

Increasing sustainability awareness through workshops

Encouraging cycling to work

Communicating about sustainable topics to our employees on a regular basis (inspired by calendar activities of Green Planet vzw)

CO₂-neutral shipping of 98% of our parcels

Collaborating with suppliers to reduce or replace packaging of goods by more sustainable variants

Analysing new packaging methods with starch-based glue instead of traditional glue

Replacing packaging materials with more sustainable variants

Energy sharing between the production sites



- Intergation of sustainability information into the reporting cycle
- Reducing emissions to air, water and soil
- Reducing waste generation through prevention, reduction, recycling and reuse.
- Encouraging adoption of sustainbale practices and integration of sustainability information
- Reducing fossil-fuel consumption
- Improving awareness regarding climate change
- Reducing emissions to air, water and soil
- Reducing emissions of greenhouse gasses
- Achieving environmental friendly management of chemicals and of all types of waste during their life cycle
- Reducing waste generation through prevention, reduction, recycling and reuse.
- Increasing the share of renewable energy in the global energy mix

PEOPLE & WELL-BEING

Offering training with focus on leadership track

Offering a flexible compensation plan for all employees

Introducing more plant-based, local and healthy food

Supporting our own team to participate in Expedition Natuurpunt

Supporting local initiative for people in need



- Promoting decent work for all people
- Avoiding discrimination in employment and remuneration, and equal opportunities for all employees
- Ensuring good health and promoting wellbeing at all ages
- Ensuring that people are aware about lifestyles that are in harmony with nature
- Encouraging and promoting public, public-private and civil society partnerships

GOVERNANCE

Organising cyber security awareness campaigns



- Ending corruption and bribery in all their forms in a sustainable way

Environment



Sustainable sourcing (paper and other raw materials)

By focusing on choosing recycled or responsibly produced paper, supporting local production and reducing paper consumption - we can reduce our environmental footprint, use resources more efficiently and contribute to a circular economy.

Sourcing of paper

The total paper consumption for cards, calendars and books consists of 87% FSC-certified paper. The FSC (Forest Stewardship Council) quality mark means that the wood and paper products come from forests that are managed responsibly. This means that ecological, social and economic aspects are taken into account, such as the preservation of biodiversity, respecting the rights of local communities and to guarantee fair treatment of employees, with the aim of protecting the world's forests and ensuring responsible production of wood and paper products.

For packaging materials, even 100% of the cardboard consumed is FSC-certified.

Local production

We prefer local production as much as possible.

Since 2022, cushions, which were previously imported from Poland, are now also manufactured centrally at the production sites in Wetteren. An adjustment that not only contributes to more work for local people, but also ensures less transport, and thus lower CO₂ emissions.

In 2023, the wood block production was moved from Asia to Belgium. Whereas previously, wood blocks from Europe for candle holders and uprights of calendars and pictures were sent to Asia for processing and then sent back to Belgium, they are now processed in Belgium itself.

Continuous efforts are made to import as many basic materials as possible from Europe.

Reduce paper consumption

The following adjustments help reduce paper waste in the production of books, cards and calendars:

- Improving the positioning of cards on a sheet of paper. This led to a structural saving of 168K sheets of SRA3 paper size.
- Updating calendars from 14 pages to 13 pages. This resulted in a saving of 246K sheets of paper in the last quarter of 2023.

GHG emissions, transport and logistics

Energy efficiency and use of renewable energy

ESRS E1-5 – Energy consumption and mix

VSME B3 – Energy and greenhouse gas emissions

Energy consumption and mix	2023	2024
Total energy consumption fuels and electricity (MWh)	2 775	2 685
Fuel consumption from crude and petroleum products (MWh)	728	610
Fuel consumption from natural gas (MWh)	164	190
Electriciteitsverbruik uit fossiele bronnen (MWh)	625	629
Total fossil energy consumption (MWh)	1 518	1 430
Share of fossile sources in total energy consumption (%)	54.69%	53.24%
Consumption of electricity from nuclear sources (MWh)	1 078	1 082
Share of nuclear sources in total energy consumption (%)	38.85%	40.28%
Consumption of self-generated renewable energy (MWh)	179	174
Share of renewable sources in total energy consumption (%)	6.46%	6.48%
Share of CO ₂ emissions-free sources in total energy consumption (%)	45.31%	46.76%

Reducing power consumption

Both in the production and office areas, a systematic switch to LED lighting with motion sensors is being made, resulting in a significant reduction in power consumption.

Reducing fossil fuel consumption

Energy consumption is reduced by, among others, lowering the desired temperature in both the production, offices, and server rooms in winter and increasing it in summer, the installation of so-called ‘smart’ thermostat heads, and the installation of a high-speed gateway in the production department home decoration.

Installation of photovoltaic panels

Smartphoto aims to reduce its CO₂ emissions by investing in renewable energy. On the roof of our Vantegem production site, photovoltaic panels for electricity production were installed in 2022. For this site, the main production hours are between 6 am and 6 pm. As of August 2024, we use ‘energy sharing’, whereby the excess energy produced through the photovoltaic panels at Vantegem is injected back into the electricity network and can be used by our production site at Kwatrecht. In 2024, it was also decided to renovate the roof of the Kwatrecht production site so that photovoltaic panels for electricity production can also be installed there in 2025. These renovation works, and the installation of photovoltaic panels, were successfully completed in the first quarter of 2025.

Car policy

In 2021, the car policy was adjusted to give hybrid or electric company cars preference over diesel or gasoline cars. Of the company cars ordered in 2021, 85% were fully electric or hybrid, resulting in more than 40% of our fleet becoming fully electric or hybrid in 1 year. The company cars ordered from 2022 onwards are all hybrid or fully electric. Meanwhile, 81% of the fleet is fully electric or hybrid.

So at smartphoto group we already drive electric, but as of April 2024 we have taken an extra step in sustainability by switching to second-hand electric lease cars. This way, we not only reduce our CO₂ emissions, but also extend the life of vehicles, and reduce the impact of new production. This way, we combine electric driving with circular thinking, contributing to a greener future and making responsible use of raw materials.

Smartphoto also offers the possibility of charging electric cars. Smartphoto has 10 double charging stations (a total of 20 spots). Some of these charging points are also made available to third parties.

Bicycle lease plans

To ensure that we all cycle to work more, it is obviously important to be able to use a well-equipped bicycle. Getting to work by bike therefore has only advantages, such as: reduction of CO₂ emissions, and faster arrival at work, if the home-work distance is less than 10 kms. Moreover, cycling is an ideal outlet to clear one’s mind after a busy working day, and one gets a free work-out on top of it. These are just a few reasons why smartphoto makes it possible to lease a bike of one’s choice for 3 years, on favourable terms.

Smartphoto makes further efforts to encourage employees to cycle to work. Investments were made to improve accommodation for cyclists, including the construction of a new bike shed, a dressing area with lockers, and charging points for e-bikes. In 2024, as in 2023, an ‘I bike to work day’ was organised, and employees who came to work by bike on that day, were rewarded with a tasty breakfast and a goodie bag.

Our CO₂-footprint

ESRS E1-6 – Scope 1, 2, 3 and total GHG emissions
VSME B3 – Energy and greenhouse gas emissions

CO ₂ -footprint	2023	2024
Total (Scope 1 + 2)	1 108	1 053
Scope 1	396	375
Scope 2	712	677

Currently, we have not included details of scope 3 emissions. We consider this an important area of focus and will start analysing scope 3 emissions in the coming year. This analysis will help us to get a fuller picture of our environmental impact and further optimise our strategy.

Reducing the CO₂ footprint of shipping

The shipment of parcels is based on 2 parts:

- Linehaul= transport from the Wetteren production site to the distribution centre, and
- Last mile= transport from the distribution centre to the final consumer.

In 2021, 16% of our parcels were shipped CO₂ neutral, and 45% had at least a CO₂ neutral last mile. In 2022, 68% of our parcels were already shipped CO₂ neutral, and at least 32% had a CO₂ neutral last mile. Over 2023, the target to ship 95% of our packages completely CO₂ neutral ('Linehaul' and 'Last mile') was exceeded with already 97% CO₂ neutral shipping. For 2024, 98% CO₂ neutral shipping was realised.

Collaboration with Budbee as a supply partner in Norway

As of November 2024, we work with Budbee as a delivery partner to have our e-commerce parcels delivered either at home or to a parcel vending machine. Budbee delivers on the same day or the next day using bicycles, electric vehicles and renewable diesel vehicles. Renewable diesel (HVO100) is a biofuel produced from vegetable raw materials, and also partly from raw materials such as animal fat waste from the food industry, recycled cooking oil or fish fat from the fishing industry, which do not release any new carbon dioxide into the atmosphere.

Offering sustainable shipping options and consolidating orders

Whereas previously, customers received different products from the same order on different dates, customers currently receive (almost) all products from the same order on the same date. If the customer still wants faster delivery for a particular product, the customer is given the option to do so by paying extra. This resulted in a 2.5% decrease in the number of deliveries (shipments) per order in 2024. More specifically, this means that almost 54 000 less packages were sent for the same number of orders.

Furthermore, shipments between the two production sites are also being consolidated.

Consolidating shipments between production sites and towards customers has a positive impact on the environment through, among other things:

- fewer individual packages, and thus less packaging material and waste; and
- larger shipments reducing the number of transport movements, and thus fuel consumption, resulting in reduced CO₂ emissions.

Sustainable packaging

At our site in Vantegem, we ship 900 000 parcels a year, all in solid boxes and envelopes. Because we are only allowed to use a limited number of packaging types, the packaging was often inefficient, and a lot of air was sent. In 2021, smartphoto invested in a packaging line that allows us to pack items in boxes with variable dimensions in height. To further reduce packaging waste, we additionally invested in 2 types of boxes with the same footprint. Through the low or high boxes, we can ship packages that vary in height from 3 cm to 25 cm. This drastically reduces the amount of air shipped.

On an annual basis, we ship 2.5 million parcels. All packaging is made of FSC-certified cardboard. Our paper used is also 'FSC'-certified. The FSC label guarantees responsible origin from sustainably managed forests and/or recycling.

Several improvements contributing to a more sustainable production process were analysed in 2023, to be applied as of 2024. For instance, bubble wrap for glass products was replaced by honeycomb and silk paper, and for wall decoration products, bubble wrap was replaced by paper bags, except for the larger sizes. These paper bags are also made of FSC-certified paper and are 100% recyclable. Furthermore, plastic tape for wall decoration was replaced by starch-based paper tape, and the tape roller was replaced by a machine, which both improves ergonomics for production workers and reduces tape consumption.

Waste reduction/processing

For the two plants in Wetteren, the various waste streams (PMD, cardboard, white paper, paint, etc.) are separated. The remaining waste is collected as general industrial waste. In 2024, residual waste, excluding construction and demolition waste resulting from renovation projects, amounted to 91 tons. This represents a 5% decrease compared to 2023 (96 tons). Over a three-year period (2021-2024), residual waste has thus fallen from 110 tons to 91 tons, a total decrease of 17%. This exceeds the set target of a 5% annual reduction, or 15% over three years.

Creating awareness among employees around waste sorting

Employees are regularly informed about waste sorting and collection. Within the company, PMD, paper and cardboard, organic waste and residual waste are collected separately. To achieve this, personal waste baskets at desks or workplaces were removed. These were replaced by centrally placed waste containers in which paper and cardboard, PMD, VGF (vegetables garden and fruit), and residual waste can be deposited separately. This measure does not only improve recycling of waste, but also reduces the consumption of plastic bags and reduces the work of the cleaning personnel. In addition, it also encourages more physical exercise from employees occupying a seated job.

Product quality

At smartphoto, quality is at the heart of everything we do. We strive not only to offer our customers a wide range of personalised products, but also to ensure high-quality finish and excellent printing results.

Our photo books, for example, designed to capture the most beautiful moments, are made to last for generations. By using durable materials and high-quality printing, we ensure that memories retain their colour and sharpness, year after year. Our personalised gifts are also produced with care to ensure that they are not only original and unique, but also of excellent quality.

Moreover, we want our customers to order with peace of mind. Therefore, in addition to our quality guarantee, we also offer a unique service: if a customer has made a typo in his design, we provide a free reprint.

At smartphoto, we thus combine high-quality products with a hassle-free and customer-friendly service.

Sustainable products

Our extensive product range makes it easy to make eco-friendly choices when selecting a gift. Several of our personalised products are made from natural materials. After the expansion in 2023, our range of personalised products made of wood is further expanded in 2024 with new innovations, such as, for example, a memory box from European beech wood, an FSC-certified key ring, a vase in wooden stand, wooden plant labels, or candle holders. We also have new variants, including standing, hexagon, curved and round shapes of our 'forex luxury with dried flowers' on a wooden display. Our wooden products are engraved or printed with a full-colour print, using sustainable, solvent-free ink for a high-quality finish that lasts.

Our range includes several reusable products that are a better alternative to the disposable versions. A nice example of this is the personalised drinking bottle, of which variable variants are available. New products were also added, such as the scented candle with the scent of sage and sandalwood. After burning up, one retains a stylish decorative jar with a wooden lid, which can be reused. Another example is the biscuit tin, filled with a variety of 'Generous' biscuits, also available in organic and gluten-free varieties. This biscuit jar is reusable, and complies with food preservation safety regulations, allowing you to use it for other purposes in a sustainable way.

At smartphoto, we are doing our best to be more environmentally friendly in the future, in as many areas as possible. Through small adjustments, we are also doing our bit for a more sustainable society in our product selection.



Sustainable product development

Use of inks during the production process

Only latex ink and UV ink are used to print products made from hard materials, such as canvas and plate metal; these are less harmful inks than the solvent inks previously used.

In 2024, there was a continuous search for more sustainable alternatives for materials and processes, such as investigating water-based coatings for cards. However, the results showed that this adjustment was not feasible, as the quality proved insufficient.

Currently, newly developed inks for book and calendar printers, which would be more environmentally friendly, are being considered as an alternative to the inks now used.



People and well-being



Working conditions

Our employees

ESRS S1-6 – Characteristics of the undertaking's employees

VSME B8 – Workforce - General characteristics

Own workforce in FTE	2023	2024
Total number of permanent employees	306	296
Men	119	126
Woman	187	176
Nationality		
Belgian	249	233
Dutch	11	10
Swedish	9	10
German	4	5
Swiss	5	5
French	7	4
Romanian	2	3
Danish	3	3
Other	16	24
Employee turnover rate		
Gross employee turnover rate	39	42
Net employee turnover rate	14	4

Well-being at work

ESRS S1-14 – Health and safety metrics

VSME B9 – Workforce – Health and safety

Health and safety	2023	2024
Number of work-related accidents recorded	8	5
Percentage of work-related accidents recorded	2.61%	1.69%
Number of fatalities due to work-related injuries and work-related poor health	0	0

Our employees spend a significant part of their day at work, together with colleagues. Smartphoto is committed to ensure that this working time can take place in a safe and healthy environment.

Safe working conditions

The following measures are some examples for health and safety within the group:

- In the production department, operating and safety instructions have been developed for all machines.
- Employees are obliged to use all personal protective equipment (e.g. safety goggles, safety shoes, etc.) as required during the job, in accordance with the instructions provided.
- Smartphoto is offering all of its employees the opportunity for a free flu vaccine in the fall.
- Continuous efforts are made through preventive and corrective measures to monitor and improve ergonomics, such as investing in custom-made ergonomic packaging tables and conducting information sessions on ergonomics at the desk, both in the office and at the home workspace. Good ergonomics prevents and remedies health issues. To give employees additional support in this, smartphoto group also offered the possibility of ordering the right materials so that the workplace in the office and at home can be ergonomically equipped.
- We raise awareness among our employees about work-related stress and burn-out.
- Across the two plants in Wetteren, there are 20 employees with the certificate of First Aid Industrial Helper. All employees were given the opportunity to register for a first aid course. The certified people receive regular refreshment training so that they can provide first aid in cases of emergency.
- A policy was developed regarding the use of dangerous chemicals at the workplace. The company responsible for cleaning the offices and production buildings in Wetteren uses environmentally friendly products, both for daily interior cleaning and for cleaning the sanitary facilities.

Workshops on physical and mental health

On a regular basis, workshops are organised aimed at improving the physical and mental health of our employees. In 2023, among others, a workshop on (sexual) transgressive behaviour was provided by Punt. vzw, an organisation dedicated to better supporting victims who have come into contact with, or are still experiencing, sexual transgressive behaviour (in all its forms and degrees). Such workshops also contribute to promoting gender equality. Furthermore, workshops were also held on the following topics: the key to a healthy balance between work and personal life, a balanced diet, and physical recovery and sleep.

Business infrastructure

Modernisation of offices, dining area and adjacent spaces in Kwatrecht (Belgium)

Part of the offices at Kwatrecht (Wetteren) was modernised in 2021 to improve the working environment for employees and to utilise unused infrastructure. In the process, plenty of natural light was brought into the offices.

In 2022, it was decided to renovate the dining area and adjacent areas for employees in Kwatrecht, Belgium. In 2023, the renovation project was carried out with the aim of creating an attractive, sustainable, and healthy environment for qualitative lunch breaks, where cosiness and tranquillity ensure greater well-being. The adjacent spaces were designed to include a multipurpose area equipped with all the facilities needed to organise receptions, staff parties, or meetings for large groups; a sanitary block with showers for employees coming to work by bicycle; and meeting rooms equipped with the latest communication technologies.

Additionally, a shared library was set up in this space for free lending of books, which all employees can enjoy, also contributing to personal growth and a sense of community within our organisation.

Work-life balance

Because a good atmosphere at work is only possible if everything is also fine at home, smartphoto guarantees an optimal work-life balance. Most of our employees have flexible working hours: an employee can choose when to start and stop working. He/she can decide to work more hours on certain days and less on others. With the help of a time registration system, everything can be measured objectively. Homework is also allowed for those departments where it is possible, with a maximum of 50% per week. Agreements are made per team to schedule certain days on which the majority of people come to the office, in order to keep the group spirit high.

In the Great Place to Work® survey, this work-life balance also stands out as one of the most important positive aspects of working at smartphoto. This appeared not only from the scores, but also from the comments. Employees appreciate the flexible working hours, homework options, smooth leave arrangements and the trust they are given to organise their work independently.

At naYan, a pilot project was launched during the Easter holidays of 2023, organising vacation camps for the children and grandchildren of colleagues. It brought a lively atmosphere to the cafeteria with the many artworks, and the garden was also utilised for frolicking and playing. This initiative is being continued and will now take place every school holiday (subject to sufficient registrations).



Flexible compensation plan

The implementation of a flexible compensation plan, also known as a 'Cafeteria Plan' in Belgium, allows employees to make alternative choices to convert their current salary elements into other benefits, and personalise their compensation package.

Employees can choose benefits from categories such as mobility, multimedia, personal life and health. For example, it is possible to request additional vacation days or reimbursement for individual health insurance premiums.

Currently, 55% of our employees at smartphoto België participate in the 'Cafeteria plan'. In total, 183 selections were made, with 35% opting for the financing of a group insurance policy and 28% choosing reimbursement of pension savings. Additionally, 20% preferred extra holidays, while 10% chose reimbursement of a health insurance policy. The purchase of multimedia was selected by 6%, and 1% of employees opted for bike leasing.

Healthy food at work

To build a culture of healthy eating habits at work, smartphoto has partnered with Gus Foods BV. In 2024, Gus Foods installed a smart fridge in the employee dining area in Kwatrecht. The fridge is filled with healthy meals, snacks, and drinks, and is accessible at all times. Gus Foods focuses on healthy, colorful ingredients without artificial additives, while also emphasizing great taste. The company places high value on honesty and works closely with local family businesses that share their commitment to quality and transparency. Whenever possible, Belgian products are chosen, and local alternatives are sought when necessary.

Diversity, equity and inclusion

Diversity employees

The focus on diversity is part of the HR policy of smartphoto as a group. Offering equal opportunities and fair remuneration leads to a higher level of employee commitment.

Smartphoto values a dynamic work environment in which, in addition to the qualities and motivation of the employees, there is also sufficient diversity in terms of age, gender, orientation, disability, ethnic origin or nationality.

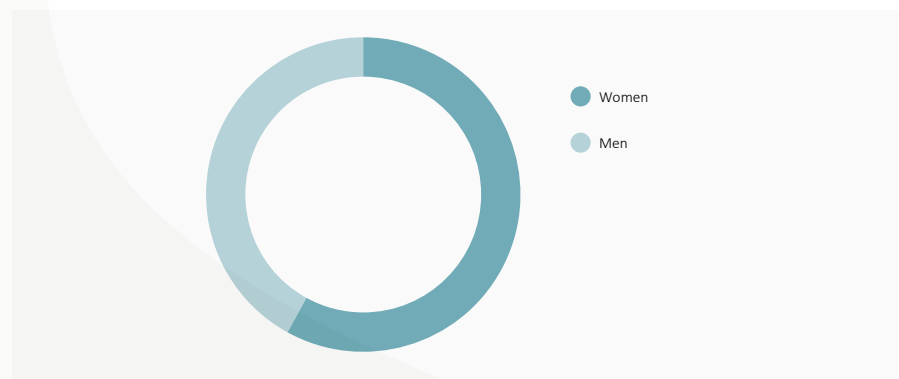
At group level, women represent 58% of the employees, compared to 42% men. At smartphoto, we have employees ranging in age from 21 to 70. 61% of the employees are younger than 45 years. Smartphoto employs different nationalities. However, the fact that the production activities and a number of supporting services are centralised in Wetteren (Belgium), the naYan activities are carried out in Ardooie (Belgium), and the TopFanZ activities are carried out in Halen, results in about 79% of the employees having the Belgian nationality. Our employees generally have long employment records. About one fifth of all employees are employed part-time.

ESRS S1-9 – Diversity metrics

VSME C5 – Additional (general) workforce characteristics

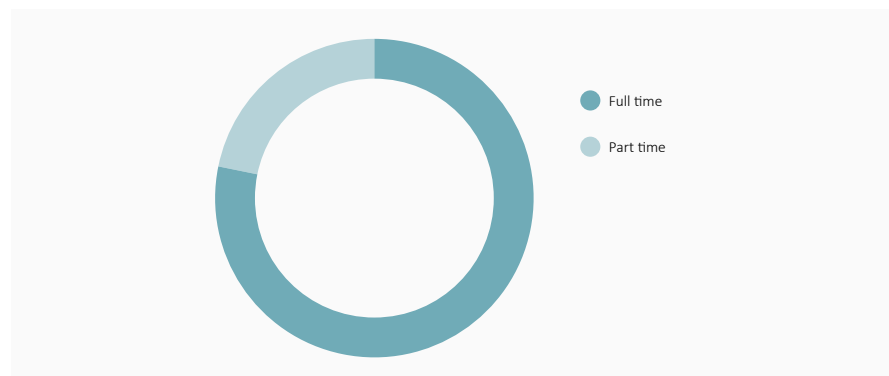
Diversity among employees regarding gender in FTEs

Gender	Woman	Men	Total
Number of employees	171	126	296
In % van total	58%	42%	100%



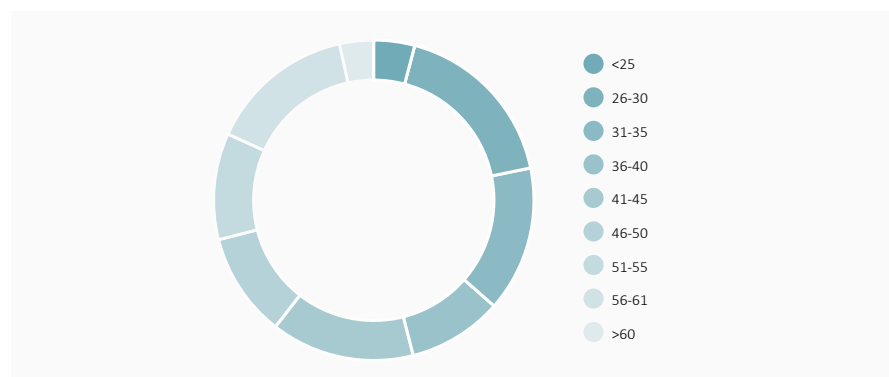
Diversity among employees regarding type of employment in FTEs

Type of employment	Full time	Part time	Total
Number of employees	234	62	296
In % of total	79%	21%	100%



Diversity among employees regarding age in FTEs

Age	<25	26-30	31-35	36-40	41-45	46-50	51-55	56-61	>60	Total
Number of employees	12	52	44	28	43	31	32	44	10	296
In % of total	4%	18%	15%	10%	14%	11%	11%	15%	3%	100%



Diversity within the Board of Directors

VSME C9 – Gender diversity ratio in the governance body

The information regarding diversity in the Board of Directors is included in the Corporate Governance Statement on page 33 of this annual report.

Communication

Internal communication

Good communication is essential for things to run smoothly. At smartphoto, we want to provide our employees with more and better information about what is going on in our company.

Using Google Chat, communicating with employees on certain topics, common interests or projects is encouraged. This can be done one-on-one or in a group. Such accessible communication has a number of benefits, for example, increased employee engagement, more interaction between different departments, improved collaboration, good flow of information from management to employees and back, faster integration of new people into the organisation, and more information available when working at home.

Not only attention is paid to communicating with each other digitally, but also to personal contact. Four times a year, a 'smartbreak' is organised where all employees of the locations in Kwatrecht and in Vangtegem, are invited to a lunch. This gives employees a chance to get in touch or catch up with colleagues from the other departments. During the 'smartlunches', which take place about three times a year, our CEO, Stef De corte, has lunch with nine randomly selected employees. A perfect time to have a good chat in a small group about the ins and outs of the company, but also about any issues that arise.

As of last year, we started 'Smart Start', a programme where all new employees receive a guided tour and an introduction from a member of the management team. During this session, smartphoto's core values, strategy, and vision are explained, so that new colleagues immediately feel connected to our mission and way of working.





Consultation with social partners

ESRS S1-2 – Processes for engaging with own workforce and workers' representatives about impacts

On a monthly basis, there are formal consultations with the Committee for Prevention and Protection at Work (CPBW) and with the Works Council. During these meetings, employees give feedback on the company's management. Thoughts are exchanged, leading to solutions for problems. The reports of the Works Council and the Committee for Prevention and Protection at Work are always accessible to the smartphoto employees.

ESRS S1-8 – Collective bargaining coverage and social dialogue
VSME B10 – Workforce – Remuneration, collective bargaining and training

Collective bargaining coverage	2023	2024
Belgium	1	0

Social commitment

Supporting local projects and/or employment for people with disabilities

The wood blocks for calendar and photo stands, as well as the candle holders, which were previously sourced from Europe, shipped to Asia for processing, and then returned to Belgium, are now processed directly in Belgium. For this purpose, smartphoto collaborates with the social employment company Zonnehoeve Production, a sheltered workplace that provides paid employment in an adapted, protected work environment for individuals with mild to moderate disabilities.

Supporting initiatives contributing to charities and community initiatives

This support is realised in various ways: through financial contributions and collections by the employees, as well as in the form of products or offering services as a way of support.

Support for our own team's participation in 'Expeditie Natuurpunt'

With the support of smartphoto, and after organising fundraising activities such as a pancake sale, a lasagna sale, and a sponsored walk, the 'Natuurpunt' Expedition team 'Smile by Mile' raised a nice amount. This allowed the team to take part in an adventurous two-day challenge, during which they paddled over 20 km on the Meuse River by canoe and covered 40 km on foot. All proceeds went to the nature reserve 'Kalkense Meersen'.

A New Year's gift with Impact: Support for the Children's Cancer Fund



As a new initiative within the New Year's gift programme, employees were given the option this year to donate the value of their gift to the Children's Cancer Fund — an organisation dedicated to providing medical care and support to children with cancer. With this option, we wanted to give our colleagues the opportunity to give their year-end gift a more meaningful purpose and contribute to a better world.

Support to Ghent animal shelter and Help Animals (Belgium)



With an office full of animal lovers, our own four-legged friends are a constant source of joy and an important reason for the smiles on our faces. Driven by our mission to spread even more smiles, we decided it was time to turn our love for animals into concrete actions, and we set out to support animal shelters in both Flanders and Wallonia.

The Ghent animal shelter, also known as the Royal Society for the Protection of Animals (KMD Gent), provides shelter for dogs and cats in need. Their mission is to offer every animal a loving home, regardless of their background or circumstances. The dedicated team of animal lovers works tirelessly to ensure the well-being of all animals, while simultaneously creating a safe and nurturing environment where the animals can recover and develop.



Every day, dozens of volunteers take the shelter dogs from the Ghent Animal Shelter for much-needed walks. To ensure these walks benefit not only the physical health of the dogs but also increase their chances of adoption, smartphoto donated 50 personalised scarves.

Running an animal shelter requires not only a lot of love and care but also financial resources to continuously provide food, medical care, and other necessities. That's why, in the month of September, we organised a special fundraising campaign, during which we highlighted our popular canvases. For every canvas sold, smartphoto donated 2 euro to animal shelters in need.



In 2024, similar actions were organised to support Help Animals in Wallonia. Help Animals is a non-profit organisation that was founded in the 1980s by a group of women who became aware of the lack of infrastructure and resources to care for animals in need. The organisation has evolved, with the desire to further expand its impact, into a true reference in Belgium in the field of animal protection. With three shelters – Braine-le-Château, Anderlecht, and Waterloo – it welcomes a wide variety of animals.

Support to 'De Warmste Week' (Belgium)



For the 'Warmste Week' of 2024, we organised a candy sale and an exciting quiz at smartphoto to raise money and make a difference for a good cause.

In 2024, there were no fewer than 276 projects focused on the theme of loneliness; projects dedicated to bringing people together and fostering connections so no one has to feel alone, with the slogan 'Together we blaze against loneliness.'

Support to 'Passwerk' (Belgium)



Passwerk is a pioneer in the professional integration of individuals with autism into the regular labor market. Passwerk employs consultants with autism in software development, testing, and business intelligence across a wide range of companies.

By combining their expertise in neurodiversity and IT, an ideal match is created between the consultant and the client, tailored to specific needs. The unique talents of the consultants are recognized and aligned with the relevant requirements, ensuring that the consultants are supported in maximizing their potential.

Support to Aktiv Skola Foundation (Sweden)



The Aktiv Skola Foundation is focused on social entrepreneurship. They aim to contribute as much as possible to creating a better educational system in Sweden.

Aktiv Skola is based on a set of values derived from the holistic definition of health. This means that everything the foundation does is based on these values and strives for a higher level of health. They believe that school is the arena in society where the greatest opportunities exist to embody and achieve health for our children and youth.

In their action plan, clear proposals are made to, among other things, achieve a higher level of knowledge and ensure that all children, regardless of their background, have the same opportunities.

Support to Foundation 'Babyspullen' (Baby stuff) (the Netherlands)



The 'Babyspullen' Foundation believes that all children have the right to a fair start in life, regardless of the financial situation they are born into. They contribute to this by supporting (expectant) parents in poverty and providing their child with essential items from birth to two years old through the donation of baby starter kits. These kits are made up of new and gently used baby items and include clothing, bed and bath linens, care products, and small toys.

Support to Youca - Race for the Cure® (Flanders)



At YOUCA, they believe in the power of young people to contribute to a sustainable and fair world. Through connection, collaboration, and experience, they introduce young people to impactful experiences in an accessible and challenging way, providing them with the confidence and the right tools to engage in making the world a better place. This is achieved through various activities, workshops, actions, projects, and collaborations with partners who also strive for positive change.

In 2024, NaYan supported the Race for the Cure® event.



This sporting event is dedicated to supporting those affected by breast cancer, with the goal of (i) raising awareness about the importance of early detection to increase the chances of recovery, (ii) supporting those affected by breast cancer and honoring the lives of those who have passed too soon, and (iii) raising funds for scientific research, prevention campaigns, and projects that provide support to individuals facing similar challenges.

Training and development

Career development and training

ESRS S1-13 – Training and skills development metrics

VSME B10 – Workforce – Remuneration, collective bargaining and training

Training	2023	2024
Average number of training hours per employee	31	30

Smartphoto group supports the career development of its employees and offers them a training package. A career path is mapped out for both white-collar and production employees. This consists of various components such as salary structure, transparency, objective parameters, growth opportunities and the provision of internal and/or external training. For non-Dutch speakers, for example, Dutch lessons are also offered at work.

As of last year, our focus has been strongly on training, with particular emphasis on the leadership development programme, aimed at fostering strong, inspiring, and effective leaders within our organisation. Through targeted training, coaching, and hands-on assignments, we enhance the leadership skills of our employees. The program helps them communicate more effectively, motivate teams, and achieve strategic goals.

In 2025, we will further expand our training efforts with a major program within the production environment, focusing on the multi-skilling of all production employees. This will be a crucial part of our growth and organisational flexibility.

2-yearly employee survey

ESRS S1-2 – Processes for engaging with own workforce and workers' representatives about impacts

In September 2022, for the second time, an employee survey was organised for all our colleagues within smartphoto group, including naYan and the foreign teams, in collaboration with Great Place to Work®. This survey focuses on the five values of the universal Great Place to Work® model: respect, pride, camaraderie, fairness, and credibility. Thanks to the results of this survey, which show that we meet the high standards for what distinguishes a good workplace, smartphoto group was once again recognised as a Great Place to Work®! In the meantime the employee survey was organised, in collaboration with Great Place to Work® for the third time. This time, the TopFanZ employees were also included. For Belgium and the Netherlands, we are once again proud to be recognised as a Great Place to Work®.

Our employees clearly appreciate the many actions related to sustainable entrepreneurship and the climate, our commitment to maintain and increase the connection between colleagues, and the informal and dynamic work environment where attention is also paid to an optimal work-life balance.

ESG awareness

Increasing sustainability awareness is achieved through various initiatives by the Sustainability team, in collaboration with the Communications team. For instance, as of 2022 onwards bi-monthly workshops are organised, such as, for example: 'Sustainable deforestation' (workshop through our Swedish partner Holmen/Iggesund, supplier of cardboard for the production of the 'Cards', explaining how they produce cardboard in a truly sustainable way); 'Well-being@work', 'Plant-based nutrition', or 'Packaging myths dismantled'. For 2023, the workshops mainly covered topics around the physical and mental health of our employees. In 2024, the focus was on workshops on self-defense and plant-based nutrition (in collaboration with Circularis vzw).



Governance



Business conduct

With regard to our employees

Through the company's *whistleblower policy*, all smartphoto group employees are encouraged to report their sincere suspicion of possible wrongdoing with respect to our business operations, and this both in the area of financial reporting and other serious irregularities, such as fraud, corruption, criminal violations, failure to comply with legal or regulatory obligations, endangering the health or safety of an individual, damage to the environment or concealment of any of the above.

The whistleblower policy pursues the following objectives: (i) to assure employees that they can report suspected wrongdoing without fear of punishment, and (ii) to provide a transparent and confidential process for dealing with such reports. In so doing, our values under the principles of fairness, honesty, integrity and respect are relied upon.

With regard to our customers

Through our motto 'smart.simple.smile' we help our customers to make affordable personalised products of high quality. The customer's needs are always our main focus. We regularly survey the satisfaction of our customers. Via the *Net Promoter Score (NPS)* we measure what our customers really want, and on the basis of their comments, we can make adjustments and incorporate improvements that will further increase our customers' satisfaction. Through the social media channels (Facebook, X, Instagram, Pinterest, LinkedIn) we can also actively engage in a dialogue with our customers, which allows us to further improve our services.

Both smartphoto, naYan and TopFanZ customers can ask questions, make suggestions or formulate complaints about a product, a service or the website to the customer service teams who are ready to help. The teams can be reached via e-mail, telephone or letter. Customers might already be able to find an answer on the websites in the list of frequently asked questions.

With regard to our suppliers

Within smartphoto group, we do business in an ethical manner; we therefore expect the same from all our direct and indirect suppliers or business partners. To stipulate this, we have asked our key suppliers to sign our *ethical code of conduct* to ensure that the values and standards set out, are applied as effectively as possible throughout the supply chain. Our code of conduct includes, among others, the following principles: no form of forced labour, slavery or non-voluntary labour, safe and hygienic working conditions, no child labour, a fair remuneration, no discrimination, no harsh or inhumane treatment, protection of the environment, and ethical entrepreneurship.

Smartphoto group counts on the support of its suppliers to achieve the goal of ethical business.

Corporate Governance

The main aspects of the corporate governance policy of smartphoto group NV are set out in the Corporate Governance Charter which can be consulted on the website www.smartphotogroup.com. The Corporate Governance Charter is updated regularly.

The actual applications of the Corporate Governance Charter are disclosed in this annual report.

Smartphoto group NV complies with all provisions of the Corporate Governance Code 2020, except for those provisions that are deviated from for the reasons explained in the Corporate Governance Statement, as included in this annual report starting as of page 33.

Communication with shareholders and investors

As a listed company, smartphoto group attaches importance to open and simultaneous communication with shareholders and investors, such as the publication of the annual report and the Half-yearly financial report, the publication of the press releases and the separate Investors section on the website www.smartphotogroup.com. Investors or interested parties can subscribe to the press release service for free. This can be done via the above mentioned website.

On a regular basis, investor days are organised for investors, analysts and financial media.

Data protection and cyber security

Protection of personal data

Smartphoto group attaches great importance to the adequate protection of the security and confidentiality of all personal data of its current, former and possible future employees, as well as those of other persons, such as customers and suppliers.

Therefore, smartphoto is fully committed to comply with the requirements of the applicable data protection legislation. The purpose of the data protection policy, according to the European Regulation 2016/679 of 27 April 2016, hereinafter referred to as the General Data Protection Regulation or GDPR, is to further explain our general practices regarding the lawful processing of personal data, including the types of information we collect, how we use this information and how you can correct it. On the one hand, there is the internal policy on the processing of personal HR data that is available to our employees, and on the other hand, there is our General Privacy Statement to third parties, in particular to our customers. This is included on the smartphoto website. This General Privacy Statement also contains the rights and obligations of customers with respect to smartphoto. This statement is revised or updated periodically, and whenever necessary.

Our hardware and software are secured to prevent outside parties from accessing confidential data.

Cyber security

Our internal IT team monitors cyber security risks on a daily basis. Together with the financial team, there are quarterly meetings where the measures taken, any issues, and the reporting to the Audit Committee are discussed. Additionally, our employees are trained to recognize such risks through awareness initiatives, where phishing simulations are combined with interactive training on cyber security. To achieve this, we work with a platform of 'ethical hackers' who regularly send phishing simulation emails to our employees. Those who fall for the simulations then receive short videos from the same platform, explaining phishing and cyber security in general. Furthermore, guidelines on safe internet usage are regularly shared.

2025 ACTION PLAN

ENVIRONMENT

Replacing production machinery with refurbished machines where possible to promote sustainability and cost savings

Contributing to more efficient use of available space by relocating the satellite office from Ghent to Vantegem (Wetteren)

Carrying out a climate-oriented roof renovation in Kwatrecht (Wetteren)

Installing photovoltaic panels on the roof of the production site in Kwatrecht (Wetteren)

Installation of more energy-efficient HVAC system (heating, ventilation and air conditioning) for the buildings at Kwatrecht (Wetteren)

Installation of LED lighting in production areas

Kiezen voor interne transportoplossingen in plaats van uitbesteding m.b.t. de chocoladeproducten

Reducing transport between the two production sites

Analysing product quality improvement with a view to reducing product waste by adjusting the materials used

Drafting a carbon footprint roadmap



- Achieving sustainable management and efficient use of natural resources
- Avoiding waste by reducing, reusing and recycling materials
- Reducing the use of fossil fuels
- Promoting the use of renewable energy sources
- Reducing CO₂ emissions
- Improving energy efficiency
- Encouraging adoption of sustainable practices
- Integrating climate change measures
- Avoiding waste by reducing, reusing and recycling materials
- Integrating climate action into policies, strategies and planning

PEOPLE & WELL-BEING

Offering training with focus on leadership track

Offering training programmes for production staff with a focus on multi-occupancy

Expanding the flexible compensation plan for all employees

Organising a third employee survey GPTW

Supporting charities



- Promoting decent work for all people
- Avoiding unemployment and poverty through equal opportunities and an inclusive work environment
- Protecting labour rights and promoting safe and shared workplaces for all employees
- Ensuring good health and improving employee well-being and mental health
- Encouraging and promoting public, public-private and civil society partnerships

GOVERNANCE

Engaging in responsible use of AI



- Ending corruption and bribery in all their forms in a sustainable way



Fenna

Today I am

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5	6	7	8
9	10	11	12

Weeks/Months/Years