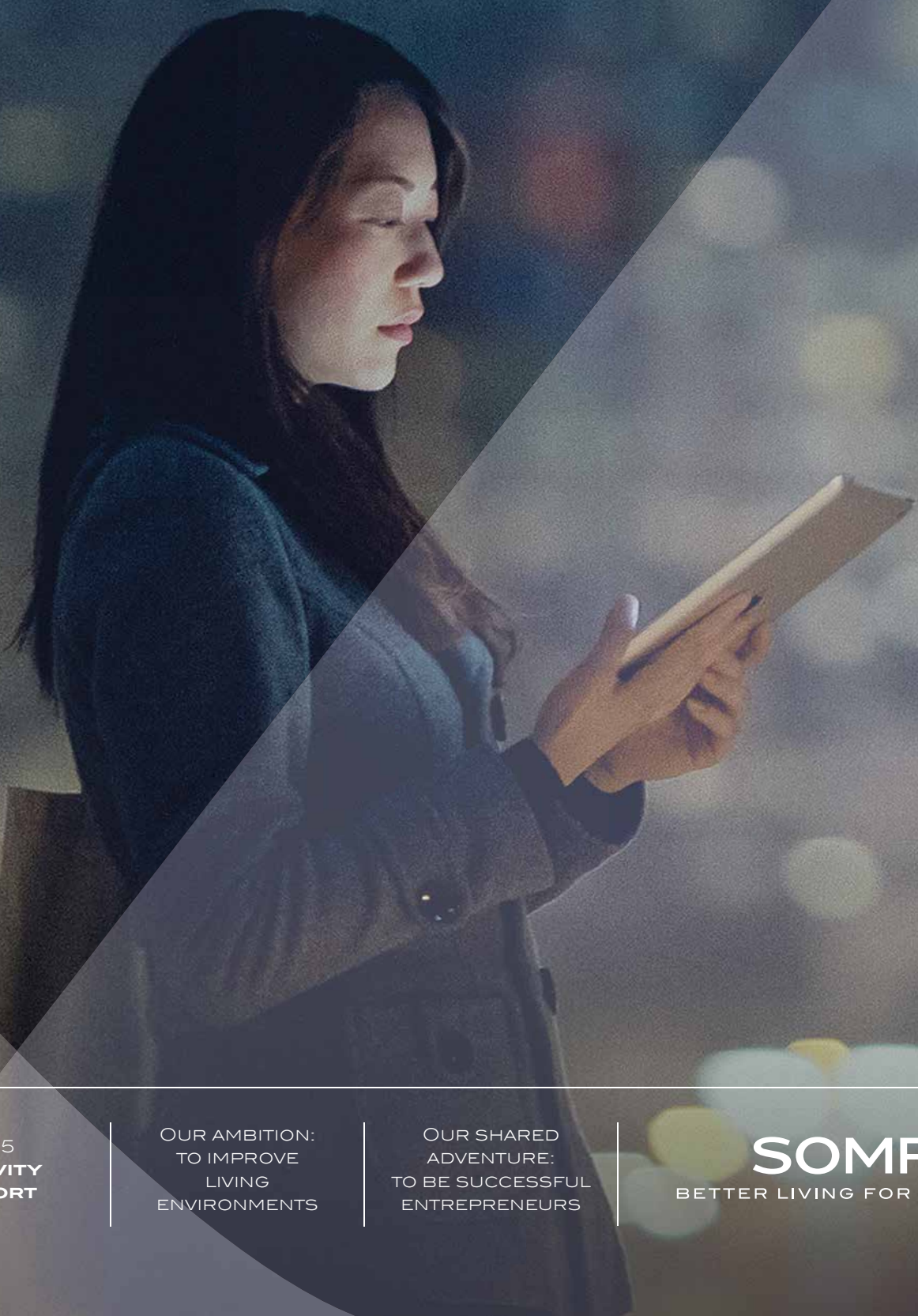


LIVING

INNOVATION BY AND FOR THE PEOPLE



2015
**ACTIVITY
REPORT**

OUR AMBITION:
TO IMPROVE
LIVING
ENVIRONMENTS

OUR SHARED
ADVENTURE:
TO BE SUCCESSFUL
ENTREPRENEURS

SOMFY
BETTER LIVING FOR ALL

1. BETTER LIVING FOR ALL

4

ENCOURAGING
OUR TEAMS'
ENTREPRENEURIAL SPIRIT



Interview with Jean Guillaume Despature,
Chairman of the Somfy Management Board

10

CONNECTED HOMES,
PRODUCTS, DISTRIBUTION
AND MORE: SOMFY
ACCELERATED IN 2015



Activity highlights in 2015

12

OUR AMBITION: TO IMPROVE
LIVING ENVIRONMENTS



Customer and user testimonials

16

TODAY, SOMFY IS BUILDING
THE CONNECTED HOME OF
TOMORROW



Everything you need to know about connectivity
for applications in the home. Today and tomorrow.

18

INNOVATION
CONSOLIDATING SOMFY'S
STRENGTHS AND
EXPLORATION METHODS



The main focuses of innovation in the three
activities: exterior applications, interior
applications, access/security

22

2015 FINANCIAL RESULTS

2.

BETTER LIVING
TOGETHER

26

ENGAGEMENT,
THE KEY TO OUR SUCCESS

2015 Highlights for Somfy and its employees

28

OUR SHARED ADVENTURE:
TO BE SUCCESSFUL
ENTREPRENEURS

What employees are saying

32

A NEW INTERNAL PACT:
"BETTER LIVING TOGETHER"

The Inspiring Group from the Better Living Together Project.

34

BETTER LIVING TOGETHER,
THE SOMFY FOUNDATION'S
CITIZEN ENGAGEMENT

The Somfy Foundation and the Group's charitable activity

38

ECO-DESIGN AND
"DAILY" EFFORTS WE
MAKE FOR THE PLANET

The Group's efforts to reduce its environmental footprint: the company restaurant at Cluses.

40

SKIING,
A PASSION,
A FAMILY

Martin Fourcade

Somfy

Inspiring a better way of living accessible to all

SINCE IT WAS FOUNDED 48 YEARS AGO, SOMFY GROUP HAS FREQUENTLY PLAYED A PIONEERING ROLE IN AUTOMATIC CONTROLS FOR OPENINGS AND CLOSURES IN HOMES AND BUILDINGS. IN 2015, SOMFY DEFINED THIS AMBITION: INSPIRING A BETTER WAY OF LIVING, ACCESSIBLE TO ALL.

3 activities



Somfy Group manufacturing capacity
in 2015: **15,000,000** motors

5 types of applications

SHUTTER AND AWNING

Rolling shutters, folding-arm awnings,
solar screens, etc.

INTERIOR SOLUTIONS

Solar protection, curtains,
projection screens, etc.

ACCESS MANAGEMENT

Gates, garage doors,
barriers, bollards, etc.

SECURITY

Alarms, videophones,
cameras

HOME AUTOMATION

Controlling, programming
and monitoring all
home systems

8 commercial brands

SOMFY

somfy

BFT
tuned to you

simu
Committed to you

asa
Italians since 1980

automatismos

MINGARDI
THE REFERENCE FOR WINDOW AUTOMATION

neocontrol

DOOYA
TUBULAR MOTOR

7,800

EMPLOYEES IN 58 COUNTRIES

€1,061.1 Million

UP 5.6% ON A LIKE-FOR-LIKE BASIS
SALES

114

SUBSIDIARIES

€165.6 Million

CURRENT OPERATING INCOME

8

PRODUCTION SITES IN 5 COUNTRIES

2015 figures.

Interview with **Jean Guillaume Despature**

CHAIRMAN OF THE SOMFY
MANAGEMENT BOARD



**“I HAVE SET
MYSELF THE VERY
IMPORTANT TASK OF
ENCOURAGING AN
ENTREPRENEURIAL
SPIRIT AMONG
OUR EMPLOYEES.”**

INTERVIEW ON FOLLOWING PAGE



2015 Somfy
Conference



» **IN MARCH 2016, YOU TOOK ON THE ROLE OF OPERATIONAL DIRECTOR OF SOMFY GROUP. HOW DO YOU SEE YOUR NEW ROLE?**

As a catalyst and a facilitator of our teams' entrepreneurial approach – what I call the “Somfyspirit”. Forty-five years ago, Somfy was built on the energy and non-conformist attitude of a handful of pioneers who believed in motorization to revolutionize the market for rolling shutters and awnings. From the end of the 1990s, this same entrepreneurial spirit encouraged us to lead our sector towards automation. In the digital era, with smart objects set to become commonplace in the home, it is once again up to Somfy, as leader of its sector, to make connectivity standard for openings and closures in the home. This means transforming our products and our markets but also persuading our trade customers to share our vision. It is essential that we mobilize the “Somfy spirit” of our early days. Today, our teams still have their entrepreneurial drive. But – and this is inevitable – delegation and the latitude everyone is given to engage outside their comfort zone and follow their intuition are more difficult attitudes to bring into play in a Group that has grown and become international.

So I have set myself a very important task.

OUTSIDE OBSERVERS SAW 2015 AS THE YEAR THAT SOMFY BROKE THROUGH THE ONE BILLION EURO BARRIER IN SALES. WAS THIS AN IMPORTANT MILESTONE?

Of course it's a symbolic threshold, but I prefer to look back on 2015 and see the good performance of our results, because they reflect the effective, high-quality work of our teams and the relevance of our vision to support long-term growth. With the economic environment much more uncertain in Europe since 2010, this vision has allowed us to undertake the necessary strategic inflections to ensure lasting profitable growth for the Group. This has involved rebalancing our geographic portfolio and diversifying our business models, particularly by developing the markets for Access – now the Group's second biggest business – and Connected Homes. This strategy was pursued in 2015, and we are staying on this course in 2016. All this has contributed to the excellent growth of our business activity, which grew 8.1% in real terms,

with a positive trend in all regions where the Group operates, as well as improved profitability. This took place in a macroeconomic context which, let's not forget, remains complicated. The unstable economic situation in Brazil led us to withdraw from the capital of Garen Automação and Giga, without undermining our development strategy for our traditional activities in this country.

WHAT IS THE INITIAL ASSESSMENT OF THE STRATEGIC INFLECTIONS INTRODUCED FIVE YEARS AGO TO ACCELERATE YOUR GROWTH IN NEW MARKETS?

The solidity of the 2015 results proves that the Group is engaged in the process of transformation. On the most mature markets, the Home & Building Activity has capitalized on innovation and the extension of its distribution channels to harness the potential for growth which remains significant, including in Europe. Sales of our Connected Home solutions are also starting to generate a good proportion of sales. The Access Activity continues to lead the Group into the new markets of security and access management for commercial buildings, while helping to strengthen our positions in Europe and the Middle East. And in emerging markets, where Somfy is still at the beginning of its journey, we are expanding our network in the Group's priority territories a little more every year. In 2014, the establishment of a development center for curtain motor systems in China, at the heart of the world's biggest

“Giving our work a focus – to continue to lead the transformation in our core markets – is essential in the Connected Homes market as it becomes more structured.”

market for this type of application, was a success. In 2016, we are creating a Marketing department for the Asia-Americas region, allowing us to start working on the Somfy brand's reputation in these regions, which will be an important accelerator.

IN A BUILDING INDUSTRY UNDERGOING A MAJOR TRANSFORMATION DUE TO THE DIGITAL AND SMART OBJECT REVOLUTION, HAS IT BECOME MORE DIFFICULT TO HAVE A LONG-TERM STRATEGIC VISION?

No, we have given our work a focus – to continue to lead transformation in our core markets – and this has become even more essential in the Connected Homes market as it becomes more structured. However, like all the other players operating in this field, which is not mature but is evolving very quickly, Somfy must demonstrate agility and rapidity. This is the aim of the Somfy Spirit and the human resources project, Better Living Together, which will simplify the way we operate and work together across the Group's activities and brands. But our long-term vision remains the same. It lets us pursue profitable growth for the Group while continuing to create value on our markets, particularly through connectivity. Thanks to its teams' hard work over the past five years, Somfy has consolidated the foundations of this vision, starting with a multi-brand, complementary portfolio that serves the diverse needs on our markets, both in terms of regional differences and the variety of businesses represented by our customers. Also, we now have activities and applications that cover all areas of openings and closures in buildings, which is extremely important in this era of the Connected Home, where Somfy must be able to offer solutions that combine all our applications. Lastly, we have an increasingly well-balanced geographic presence. And we must not forget our development model, which is sacrosanct, and is founded on anticipating needs, an organizational structure that is both global and local, and our financial, technological and industrial independence.

WHAT OPPORTUNITIES DOES SOMFY HAVE ON THE CONNECTED HOME MARKET?

2015 saw the clarification of the competitive landscape in this market, and we are confident of Somfy's ability to capitalize on connectivity to consolidate its leadership in its core activity. The creation of the Connected Solutions Activity, which supports growth in Somfy's other activities through its expertise, will enable us to accelerate our expansion in this emerging market. In this context, our priority is to assert our role as the partner of choice for controlling openings and closures in all Connected Home ecosystems worldwide, which are starting to emerge due to the growth in smart objects. At the same time, other operators are using our TaHoma® solution as a service platform for the home and its occupants, and this is providing a new source of growth. Lastly, in terms of applications, connectivity

will also open up opportunities for targeted, measured growth in home equipment sectors that complement our own. At the beginning of 2016, Somfy acquired a smart lock manufacturer in order to extend its offer.

IN 2015, THE GROUP COMPLETED THE PROCESS OF REFOCUSING ON ITS CORE BUSINESS. DOES THIS PLACE IT IN A STRONGER POSITION TO ACCELERATE IN THE FUTURE?

After the separation of Somfy Activities and Somfy Participations at the end of 2014, which led to the creation of Edify, we finalized the process of refocusing the Group on its core business in 2015, and withdrew from the capital of CIAT and Faac. This division has allowed Somfy to target its investments even more on innovation which, in the context of transformation in our industry, is more a priority than ever. In 2015 we began launching a significant wave of new-generation solutions such as the Smart & Smooth connected motor. This will have a major impact on the growth of business and the creation of value in our traditional markets. But our investments in innovation will not be focused solely on our offer; they will extend throughout the Group in order to speed up our process of transformation. This is the reason for the current digitalization of our IT systems and the new exploratory innovation methods we are starting to implement in 2016.



CREATION OF THE CONNECTED SOLUTIONS ACTIVITY

To accelerate its development in the Connected Homes market, Somfy created a dedicated Activity in September 2015: Connected Solutions. This Activity strengthens the Group's expertise in application connectivity, and will support growth for Somfy's two other Activities – Home & Building and Access – and their core products.

Its role:

- anticipate new trends in connectivity and communication protocols, and develop tools and expertise in data management;
- define, develop and establish Somfy's connected products (box and satellites);
- develop and sell connected solutions to B2B manufacturer partners.

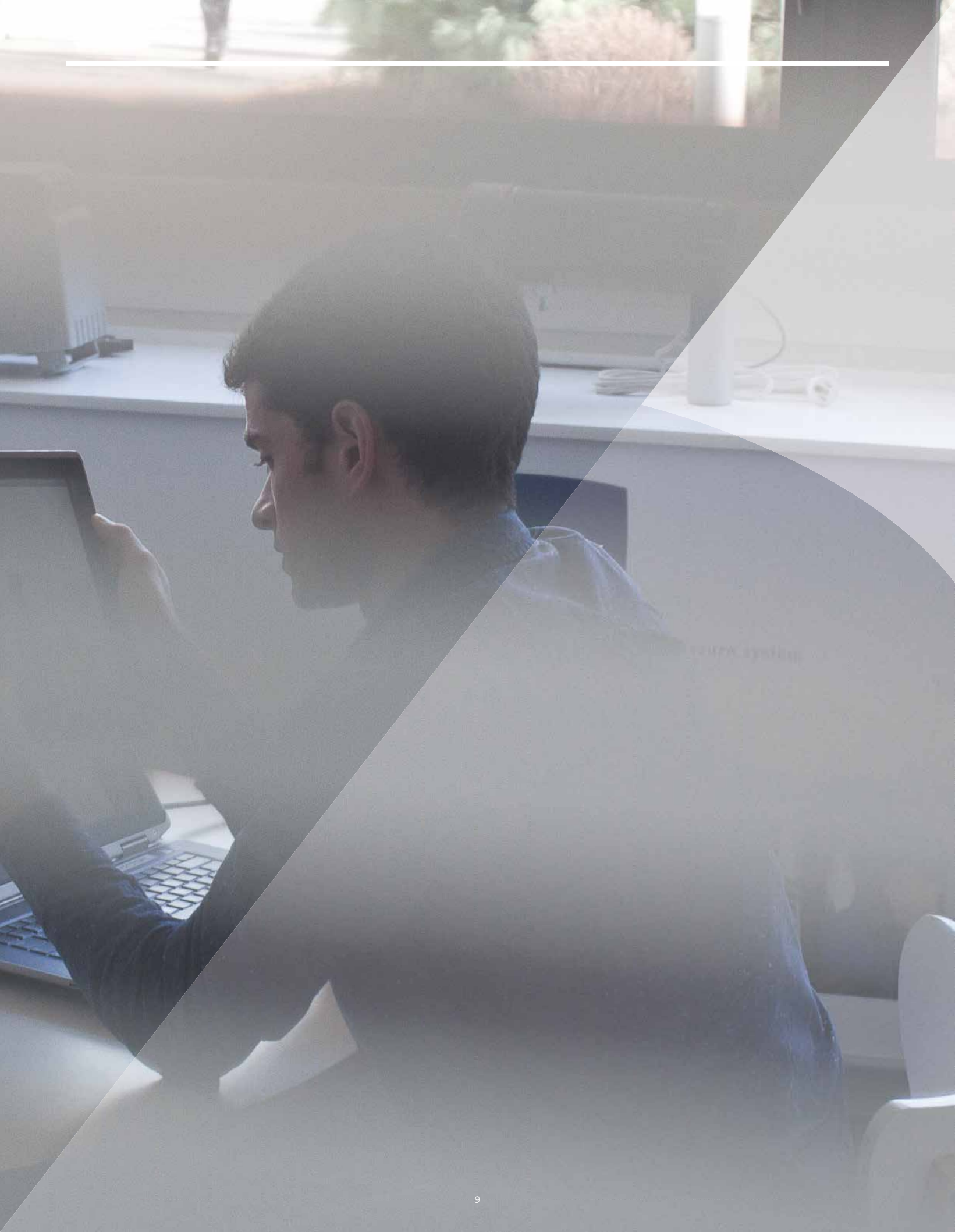
“Our priority is to establish ourselves as the partner of choice for controlling openings and closures in all Connected Home ecosystems worldwide.”

A person is seen from behind, sitting at a desk in a dimly lit room. On the desk is a laptop, a small white camera on a stand, and some papers. The person is looking at a document that has the word "automatismos" visible. The overall atmosphere is quiet and focused.

1.

BETTER LIVING FOR ALL

Because
everyone
aspires
to better
living
environ-
ments



Connected homes, products, distribution and more: **Somfy accelerated in 2015**

At the heart of action in worldwide connectivity with Thread



As was the case with WiFi in its day, Thread is one of the technological and industrial alliances that is building the future of the Connected Home on a global scale. Set up in 2014 by seven digital heavyweights including Google, Samsung and NXP, Thread now has 220 international partners including Somfy, the first player in its sector to join the alliance at the beginning of 2015. Its presence among the 11 board members of Thread ensures it plays a central role in action relating to the Internet of Things applied to the home. With Thread, these businesses are developing technology that allows all applications in the home that are natively connected to the Internet to communicate, and an IP (Internet) protocol specifically for objects in the home that is secure, low-energy, and reliable, guaranteeing a flawless user experience. In 2016, the first products using Thread technology will be launched on the market.

2015 ACTIVITY HIGHLIGHTS



R+T 2015: Somfy reasserts its technological leadership

A 100% connected tubular motor (Smart & Smooth) that will reinvent the rolling shutter market; a clever application (Connexoon) that will coax users towards the Connected Home; an interior blind (Sonesse Ultra) that takes silence to a whole new level, and more. At the R+T 2015 trade fair, held in Stuttgart in February, Somfy boldly reasserted its technological leadership, with a strong impact on the brand's appeal to its customers. We expect to see the first commercial repercussions of this wave of innovation, launched on the market from mid-2015, in 2016.

Speaking the language of the Internet of Things with Nest Weave

Nest Weave is the communication protocol used by Nest (a thermostat manufacturer owned by the Google group) products, a "language" that lets connected objects in the home communicate with one another over a secure system. Somfy joined the Nest Weave initiative in 2015, along with 11 other manufacturers. Having Somfy products adopt this new "language" consolidates their interoperability with products by other manufacturers in the Connected Home. Importantly, in 2016 Nest Weave will become one of the standard protocols of objects connected natively to the Internet using embedded sensors. This is another step forward for Somfy in the age of the Internet of Things.



SOMFY
joins **THREAD**
and **NEST WEAVE**



TaHoma® weaves its worldwide web

TaHoma® is Somfy's Connected Home solution: a box that lets Somfy systems communicate with other partner products, and an app to monitor them from a computer or smartphone. In 2015, the product continued to grow in Europe and the Middle East. Sales increased by 70%, and there are now more than 30,000 homes and 500,000 objects connected to TaHoma®. In Europe, where the solution has been deployed gradually since 2010, TaHoma® has become the most comprehensive Connected Home solution on the market, associated with 18 leading home brands. According to annual surveys, user satisfaction remains high: 93% of those questioned would recommend it. In 2015, Somfy accelerated the geographic development of TaHoma®. The solution was launched in the Czech Republic, Italy, Greece, Spain, Morocco, Lebanon and Turkey.



... and is appealing to service providers.

TaHoma® is also a Cloud platform, which allows other players (phone operators, security firms, energy providers, etc.) to create services for residents. In 2015, Somfy signed a partnership with Maroc Telecom. This strategy will both boost growth and consolidate Somfy's leadership on the Connected Home market in the openings and closures sector.

Somfy consolidates its presence in new territories

Giving as many people as possible access to the Somfy group's products is also happening through commercial development in its brands' still-emerging territories. In 2015, the Group strengthened its positions in Central and Eastern Europe (7% increase in sales), particularly in Poland (up 30%) in applications for rolling shutters and access. In the Middle East (up 14%), sales grew by 30% on the Arabian Peninsula, a market mainly focused on interior applications and commercial projects. Somfy crossed significant thresholds in terms of business volume in Turkey – rolling shutters and commercial projects – as well as in Bulgaria and Palestine, in applications such as shop security grilles, garage doors and rolling shutters. In Asia-Pacific (up 5.9%), the Group posted excellent growth in sales in Australia (up 15.9%), Japan (up 6.9%) and Thailand (up 5.9%). In China, where the Group is now well established, with four brands, Dooya performed well (up 15%) on its domestic market. In South America, despite economic difficulties, Somfy brand sales grew by 4%.

Emerging distribution channels

In its most mature markets, Somfy continues to expand product distribution to new trade customers. This is the case with electricians – to develop Connected Home solutions – and Access specialists. The brand is also strengthening its direct commercial presence among end-users through two channels: online sales, and DIY stores. In 2015, sales of the French online store grew by 50%. E-shops will be launched in four new countries in 2016, including Germany.



BFT supplies car parks for Milan Expo 2015



With 11,000 parking places, 24 access routes (entry and exit) and 20 million users, parking facilities at the Milan Expo, which took place from May to October 2015, was an important showcase for BFT's expertise. For the event, the Somfy group's specialist Access brand deployed its new large-scale parking management system, Sinua. So what's special about Sinua? It offers outstanding technological performance thanks to the U-Link connectivity solution developed by BFT. This wireless communication protocol is used by the barriers, automatic payment terminals and entry/exit bollards to exchange information. In addition, it offers simpler supervision, increased security and remote diagnosis of operations. The success of this project, which involved 15 BFT employees for six months, has already allowed the brand to win other large-scale projects, in London and Colombia.

500,000
OBJECTS CONNECTED
to TaHoma® in 2015

Customer and user testimonials

OUR AMBITION TO IMPROVE LIVING ENVIRONNEMENTS



Hélène Roux,
interior designer, installed the TaHoma®
Connected Home solution in her chalet.

With TaHoma®, all lifestyle settings are possible

France / Les Carroz-d'Arraches



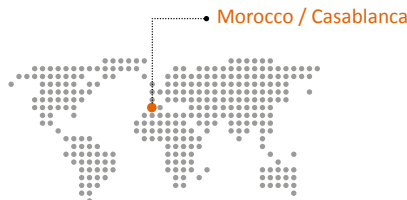
We designed our house to be as comfortable to live in as possible. The chalet is south-facing, with one fully-glazed side looking out onto the landscape.

Home automation was a natural choice. We needed to protect ourselves from the summer sun using screens, which are controlled automatically by sensors on the glazing. External cameras also protect the swimming pool and access to the

house. We chose Somfy and its TaHoma® solution because we wanted a French product. We love the way it works: it's so easy to use and has very flexible features. All lifestyle settings are possible. When I go out, I press the "Leave" setting on the app on my iPhone. This activates the alarms and switches off all the lights. I can also control the house remotely to simulate presence if necessary. It's a really useful and convenient solution.



Zakaria Riadi,
Managing Director of Five Systems Security,
which specializes in installing closures
and security systems.



Quality that matches our brand image

For the metal curtains we install for customers, we work with Khouchar products, by a Moroccan manufacturer who uses Simu motors.

We chose these very high-quality products because they reflect our brand image. Our customers are individuals or companies looking for top-level services. In northern Morocco, our company has a very good reputation for its after-sales service, and the quality of Khouchar and Simu products increases our competitive edge. All our customers are satisfied: we have zero complaints about the motors. At the same time, the training and support provided by our two partners consolidates our expertise and performance.

“For their metal curtains, our customers are looking for a top-level service.”

Nikos Kafkas,
Chairman of V.KAFKAS SA,
the biggest electrical supplies retail chain in Greece,
with 51 stores.

Supporting the emergence of the intelligent home



In Greece, Kafkas stores are known for the quality of the brands and products we sell, both to the building trade and to end-users.

Despite the economic instability, this positioning and the dynamic development of our stores and solutions has allowed us to maintain sustained growth in our business, which grew by 11% in 2015. Three years ago, we were looking to expand our range and move into the home automation market. We chose Somfy for the reliability of its products and its brand reputation, which was already well established in Greece. From March 2014, we gradually began selling automatic controls for gates as well as systems to manage lights, alarms and videophones. The initiative was a success, and sales of Somfy products rose by 95% in 2015. We offer our customers significant added-value. Consumers appreciate how easy it is to use Somfy products, as well as the benefits of its after-sales service. For our trade customers, these new products are generating additional

business and allowing them to capitalize on the emergence of the intelligent home market in Greece. In 2016, we are starting to sell TaHoma®, Somfy's Connected Home solution, and we have ambitious aims. Every Kafkas store now has a sales advisor who specializes in Somfy brand products, and we are going to focus on training our electrician customers in Connected Home solutions.



Customer and user testimonials

OUR AMBITION TO IMPROVE LIVING ENVIRONNEMENTS



Making motorized awnings standard in North America

Tom Rodgers,
Vice-President - Commercial Division at Springs
Window Fashions



When you live in the United States, where most windows have blinds, switching from manual to a motorized version is primarily a matter of practicality and comfort. When Springs signed this strategic partnership with Somfy, the aim was to make motorization for our blinds as standard as for car windows, for example. Obviously, there are many challenges involved with going from a motorization rate of around 5% to a mass-market product, in terms of price positioning, ease of use and interoperability with domestic communication protocols. That's why we chose Somfy to help us overcome this challenge, because of its leadership in motors and technology. There's still a long way to go, but we are making progress. Every year, our motor sales grow by 30% to 40%. In 2015 we wanted to accelerate this and we set ourselves another challenge: to develop connectivity, because this will be the standard of the future. So, in 2016, we are launching a very ambitious product plan. Now, our roadmap is to offer the best solutions on the market, whether it's in terms of motors for a window, a room, or a whole house.

"Springs and Somfy have set themselves a new challenge: to develop connectivity, because it will be standard in the future."

Springs Window Fashions, "The Best Experience Company", provides a complete blinds service to the leading resellers and distributors in North America. Bali® and Graber® are brands owned by Springs Window Fashions. Based in Middleton, Wisconsin, the company has nine subsidiaries in the United States and Mexico, and employs 7,000 people.

SPRINGS-SOMFY : A TECHNOLOGICAL AND COMMERCIAL PARTNERSHIP

Tom Rodgers: "This partnership grew out of the will to capitalize on the strengths of both our companies in order to achieve our ambitions: technology for Somfy; marketing and access to customers for Springs. Today, with Somfy, we have created a unique relationship that covers product development and joint marketing operations. Our people work together, because the success of a strategic alliance is measured, above all, by results in the field."

Connectivity

Today, Somfy is building the Connected Home of tomorrow

For the past 10 years, Somfy has been building the Connected Home of the future through technological and product innovation. With the Internet of Things, the Connected Home is now accessible to all players in connected objects. This is why Somfy is at the center of action being taken by major international technological and industrial alliances.

2006

IO-HOMECONTROL®

Somfy's first communication protocol to provide interoperability between objects and report information back to users. Today, it is used in 30% of radio products sold by Somfy.

2010

TAHOMA®

Somfy's Connected Home platform. It is used to monitor systems remotely, via a smartphone or computer, and create lifestyle settings. TaHoma® is used by 18 partner brands and controls every area of the home.



SOLUTIONS **Connectivity solutions** **in six areas:**

Windows
Patos
Access
Protection
Offices
Interior applications



TRADE CUSTOMERS

Thanks to its connectivity, the Smart & Smooth motor offers innovative features for trade customers: settings defined in the factory for manufacturers, and computer-assisted adjustment for installers.

2015

SMART & SMOOTH

Somfy's first connected motor. It is designed to evolve as connected objects in the home develop.

2016

INTERNET OF THINGS APPLIED TO THE HOME

Operational launch of the first international technological and industrial alliances, such as Thread. All connected objects in the home can communicate with one another. Manufacturers are freed from interoperability constraints and can deploy Connected Home solutions in every country.



END-USERS

To adapt to consumers' needs, Somfy offers **three categories of connectivity solutions:**

- Managing a particular aspect of the home (Connexoon)
- Monitoring all connected objects in the home, including those by other partner brands (TaHoma® 2.0)
- Services such as home protection (TaHoma® Serenity) as well as services in partnership with other providers: energy performance, helping elderly to live at home, video surveillance, etc.

2017 2018

SOMFY TO LAUNCH ITS FIRST NATIVELY CONNECTED PRODUCTS

Somfy's automatic controls communicate via the Internet of Things with all connected objects in the home to create lifestyle settings and services that were not previously possible.

Inno- vation

CONSOLIDATING SOMFY'S STRENGTHS AND EXPLORATION METHODS

With the construction market experiencing major transformation due to connectivity, innovation is a priority for our three applications. In 2015, we scaled up our innovation significantly. Opening up more to consumers' expectations and contributions from external partners, innovation has also become more agile thanks to exploration methods borrowed from start-ups.

1. A CLEAR PURPOSE: TO ACCELERATE IMPROVEMENT IN LIVING ENVIRONMENTS ALL AROUND THE WORLD

To be useful, innovation must be "applied", which is why Somfy harnesses it to serve its business ambition: inspiring a better way of living accessible to all. It places consumers and the new benefits that the Group can offer them at the heart of the innovation process. To anticipate changing needs, Somfy has already been working more closely with end-users of its products for the last few years, by digitalizing its customer relations. This is now the aim of a more open innovation approach and a collaborative marketing method that takes into account consumers' opinions at the start of the development process.

3. THE METHOD: WORKING IN AN AGILE, OPEN WAY

Rapid, more economical, more open to the outside: in this digital age, innovation is changing its model. Somfy must therefore combine innovation in terms of operations with highly agile exploration methods, in order to test disruptive ideas and look ahead to 10 or 20 years' time. On the one hand, this requires spreading the use of prospective market monitoring and adopting a lean start-up* approach to accelerate the development of projects in consultation with consumers. On the other hand, it means co-innovating with external parties: customers, manufacturers, and also technology start-ups.

*The Lean Startup method involves reducing the development cycle for new products while controlling costs and risks related to innovation, by testing them at an early stage among users, and improving products through this interaction.

2. PRIORITIES: MOTORS, SOLUTIONS AND SERVICES

Compared with players that came into being during the digital customer experience, Somfy's greatest strength is its technological leadership in motorization.

In this field, innovation is driven by connectivity and adapting to the specific needs of emerging territories. Fulfilling consumers' needs also requires combining a range of applications – by Somfy and its partners – to create global solutions in comfort, energy efficiency and security. Innovation must also bring new benefits to everyone, through new services for trade customers, and Connected Home solutions designed as service platforms for occupants.

4. GOVERNANCE TO SUPPORT INNOVATION

In 2015, Somfy formed an Innovation Department and a steering committee made up of members of the Executive Committee. The aim is to create a context that encourages innovation at every level of the Group, and facilitate the coexistence of operating processes with exploration methods. Because innovation is anything but a well-trodden path, the purpose is to provide employees with a toolbox of good practice and an ecosystem of partners. Because this change in the scale of innovation must also be encouraged at a managerial level, it is an integral part of the human resources project, Better Living Together.

Exterior applications for the home

Connectivity is taking the benefits of Somfy products – comfort, energy savings, security – to a new level and allowing us to create innovative services for trade customers. This makes it a powerful means of consolidating the Group's leadership on its two traditional markets: applications for rolling shutters and patio awnings.



Agile innovation: Yslo Lab

In Western Europe, their low rate of motorization (1%) makes swinging shutters a high-potential market. In 2016, Somfy France created Yslo Lab – named after the motor launched in 2010 – in order to identify good practice that would accelerate its growth. The principle is to test ten different ways of marketing the product (through Experts, at trade fairs, using direct marketing leaflets, and so on), in around ten cities, in partnership with Somfy Expert installers.

Reinventing products through connectivity and related applications

Connectivity applied to windows

Not all consumers will make their homes 100% connected in the immediate future. So Somfy is also developing connectivity solutions that are very easy to install, for people who don't have motorized products (awnings, gates, garage doors, etc.). This will offer occupants enhanced comfort, energy efficiency and security by combining other automatic systems with existing equipment. At the beginning of 2016, the launch of the **Connexoon** application for windows was the first concrete step in this strategy. Users can add an alarm, automatic lights, and sensors (temperature, solar, etc.) to their motorized rolling shutter or exterior solar screen, and create settings remotely, via smartphone, to simulate presence or switch into energy-saving mode. As an interface between the inside of the home and the exterior environment, windows will play a growing role in Connected Home solutions.



A motor designed for the age of connected objects

In 2015, Somfy increased its technological advantage in its core business with a new generation of tubular motors called **Smart & Smooth**. These are designed to be natively connected, in time, and are packed with new features for users: unrivalled acoustics and smooth movement, as well as much lower electricity consumption in standby mode than current motors. Most importantly, its technology means it can be enhanced with new services for trade customers. Using the integration software that comes with the motor, manufacturers of end-products can define settings directly in the factory. And installers can adjust them and carry out diagnostics remotely. Available for sale since spring 2015 in France and Germany, from rolling shutter manufacturers, Smart & Smooth is destined to become the future standard in tubular motors. Compatible with Somfy's Connected Home solutions in Europe and the Middle East, this motor offers worldwide development potential thanks to its ability to evolve as players adopt universal connectivity technologies such as Thread.



Interior applications for homes and offices

Solar protection products are a major source of development for Somfy outside Europe. On these markets, the Group's approach is focused on the consumer, with two aims: to design mass-market products for mature countries, and to support growth in new markets such as curtains and apartment blocks in more emerging territories.



Agile innovation: co-designing with consumers in India

In 2016, Somfy has teamed up with a design school in India to gain an understanding of this interior market by going directly to consumers. It is learning about the needs and constraints of the Indian market in order to understand its consumption modes and preferences, and design suitable products. India is a market that typifies the expectations of emerging countries. The challenge is then to check this new knowledge elsewhere in the world, to accelerate progress.

Surprising consumers with simple, intuitive products

Aiming for connectivity in Asia-Americas

The creation in 2015 of the Connected Solutions unit dedicated to Asia-Americas will allow Somfy to develop products designed specifically for its main markets, while taking into account their technological constraints. Current regulations in these countries mean Somfy is not allowed to use its io-homecontrol® communication protocol, which is necessary to deploy its Connected Home solution, TaHoma®. Somfy's participation in the universal protocol, Thread, created for connected objects, will circumvent this problem as of 2017. Meanwhile, the Group is selling several categories of home automation products in Asia-Americas, where sales are progressing rapidly. These include a high-end home automation solution developed by Brazilian company Neocontrol, local (non-connected) versions of the TaHoma® box available notably in China and South-East Asia, and applications that control equipment via smartphone. In this category, **MyLink** has made very promising inroads in North America.



Making motorized blinds more popular

In North America, while most homes are fitted with blinds (venetian, slatted, roller, etc.), fewer than 5% are motorized. To give as many people as possible access to this superior comfort, Somfy has been conducting different strategies on the entry-level and high-end markets since 2012. This approach has been successful: in the past four years, business has seen sustained growth (up 11.1% in 2015). To boost the mass-consumer market, the Group is working with leading manufacturers in the sector on the joint development of low-cost products. Motors – battery-powered, easy to install products – are incorporated directly into blinds in the factory. Thanks in particular to its partnership with Springs (see p.14), the number of units sold rose by 40% over the year. To develop motorization in luxury buildings, Somfy is also innovating in the field of motor acoustics and Connection Home solutions. In 2015, this strategy resulted in the launch of the **Ultra 50**, the quietest motor on the market.

Building protection and access

Somfy's second biggest business activity, Access, is focusing on the complementarity of its six brands to cover all needs in terms of automatic controls for building openings in Europe, with three areas of development: home protection, the Connected Home, and products for Access professionals.

Residential access

Automatic controls for gates and garage doors are essential pieces of equipment in the Connected Home. Somfy is therefore continuing to add to its range of products based on io-homecontrol®, the communication protocol designed for home automation. At the same time, the brand has launched a solution for consumers wanting to take small steps towards connectivity: **Connexoos Access**, a smartphone app based on home closures. A leading brand among European manufacturers and installers who specialize in residential access, Somfy is expanding its dedicated trade products every year. The aim is to offer even more technology and features to support the territorial deployment of Access and open it up to new distribution channels, including electrical product distributors.



Covering all needs with different solutions and connected services

Industrial and commercial access

In emerging economies, metal shop security curtains are often the first piece of equipment on a building to be motorized. With its comprehensive offer (Simu and Somfy), the Group is the world leader in this high-growth market in the Middle East, North Africa and Eastern Europe. In 2015, the industrial and commercial closures entity launched a new range of **radio motors** aimed at becoming standard. They make comfort and radio technology more accessible thanks to adapted prices.



Access to buildings, car parks and urban areas

In the Group, the BFT brand has unique expertise in applications for the commercial sector such as automatic doors, barriers, retractable bollards and car park management systems. BFT has fully entered the age of connectivity by deploying its **U-Link** communication protocol, created in 2011, to all its products. It aims to cover 65% of its products by the end of 2016. A technology that is natively integrated into automatic control systems, U-Link offers total interoperability with equipment by other brands and building management systems. Importantly for customers, it offers simpler control of often complex installations, and remote diagnostics.

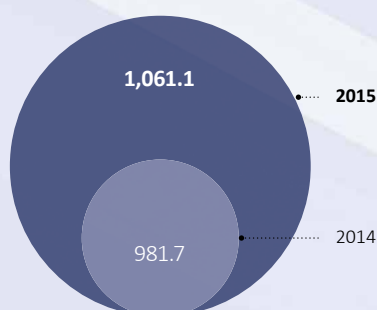


Home protection

The creation of a dedicated Security entity has clarified the positioning of this range (alarm, videophone, motion sensor, camera, etc.) within the Somfy offer. With the increasing demand for home protection, its primary purpose is to bring together its various applications to design modular security solutions linked to Somfy's other automatic controls (rolling shutters, gates, garage doors). This ability to fulfil different levels of security needs (peace of mind, alarm, video surveillance, etc.) alongside Somfy's traditional products should make a difference on a security market that is already highly consolidated. Protecting one's home can also involve a one-off purchase. The Security offer therefore also needs to meet the needs of consumers who do not already have other Somfy products. **TaHoma® Serenity**, the first connected solution fully dedicated to security, launched at the beginning of 2016, is an example of this: it allows users to manage their equipment and receive alerts via smartphone.

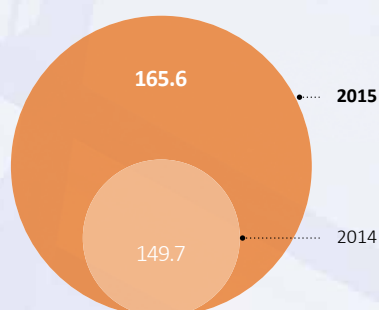
2015 financial results

SALES IN € MILLION



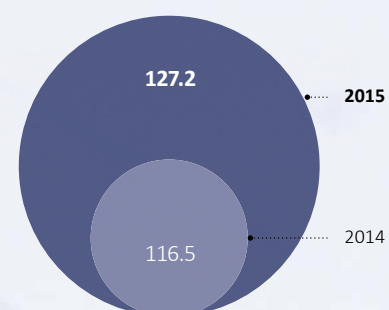
Sales totaled €1,061.1 million for the period, up 8.1% in real terms and up 5.6% on a like-for-like basis compared to the previous year.

CURRENT OPERATING INCOME IN € MILLION



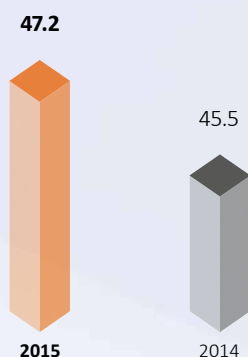
Current operating income amounted to €165.6 million for the period. This is an increase of 10.6% and represents 15.6% of sales, compared to 15.3% a year earlier.

NET INCOME ADJUSTED FOR EXCEPTIONAL ITEMS IN € MILLION



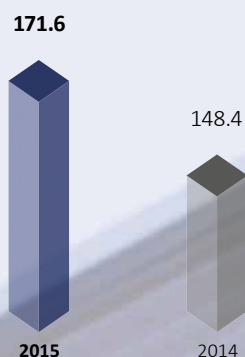
Net income adjusted for exceptional items (capital gains from disposals and goodwill depreciation accounted for in 2014 and 2015) stood at €127.2 million, up 9.2%.

NET INTANGIBLE AND TANGIBLE INVESTMENTS IN € MILLION



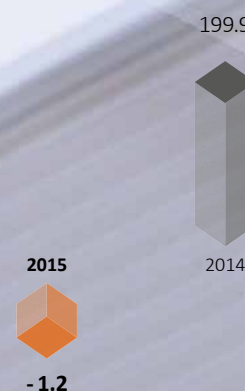
At €47.2 million (compared to €45.5 million in 2014), the level of intangible and tangible investments was in line with the implementation of the defined strategy.

CASH FLOW FROM OPERATING ACTIVITIES IN € MILLION



Cash flow from operating activities amounted to €171.6, an increase of 15.7% compared to 2014.

NET FINANCIAL DEBT IN € MILLION

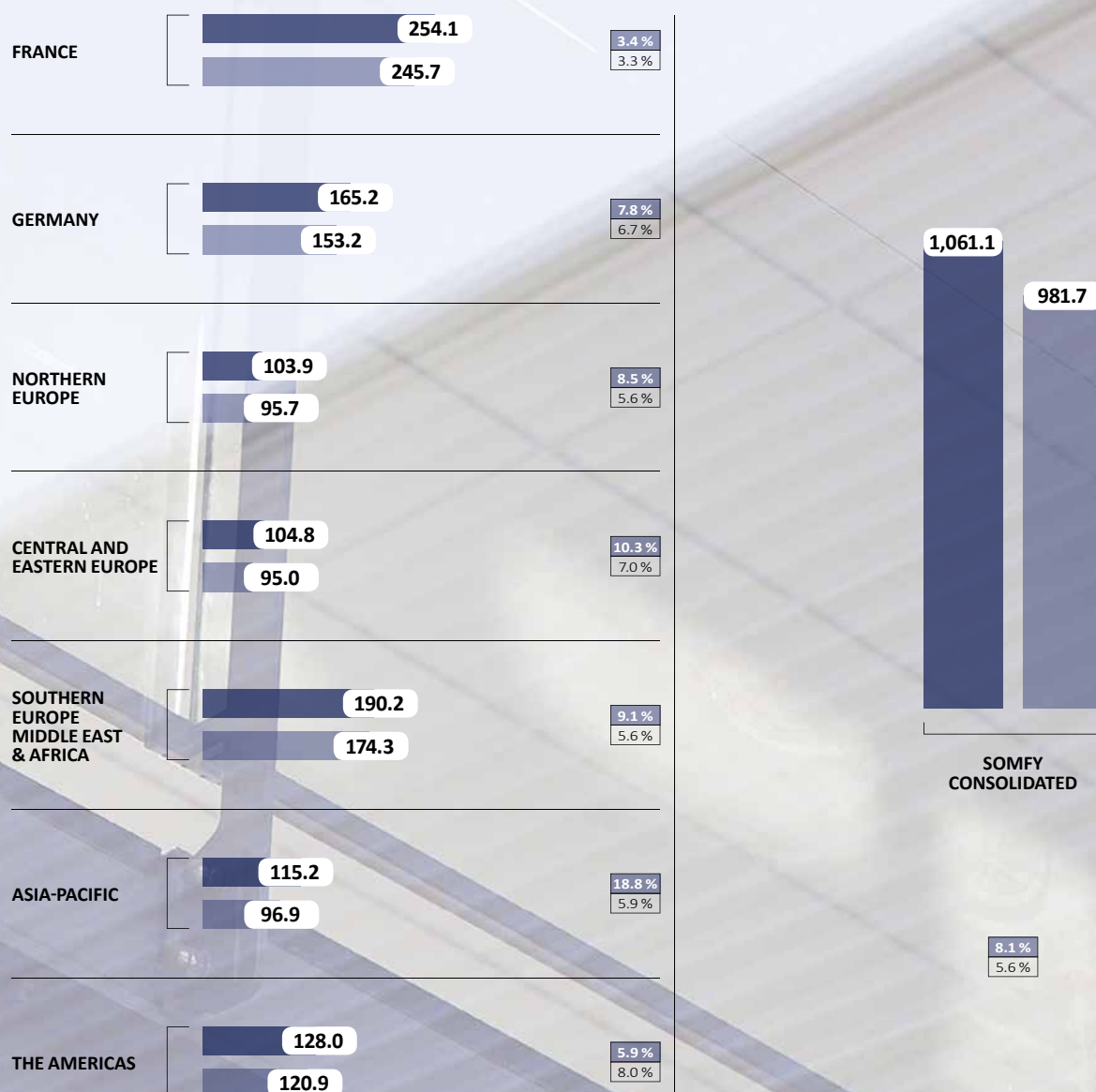


The net financial balance was increased from a debt of €199.9 million to an excess of €1.2 million between the beginning and the end of the financial period.


“The good performance of our results reflects the effectiveness and quality of our employees’ work, and our good choice of investments in our long-term sources of growth.”

Pierre Ribeiro
Chief Financial Officer Somfy Group

SALES BY REGION IN € MILLION



● 31.12.15
 ● 31.12.14
 ■ N/N-1 change
 □ N/N-1 change on a like-for-like basis

A woman with dark hair and safety glasses on her head is smiling while working in a warehouse. She is wearing a grey and black patterned long-sleeved shirt and a gold necklace. She is standing next to a large cardboard box. In the background, there are stacks of boxes and another person working. The image has a semi-transparent dark overlay on the left side where the text is located.

2.

BETTER
LIVING
TOGETHER

to invent
new ways
of living
together



Engagement, the key to our success

2015 HIGHLIGHTS FOR SOMFY AND ITS EMPLOYEES



Distribution subsidiaries working to fight poor housing

After the successful launch in Brazil of A House is a Home, its international program to fight poor housing, with 12 houses renovated in one year, the Somfy Foundation continues to extend its work in new countries. In 2016 it is taking the next step, in Europe and the Middle East. For this, managers of Somfy's distribution subsidiaries in these territories have contributed their knowledge of the field to the Foundation. The aim is to choose the charitable partners and projects to be launched shortly in Germany, Spain, Belgium, Lebanon and Poland. This is the first time that Somfy's business teams have been so directly involved in the Somfy Foundation's work outside France. It is proof that the Group's primary promoter of charitable action now intends to make a name for itself at Group level.

Customer 1st! Quality is everyone's business

In terms of quality, prevention is better than cure. Launched five years ago, the Customer 1st! project has entered a new phase: quality must now become a reflex, and all employees must feel like they play a part. To achieve this, Customer 1st! is focusing on deep-rooted transformation in the way we work, and in our methods such as Short Interval Management (SIM). In 2015, this burst of acceleration has already halved the time it takes for Somfy's industrial network to resolve problems across the Group. In the Home & Building Activity, the quality performance level also jumped by 15%. This performance was instantly rewarded by an increase in customer satisfaction.



Less carbon monoxide



Act for Green, the eco-design label developed by the Somfy brand, is now a commercial reality. The first three labelled products were presented to the market at the R&T 2015 trade fair in Stuttgart, in February 2015. The Smart & Smooth motor has a total carbon monoxide impact that is 30% lower than the previous generation of motors, notably thanks to reduced electricity consumption in standby mode. Based on international standards, Act for Green is now Somfy's most powerful tool to reduce its environmental footprint.

+15%

**INCREASE IN THE QUALITY
PERFORMANCE RATE AMONG
THE ACTIVITY'S CUSTOMERS
HOME & BUILDING**

(based on the change in product return rate over a year).

-30%

TOTAL REDUCTION IN CARBON MONOXIDE IMPACT WITH THE NEW SMART & SMOOTH MOTOR (compared to a previous generation motor).



“One million seconds of solidarity”

To celebrate their millionth motor at the beginning of 2015, the Somfy team that designs the Sonesse silent motors decided to give “one million seconds of solidarity” to one of the charities supported by the Somfy Foundation. Twenty employees spent three days working with volunteers at the Annecy branch of the “Savoirs pour réussir” charity, helping them to renovate their premises.



Yammer already has 1,960 fans

In 2015, Somfy instigated an important process of digital change to accelerate internal and external collaboration and facilitate knowledge sharing. The Group is gradually rolling out the latest technologies to its 3,000 employees equipped with a workstation. In November, the Skype for Business audio/video conference and chat solution kicked off this total overhaul of the IT working environment. From May 2016, all PCs will also be connected directly to a new internal videoconferencing system. Launched in a test phase last autumn, Yammer, the enterprise social network, was an instant hit. A few months later, it already had 1,960 users, and 183 Yammer communities had been created. In March, the SharePoint collaborative platform began to revolutionize teamwork with its features that let users create spaces to share public and private documents. This new wave of digital activity prefigures an even more important change planned for 2017: a new front office environment for Somfy, notably for the management of its customer relations.



183

COMMUNITIES CREATED ON YAMMER, SOMFY'S ENTERPRISE SOCIAL NETWORK.

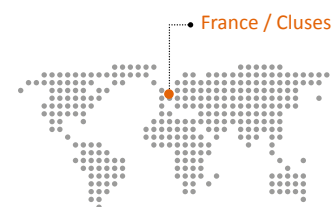
What
employees
are saying

OUR SHARED ADVENTURE TO BE SUCCESSFUL ENTREPRENEURS



Lionel Bailleau,
Head of change management in the Information
Systems Department of Somfy group.

Digital as a collaborative tool



The new collaborative tools we've been using in the Group since 2015 are an exciting opportunity to boost cooperation and facilitate dialog between employees.

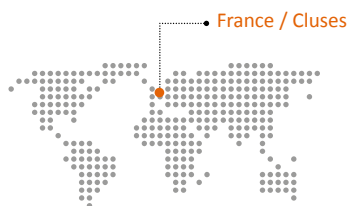
The new collaborative solutions offered by the Bee program let users arrange audio or video conferences via Skype, work on documents together in real time, pool knowledge, and become more responsive. With the new social network Yammer, more than 3,000 people are getting involved in the life of the Group in real time, by sharing their successes, great and small alike! Themed communities are being created everywhere between employees from different entities who share the same concerns. All this reinforces the feeling of belonging to a shared

vision and culture, aligned with the corporate project. For Somfy, digital technologies are an important way to develop "Better Living Together"!





Stéphane Rapin,
Head of the test laboratory
Door & Gate Business Group



Employee and parent

I was involved in Somfy's plan to create a childcare facility right from the start. Part crèche, part nursery, this facility provides a group setting as well as one-to-one attention, which is reassuring for parents. As chance had it, the person who set up the center was the childminder for my sons Aurèle and Léon. Because I knew she was good at her job, I was very happy to place Léon in the center. I chose this childcare facility not for practical or financial reasons, but because I thought it would be fulfilling for my son to spend time with a group of 10 children of different ages. The children get plenty of stimulation, and have already had a visit from a clown, a violinist and the chef of our company restaurant.

“The workplace childcare facility is a good social setting for my son.”

Michael Hubner,
Director of Somfy Austria, project team manager who worked on the development of the human resources and management project, Better Living Together.

Developing skills and potential

Austria / Elsbethen-Glasenbach



Somfy has always placed importance on nurturing its talent.

With the Better Living Together project, we needed to go further to develop everyone's skills and potential, by deploying a structured approach at a global level, so that everyone could identify with it, whatever their culture. This was the essence of the road map given to our project team in spring 2015. It involved nine employees from very different backgrounds and areas including Colombia, Israel, France, Lebanon and Austria. Because our team itself reflected the Group's cultural and professional diversity, our first job was to define common concepts of “skills” and “potential”. It was obvious to everyone that “skills” covered not just professional expertise, but also behavior and attitude. We also concluded that having certain aptitudes for responsibility was not enough to “develop potential”; a manager must also want to

take responsibility, which is not always the case. So, having made sure we all shared the same clear definitions, we prepared an action plan that we submitted to the Group's Executive Committee. When, like me, you're running a small subsidiary, efficiency and simplicity are vital. So we took a practical approach: our proposals needed to be quick to implement and results on the ground had to be rapid. And so the first initiatives in the Development strand of Better Living Together were introduced, and are currently being deployed. Because skills development is anticipated right from the recruitment stage, we created a toolbox for managers who interview applicants. This provides a methodology and a series of questions to help recruiters make informed decisions. We also helped design a training program for middle management, led by the Group's managers. The aim is for 50% of future management positions to be filled through internal mobility.

What
employees
are saying

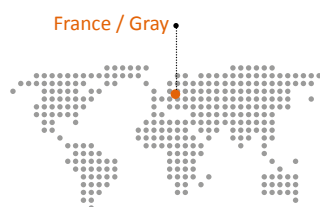
OUR SHARED ADVENTURE TO BE SUCCESSFUL ENTREPRENEURS





“In the factory, everyone contributes to performance.”

Mustafa Kirit
(center), head of one of
the two Simu production units
at Gray (Haute-Saône)



In industry, short interval management, or SIM, is a very simple daily ritual that allows every production operator to contribute to performance. Every morning, the team meets to review the results of the previous day in terms of safety, quality, deadlines and costs. If we've all done well, it's good news, and everyone goes back to their workstation. But when we find dips in performance, we identify the cause and use everyone's expertise to find solutions, which are then applied on the same day. SIM is therefore a way of driving performance and solving problems. It's a major change in culture and mindset, which strengthens team spirit and makes everyone want to do better. Simu has been using the SIM method for two years now. The results can be seen in terms of productivity, quality, and also greater involvement of employees.

*“SIM improves team
spirit and makes
people want
to do better.”*

SIMU: “18 YEARS OF IMPROVING OUR PERFORMANCE METHODS.”

Simu is a small company that employs 240 people, 110 of whom work in manufacturing. In our environment, Simu needs to be competitive. In 1998, we reorganized production into “islands” to give operators greater autonomy within a more team-based way of operating. Three years ago, we took another new step forward by adopting lean management methods, to eliminate all “waste” such as pointless tasks. Its deployment involves everyone's experience and actions, so lean management is at the root of the current change in culture, as we improve our approach. SIM is part of this. There's something I like to say to employees: “If we focus on results, we'll never change. If we focus on change, we'll get results.”

A new internal pact: “Better Living Together”

In a changing market with new, highly agile competitors, Somfy must transform the way it works. To support this ambition, the Group has launched a major human resources and managerial project, Better Living Together. It is designed to let employees do more, faster, and more efficiently.

TRANSLATING ASPIRATIONS ON THE GROUND INTO ACTIONS

The Better Living Together project is based first and foremost on changing managers' behavior. But it must also represent a better quality of life at work for everyone. And this will bring about an improvement in performance. So Somfy decided to approach its employees directly to come up with the first action plans for this project. Throughout 2015, 60 of the Group's senior managers worked in project teams on five themes and a central question: how should Somfy managers aspire to work with their teams and other parties in 2020? The international, multidisciplinary nature of these project groups ensured that they fed back needs and good practice from all areas of the business, all of the Group's commercial brands, and all regions of the world.

LOCAL AND GLOBAL INITIATIVES THAT REFLECT RAPID CHANGE

To set the pace of change and demonstrate its commitment to employees, Somfy has accelerated the deployment of the Better Living Together project. The first concrete actions were launched in the second half of 2015. At a Group level, all employees now benefit from the same death and invalidity cover, which is adapted to suit the situation in each country. A number of initiatives – including some very original ones – have been introduced locally. For example, the Happy Places project gives as many people as possible access to the comfort, security and energy-saving benefits of Somfy products. They will gradually be fitted at all of the Group's premises. To ensure everyone can benefit from them in their own homes too, there is also a plan to make these products more financially attractive to employees. Another way

Better Living Together is bringing about progress is the introduction of services to make life easier. These include a childcare facility which opened in September, as well as a concierge service available to employees at all Somfy sites in Haute-Savoie, France.

OBJECTIVE: SHARE MANAGEMENT PRACTICES

Somfy group has employees in 58 countries, on five continents. To make the functioning of the Group more fluid, agile and easy – in other words, to get everyone working better together – its management must share the same practices and work with a collaborative spirit. The working groups that designed the action plans for Better Living Together helped to define the basic skills required of a manager. This reference was immediately adopted for recruitment and talent management. It served as the basis for revising the individual performance appraisal, which takes place every year. This now covers each manager's contribution to the goals of their teams and company. In 2015, Somfy introduced a new training program for its 800 middle managers working for all its commercial brands: the Middle Management Academy. This program spreads the same good management practice and provides resources so that managers can handle any situations that might arise. In a decentralized organizational structure such as Somfy's, local managers play a vital role. To encourage an entrepreneurial spirit among teams, which is essential to Somfy's performance, they can encourage attitudes such as delegation, autonomy and subsidiarity. It is up to them to spread the Group's values to employees working on the ground, and to encourage transformation with Better Living Together.

FOUR VALUES TO STEER TRANSFORMATION AT SOMFY

At the beginning of 2015, Somfy group redefined its values. These are a shared point of reference that act as a guide for its 7,800 employees, in addition to their belonging to one of the Group's eight commercial brands.

Boldness in creativity and innovation.

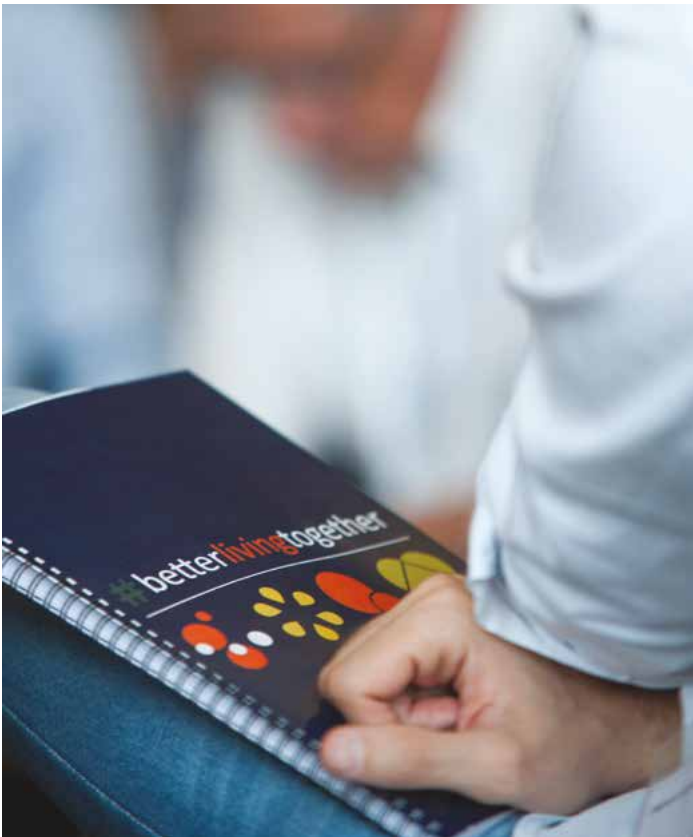
Respect for all our stakeholders, for diversity and our environment.

Openness to others – internally and externally – and to development opportunities in our work.

Proximity with all our customers, partners and the local community, by always being available to them, by serving them.

BETTER LIVING TOGETHER: FIVE THEMES TO IMPROVE THE WAY WE LIVE AND WORK TOGETHER

- **Development:** developing the skills and potential of individuals and teams..
- **Take care:** giving every employee the respect and attention they deserve, throughout their professional career, and protecting their wellbeing and security.
- **Cooperation:** working better together to achieve greater effectiveness, agility, rapidity and fulfilment.
- **Inspiring:** giving meaning to the work done by every employee, a feeling of pride and responsibility that encourages their wish to contribute and take initiative.
- **Open:** cultivating openness, curiosity and the ability to think outside the box and come up with original ideas.



▲
A concierge service
is available for employees
at Somfy's sites in
Haute-Savoie, France

◀
The Inspiring group working
on the Better Living Together
project

Better Living Together, the Somfy Foundation's citizen engagement

The Group focuses its charitable work on an area it knows well: housing. For the past five years, the Somfy Foundation and Somfy employees have been working in the housing sector to support French charities. The Foundation is now expanding its ambitions to an international level.

A HOUSE IS A HOME: THE FOUNDATION GOES INTERNATIONAL

When the Somfy Foundation – created 12 years ago – chose to refocus on housing issues, it decided to work at a Group-wide level. The first step was taken in 2015 with the creation of its international program, A House is a Home, which launched its first project in Brazil. The Foundation decided to help fund the NGO Habitat for Humanity, which operates in nearly 80 countries to build and renovate housing for those in need, thanks to the support of its volunteers. The Foundation decided to focus on housing for single mothers and their children, or those who have to care for their parents, living in a poor neighborhood of São Paulo. The plan was to renovate a house every month. This project improved living conditions for 42 people over the course of the year. In 2015, the Somfy Foundation also prepared the next phase of its program, A House is a Home, in Europe, the Middle East and Africa, with the aim of carrying out a project in every territory where Somfy is present. In 2016, initiatives will be launched in Belgium, Germany, Poland, Spain and Lebanon.

In France, the Foundation entered its fifth year of partnership with the Emmaüs-France movement¹, which it supports both financially and through volunteering skills. In 2015, the Foundation focused its efforts on an extension at the EMRA Community housing project (Isère), to provide accommodation for an additional 10 people. This structure, which is Emmaüs' fundraising center

for the Rhône-Alpes region, plays an important role for the movement in terms of logistics and professional reintegration services.

TIME FOR OTHERS: SOMFY EMPLOYEES GET INVOLVED

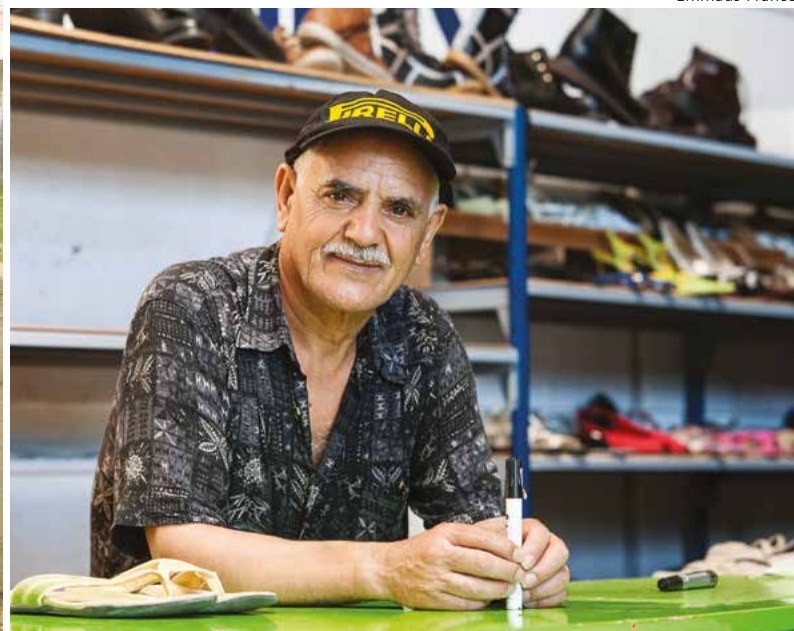
In France, the Time for Others program lets Somfy employees who wish to get involved with charities supported by the Foundation. They can spend a day during their working hours helping volunteers in these organizations, or contributing specific skills. In 2015, growing support for this program meant 56 charity action days were held, involving 117 employees. They helped two Emmaüs communities based near Somfy's headquarters. The Annemasse center benefited from the expertise of Somfy employees in order to carry out research prior to refitting its sales area, while the Chambéry center got help devising a communications strategy. Somfy's Human Resources team worked with the Restos du Cœur² charity in Cluses to provide job search workshops for those in need.

1. Emmaüs-France is a charity that helps people living in poverty, and was founded by Abbé Pierre.
2. Restos du Cœur is a charity that runs food banks all over France.





◀ A House is a Home is a project set up to improve housing conditions.



▽ In France, the Foundation entered its fifth year of partnership with Emmaüs-France.



2

FOCUSES FOR ACTION

- Facilitating access to decent housing
- Developing social cohesion through housing

12

HOMES RENOVATED
in Brazil in 2015

€300,000

**THE SOMFY
FOUNDATION BUDGET**
in 2015

◀ Time for Others lets Somfy employees work with charities supported by the Foundation.

***“Since it was created
at the end of 2013,
the crowdfunding platform
Les Petites Pierres has raised
€660,000 to support
54 charitable programs.”***

LESPETITESPIERRES.ORG: CHARITABLE GIVING THROUGH CROWDFUNDING

The Somfy Foundation has always believed that issues that are becoming increasingly relevant and vital, such as housing conditions and social cohesion through housing, require goodwill and generosity. At the end of 2013, the Foundation set up LesPetitesPierres.org, a crowdfunding platform that lets the public and other parties support charitable projects. This was the first of its kind in France in the corporate sector. Two years later, it has received wide recognition for its effective support for projects represented on the site: the €322,132 in donations received in 2015 were used to fund 26 new projects. Over time, Les Petites Pierres has extended its donation network while retaining a community of loyal supporters. The platform has become recognized among corporate donors. In 2015, three new organizations gave their support: ATMB (Autoroutes et Tunnel du Mont Blanc), the bank Crédit Agricole des Savoie, which matched the public's donations for some projects, and the property listings site Logic-Immo.com, which uses its online presence to support the Petites Pierres communications campaign.

www.lespetitespierres.org

BEING PART OF LES PETITES PIERRES

Part of the fight to improve poor housing is learning about the people whose personal circumstances suddenly led to them living life on the edge.

To raise awareness and encourage support, Les Petites Pierres asked the photo journalist Laurent Cousin to take 21 portraits of men and women who benefit from the support of its partner charities. *“The exhibition is a way of showing the faces of the men and women behind the charities’ initiatives. Through these images, I am trying to portray what these people revealed to me.”* Since September 2015, the portraits have been displayed as part of a travelling exhibition in France.





Les Petites Pierres asked photojournalist Laurent Cousin to take 21 portraits of men and women who benefit from support from partner charities.

Eco-design and “daily” efforts we make for the planet

In 2015, Somfy launched its first products manufactured according to its Act for Green eco-design process. This is its most important means of reducing its environmental footprint. The Group is also improving the energy efficiency of its sites and their good practice in day-to-day operations.

ACT FOR GREEN: THE FIRST ECO-DESIGN LABEL IN THE SECTOR

With the commercial launch of its first three products bearing the Act for Green label, Somfy is a pioneer in the electrical goods sector. This voluntary eco-design approach is unique in motorized systems and automatic controls for buildings. Exclusive to the Somfy brand, the label bases its credentials on respecting internationally recognized environmental standards – via the PEP ecopassport^{®1} program – that are verified by an independent certification body. Act for Green involves adopting five criteria during product development to reduce their environmental impact throughout their lifecycle, from the extraction of raw materials and manufacture to use, transportation and recycling. This launch with a new generation of products, including the Smart & Smooth motor, is just the first stage: all product ranges will be concerned by 2018.



1. The PEP ecopassport[®] program was developed by the electricity industry and defines a standard method for making environmental declarations in line with international regulations (ISO 14025 & ISO 14040s).

WASTE SORTING AND ENERGY EFFICIENCY IN FACTORIES

The Group's eight industrial sites are mainly occupied with assembling products, which generates no pollution risk apart from packaging waste and manufacturing rejects. Factories are therefore focusing most of their efforts on sorting and recycling waste, as well as continuing to improve the energy efficiency of their buildings. In Poland, the SOPEM factory, which opened in January 2014, trained its employees in waste recovery and sorting for recycling. In Italy, BFT – the Group's second biggest brand in terms of sales – created a team of in-house environmental “experts” to oversee waste management and recycling on its sites. In Tunisia, the SITEM factory has fitted all of its workshops with LED lighting. And in China, Lianda has created gardening areas for employees on the grounds of its site.



FIVE CRITERIA OF THE ACT FOR GREEN LABEL



Limiting **electricity consumption** of motors in standby mode.



Electronic components with a low environmental impact.



Raw materials that respect health and the environment².



Packaging made from recyclable materials (50% for boxes, 100% for leaflets)



Greater product durability (easier to repair, more robust, etc.)

2. Compliance of all Somfy's products with European directives, REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) and RoHS (Restriction of Hazardous Substances – lead, mercury, hexavalent chromium, polybrominated biphenyls/PBB and polybrominated diphenyl ether/PBDE) is tested by external laboratories.



**EVERY LITTLE EFFORT HELPS
THE ENVIRONMENT:**

► **10% of meals are made using organic products:** in 2015, the staff restaurant at Cluses met its targets thanks to a partnership between local producers, the region and the catering company.

► **150 employees use the company car pooling** scheme introduced by Somfy in Haute-Savoie (France), 30 more than the previous year.

► **95% of computer equipment no longer needed by Somfy SAS was reconditioned and sold on:** in 2015, 377 pieces of equipment were processed in this way (including 143 computers). The remaining 5% were recycled.

Skiing, a passion, a family

Due to its mountainous environment, sport is in Somfy's blood. This passion, shared by its employees, has been demonstrated through the Group's support for the Fédération Française de Ski for the past 10 years, as well as individual sponsorship of talented biathletes and skiers.

SPONSOR OF NORDIC SKIING AND ITS FRENCH TALENTS

As a partner of the Fédération Française de Ski (FFS), Somfy has sponsored the French biathlon team since 2005, and all Nordic skiing (biathlon, cross country, jumping, Nordic combined) for the past two years. As well as the visibility this offers the Somfy brand, the Group has a presence supporting athletes at most major competitions. This strong link with the French ski community also extends to the Group's sponsorship of individual sportspeople. In 2015 and 2016, Somfy sponsored three biathlon champions: Martin Fourcade, Marie Dorin-Habert and Simon Fourcade. With the FFS' help in choosing individuals for their sporting potential and personality, Somfy also sponsors four young skiers from its own region, through the Somfy Ski Talents program.

SUPPORTING ATHLETES DURING AND AFTER THEIR CAREERS

Over the years, Somfy has often formed close ties with the athletes it supports, through shared values and personal support provided throughout the individual's sporting career and sometimes beyond. For example, the Olympic biathlon champion at the Turin games in 2006, Vincent Defrasne, who was sponsored by Somfy, joined the Group in 2011 as Director of the Somfy Foundation. The young sportspeople who join the Somfy Ski Talents program enjoy this same process of personal support. Those who want to can also take

up internships at Somfy in areas such as human resources, marketing or finance, to learn about the workplace and begin to make plans for after their sporting career. In 2015, Jonas Devouassoux, ski cross champion, and also a student at Sciences Po Paris, spent a month working at the R&D Center in Cluses. For him, his partnership with Somfy is *"much more than the financial support that gives me peace of mind; there is also lots of discussion and advice on managing my personal communications and providing professional experience"*.

A PASSION SHARED BY EMPLOYEES

The primary reason that Somfy has become involved in sports sponsorship, particularly in the field of Nordic skiing, is its natural proximity to the mountains – Somfy's headquarters are located in the French Alps – but also because it is a sport enjoyed by its employees. The Group's Savoie-based employees are particularly receptive to the values of endurance, precision and humility demonstrated by the biathletes. Over time, the entire Group has become keenly interested in the results of its champions during competitions. According to the sporting calendar, employees also have the opportunity to spend time with the sportspeople, either in training, during competitions, or at the Somfy Ski Challenge day.

A FOCUS FOR COMMUNICATION AIMED AT EXTERNAL AUDIENCES

Encouraged by the growing reputation of biathlon,

SOMFY SKI CHALLENGE

A one-day event held every year, the Somfy Ski Challenge allows the Group's employees to rub shoulders with the sportspeople they sponsor. Amateur skiers of every level can compete in Nordic contests, or take lessons from the champions themselves. Meanwhile, their families can enjoy dog sled rides or try trekking in snow shoes. In March 2015, 350 employees took part in the day's activities, including around 100 who competed in skiing competitions.



which has been aided by Martin Fourcade's victories, in 2015 Somfy capitalized on these partnerships and host events for the media, customers, and influencers. The "Nordic evening", which took place in Paris in October 2015, was a fabulous event where novices and athletes got together. In February 2016, the big Alpine ski event, Kandahar, was held in Chamonix, allowing guests to experience the competitions at close quarters with the champions – in the middle of the downhill course – while listening to the commentator, former skier and now racing driver, Luc Alphand.

Updates on the results of champions supported by the Group are posted on the Somfy Sports Facebook page.





MARTIN FOURCADE
Best biathlete across
all generations.

Seven sportspeople supported individually by Somfy



MARTIN FOURCADE
(Biathlon)

Martin is the best biathlete across all generations. Double Olympic champion in 2014, ten times World Champion, he is the only biathlete in history to have won the overall rankings in the Biathlon World Cup, five times in succession, between 2012 and 2016.



SIMON FOURCADE
(Biathlon)

Currently ranked 13th overall in the World Cup, Simon is a three-time medal-winner in the World Cup, and was Junior World Champion four times.

Sponsor of three Biathlon champions



MARIE DORIN-HABERT
(Biathlon)

Marie has an excellent sporting record, having won two Olympic medals at the Vancouver Games in 2010 – silver in relay and bronze in sprint – plus five World Cup victories and 15 medals at the World Championships.



Sponsor of four up-and-coming sportspeople through the Somfy Ski Talent program



◀ **ENORA LATUILLIERE**
(Biathlon)

After being the World Cup revelation of winter 2015, this young woman from Chamonix hopes to maintain the same level of performance. At the beginning of 2016, she had to cut short her winter season for medical reasons, but Enora hopes to be back to peak form by next winter.



◀ **JONAS DEVOUASSOUX**
(Ski cross)

Jonas is the alpine exception among the Ski Talents. A member of the French ski cross team, the solid performer from Chamonix only just missed out on a medal at the World Cup in winter 2015.

△ **CLÉMENT PARISSE**
(Nordic skiing)

Clément, from Mégevette, vice-world-champion in U23 cross-country skiing, is now a member of the French team. This multi-disciplined skier won silver at the World U23 Skiathlon in 2015.



▽ **THOMAS CLARION**
(Biathlon)

A visually-impaired athlete, Thomas and his guide Julien Bourla won two titles at the World Handisport Championships in Nordic skiing in 2015: silver in the 20 km cross-country, and gold in the relay (4x2.5km). Thomas was also a double bronze medal winner at the Sochi Paralympic Games (2014).





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