
BETTER LIVING

IMPROVING THE WAY WE LIVE ON THE PLANET P16

INNOVATING ON A LARGE SCALE P30

ACTING MORE QUICKLY P42





3 HOME AUTOMATION



5 TYPES OF APPLICATION



IN 1969, THE SOMFY GROUP WAS ESTABLISHED WITH A PIONEERING VISION THAT AUTOMATED OPENINGS WOULD REVOLUTIONISE COMFORT IN HOMES. IN 2016 WE ARE ONCE AGAIN IN THE VANGUARD, THIS TIME WITH DIGITALISATION. OUR AMBITION IS TO MAKE TECHNOLOGY A SOURCE OF PROGRESS FOR ALL.

In the home, connectivity offers exciting new benefits in terms of comfort, security and energy savings. This is why Somfy aims to use every smart object and solution to create new applications that make life easier and free up time, for individuals and businesses alike.

Based on the principle that innovation must be applied in order to be useful, Somfy co-innovates with consumers and users of its products to understand their needs and design solutions for the future.

Internally, digital leverages entrepreneurial acceleration and agility, to better serve our end-users and our markets.

30%

TIME
SAVED

Manufacturers of roller shutters gain up to 30% cycle time to integrate and set the parameters of the new 100% connectedRS100 Smart & Smooth Operator motor in the factory, using the associated industrial integration system, EMS-2. With this complete ecosystem that allows settings to be defined, **our manufacturing customers improve productivity and reliability.**

+200

COMPATIBLE
RANGES

There are more than 200 different ranges for the home (gates, rolling shutters, heating, lighting, etc.) that users of our TaHoma® smart home solution can control directly from their smart phone. Connectivity **makes life easier.**

415

SOCIAL COMMUNITIES

415: the number of Yammer communities created by the 2,927 Somfy employees who are active members of our corporate social network. With this new ability to tap into the combined intelligence of our 125 subsidiaries around the world, in real time, **our entrepreneurial spirit has gained momentum.**

62

DAYS TO FUND A CHARITABLE PROJECT

62 days is the average time it takes for charities supported by the Somfy Foundation to raise the funds they need for housing projects via the foundation's crowdfunding platform, Les Petites Pierres. We benefit from people's generosity to allow us to work harder to improve **housing conditions.**



DIGITAL & SOMFY ACCORDING TO JEAN GUILLAUME DESPATURE, CHAIRMAN OF THE SOMFY MANAGEMENT BOARD

TRANSFORMING OUR PRODUCTS AND THE RESIDENTIAL AND BUSINESS MARKETS... SOMFY IS AT THE HEART OF DIGITAL. IS THIS A REVOLUTION?

It is both a process of natural change and a necessity. For more than 40 years, Somfy has been constantly reinventing itself in step with the times, while developing its sector. In 2006, with the launch of the io-homecontrol communications protocol®, the Group understood the important role of interoperability between home appliances and providing information for residents. Today, as smart objects are becoming more commonplace, we are positioning ourselves as a major player in home digitalisation to meet consumers' needs. In the same way, within our Group we want our employees' digital experience to be as seamless and practical as in their personal lives. Digital is an essential driver of agility in a globalising market. It is also a key asset to meet needs of immediacy, mobility and personalisation for our customers and for the users of our products. Our next challenge will be to strengthen our partnerships with manufacturing customers so that together, we can enter the age of industry 4.0 and optimise our logistics and production processes and develop services.

THE CONNECTED HOME MARKET HAS BECOME A REALITY. HOW DO YOU SEE IT EVOLVING?

In 2016, consumers' growing interest in smart solutions boosted sales of our motors and automatic systems, which also benefited from a buoyant environment in all of our territories. Overall, including io-homecontrol® motors and smart objects, our sales of these products increased by 50% in a year. However, we are not anticipating a rapid switch to an "all-connected" home due to the relatively long cycle for replacing equipment: an average of 10 years for our applications. At this stage in the development of connectivity in buildings, I also think it would be a mistake to continue to view the Connected Home as a single homogeneous market. There are many different markets for the connected home, just as there are many different types of home equipment: electrical appliances, electronics, closures, heating, etc. Each of these markets has its own characteristics and some, such as alarms, are being taken up much faster than others.

IN THIS CONTEXT, HOW CAN SOMFY ESTABLISH ITSELF AS A MAJOR PLAYER IN HOME DIGITALISATION?

Firstly, we must remember that the digitalisation of our products is not an end in itself. As with motorisation and automation in their day, it offers a better means of meeting security, comfort and energy-saving needs in the home. Every smart solution means time savings and new applications that improve people's lives. In this respect, the first step in our strategy is to continue to capitalise on our building openings market to create these new benefits through product connectivity. This will benefit consumers as well as our manufacturer and installer customers, who will be able to develop predictive maintenance services, for example. Building openings and closures are a sector in which Somfy has a strong presence, and which has major barriers to entry. The progressive digitalisation of our services will have two impacts: to raise the value of our core market, which is driven by innovation, and to expand it by attracting new consumers with our smart solutions. The second step Somfy is taking to support digitalisation in the home is to further improve the benefits of our products, by expanding our ecosystem to cover related equipment in our core business, either through partnerships or by gaining a foothold in these markets. This is one of the main reasons for the acquisition in 2016 of the digital start-ups Myfox and OpenDoors, whose solutions and expertise in customer experience are enriching the applications we are creating in security.

//
**SOMFY
IS A MAJOR
PLAYER IN THE
DIGITALISATION
OF THE HOME
OFFERING NEW
BENEFITS FOR
CONSUMERS.**
//



OVER THE NEXT TWO YEARS, OUR PRIORITY WILL REMAIN THE TRANSFORMATION OF OUR MARKET AND OUR COMPANY.

it at all times. Lastly, since it was established, Somfy's success has been driven by its people, their entrepreneurial spirit and their desire to achieve personal fulfilment through meaningful team effort. This is why *Believe & Act* reaffirms the key role they play in our future, through a management project based on confidence, subsidiarity and decision-making as close to the ground as possible. Somfy also intends to continue to uphold its societal responsibilities, notably through its product eco-design approach, which will be stepped up in 2018, and through the Somfy Foundation, which has boosted its efforts to fight poor housing through the international expansion of its programme.

WHAT ARE YOUR PRIORITIES IN TERMS OF CHANGE?

To consolidate our performance in the long term, our priorities for the next two years remain the digitalisation of our products, and the residential and business markets. Meanwhile we will also be focusing on delivering profitability in line with previous years. In 2016, Somfy reached a significant goal in its programme of change when it rolled out collaborative solutions and a new IT system to manage relations with customers and consumers. In 2017 and beyond, we will focus on using these tools to accelerate their satisfaction and to create value on our markets. ●



DIGITAL & OUR BUSINESSES VIEWED BY MEMBERS OF THE EXECUTIVE COMMITTEE

- 1 **Pierre Ribeiro**
Chief Financial Officer,
member of the
Management Board
"Thanks to the future ERP – enterprise resource planning – software, which will automate many accounting and financial tasks, our people will be able to focus on more rewarding, value-added projects."
- 2 **Jean Guillaume Despature**
Chairman of the
Management Board and
CEO of the Somfy Group
"The digitalisation of our industry is an opportunity for Somfy to further improve the way it meets consumers' needs in terms of security, comfort and energy saving in the home."
- 3 **Marc Westermann**
Director of the
Connected Solutions
Activity
"Somfy is turning its products into a coherent set of smart solutions that create a direct link with its users: our apps let them monitor and interact with their home; their data gives us a better understanding of their needs and allows us to offer them other services."
- 4 **Olivier Piccolin**
Director of BMA Asia-
Americas
"In Asia-Americas, which has a low rate of motorisation for interior solar protection, the new benefits available to consumers through connectivity represent a major source of growth for Somfy's business."
- 5 **Frank Schädlich**
Director of BMA Europe,
Middle-East & Africa
"In 2015, Somfy changed its sales strategy to strengthen links with users of its products, aided by digitalisation. Online shops, online communities, support services and so on: every territory is using solutions adapted to its specific needs to smooth out the consumer experience."
- 6 **Jean Pascal Rey** Home
& Building Activity
Director
"In 2016, consumers' growing interest in smart objects led to a sharp acceleration in the sale of motors and io-homecontrol® control points in Europe, the Middle East and Africa."
- 7 **Guy Broutechoux**
Organisation
& Management Director
"By encouraging working as a network, our digital transformation supports operational principles within the company: co-construction, a multidisciplinary approach and subsidiarity."
- 8 **Jean-Claude Rivier**
Industrial Director
"The digitalisation of our Supply Chain is crucial to the structural improvement of the quality of our products and services. As well as allowing more agile management through enhanced visibility on the implementation of the various stages in our operational processes, it enables us to offer our customers differentiating functionalities."
- Denis Maugain** Marketing Director (not pictured)

AT THE BEGINNING OF 2017 YOU DEFINED A STRATEGIC THREE-YEAR ROADMAP FOR SOMFY: BELIEVE & ACT. WHY IS THIS?

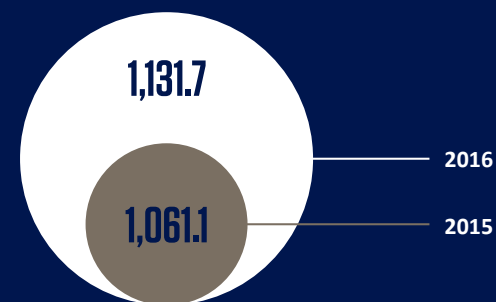
Because in the course of our current multifaceted digital transformation, it is important to prioritise our actions and investments. We have therefore defined four aims to guide our teams until 2020. The first is to work more closely with consumers to offer a unique user experience and a fluid, seamless customer experience, while continuing to improve our knowledge of their needs for the home. Somfy's second aim is to position itself as the leader in terms of developing the interior solutions market. On this market, which has great potential, particularly due to the low rate of current motorisation, we want to make a difference with disruptive products and bold choices in terms of distribution channels. Because I believe that we are moving from a niche market towards a mass market, and that with smart objects we are entering the realm of mass electronics, our operational excellence must be impeccable and we must continue to work on

2016 RESULTS

// **DIGITALISATION OF THE BUSINESS, R&D, MARKETING, MANUFACTURING:** //
IN 2016, WE INCREASED OUR INVESTMENTS IN STRATEGIC AREAS FOR
THE FUTURE. *Pierre Ribeiro, Chief Financial Officer*

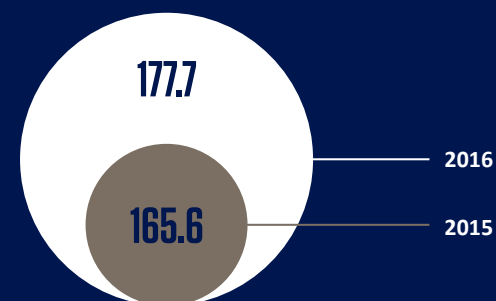
SALES IN € MILLION

Sales totalled €1,131.7 million for the year 2016, up 6.7% in real terms and 10.2% on a like-for-like basis, made up of 12.1% for the first half and 8.2% for the second half.



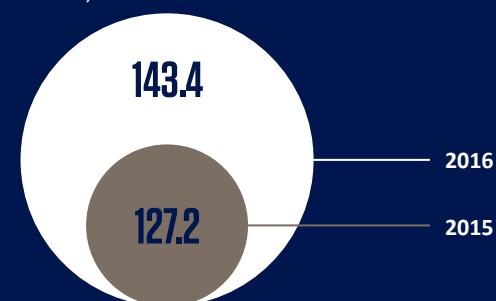
CURRENT OPERATING INCOME IN € MILLION

Current operating income amounted to €177.7 million for the year. This was 15.7% of sales and represents a rise of 7.3% in real terms.



NET INCOME ADJUSTED FOR EXCEPTIONAL ITEMS IN € MILLION

Net income adjusted for exceptional items (capital gains from disposal, depreciations in financial interests and tax bonuses?? accounted for in 2015) amount to €143.4 million, an increase of 12.7%.



INTANGIBLE AND TANGIBLE NET INVESTMENTS IN € MILLION

2015 2016
47.2 64.5

At €64.5 million (compared to €47.2 million in 2015), the level of intangible and tangible investments was in line with the implementation of the strategy.

CASH FLOW FROM OPERATING ACTIVITIES IN € MILLION

2015 2016
171.6 181.7

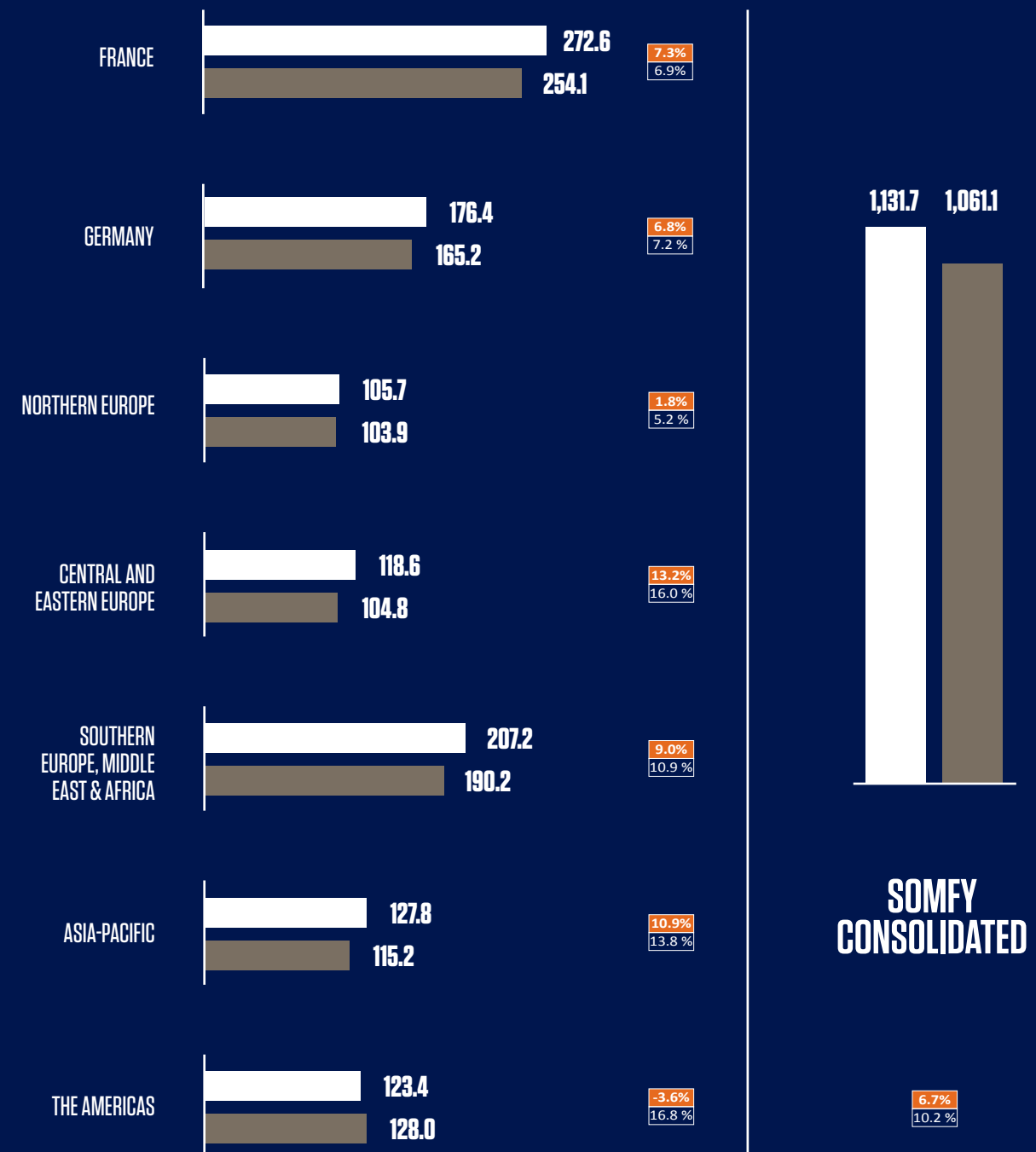
Cash flow from operating activities totalled €181.7 million, a rise of 5.9% compared to 2015.

NET FINANCIAL SURPLUS IN € MILLION

2015 2016
1.2 14.6

The financial balance remained in surplus at €14.6 million at end December.

SALES BY CUSTOMER LOCATION IN € MILLION



31.12.16

31.12.15

N/N-1 change

N/N-1 change on a like-for-like basis

ACHIEVEMENTS

In **Central Europe**, the Somfy brand broke through the threshold of €200 million in sales. This excellent result is particularly due to the solid growth of the German market. The strategy to seek closer involvement with end-users has been a success, particularly with the launch of online sales.

The territories of **Eastern Europe** and **the Middle East**, the two regions seeing strong growth in the EMEA region (Europe, Middle East, Africa), each broke through the bar of €50 million in sales for the Somfy, Simu and ASA brands.

ACCELERATION

The **Smart Solutions** Activity continued to take shape with the incorporation of Somfy's Security entity, the MyFox companies, which specialise in smart solutions for home security, and Opendoors, which designs smart locks..

750,000

smart devices, 320,000 more in 2016.

15.8
MILLION

motors produced in 2016.

€38
million

invested in the Group's industrial facilities (factories, logistics centres, research centres, test centres).

IN 2016, ALL REGIONS ACHIEVED AN INCREASE IN SALES FOR THE SECOND YEAR RUNNING.

+10.2%

in sales on a like-for-like basis worldwide

The most noteworthy performances were in America, Central & Eastern Europe, Asia-Pacific and Southern Europe. This reflects the vitality of territories such as Poland, the Czech Republic, China, Turkey and the Middle East, and also demonstrates the strong drive in traditional markets such as Italy, the Iberian peninsula and the United States. Variations were less pronounced, but nonetheless clearly positive, in Germany and France, as well as in Northern Europe, despite the decline in the United Kingdom.

2016 HIGHLIGHTS



GROWTH FOR SOMFY'S THREE ACTIVITIES

These benefited from a buoyant market boosted by consumers' growing interest in smart solutions:

+10.3%

for Home & Building

+8.9%

for Access

+17.3%

for Connected Solutions (excluding motors)

These figures are stated on a like-for-like basis.



CES LAS VEGAS

SOMFY ONE, the new smart alarm inside a camera, received two innovation prizes at the Consumer Electronics Show (CES) in Las Vegas in January 2017, in the Smart Home and Embedded Technologies categories. CES is the world's leading electronics show open to the public. **This all-in-one security system** incorporates a camera, movement sensor and alarm, and will be available for sale from April 2017.

CUSTOMER - Thanks to the success of the 100% connected RS100 Smart & Smooth Operator, Somfy continues to supply its manufacturing customers with the associated integration solution – the EMS-2 – which allows **settings to be defined in the factory**.

41

patents filed in 2016, with a total of 2,007 patents in the portfolio.

6

products that carry the Act for Green® label. This voluntary eco-design approach reduces the environmental impact of products throughout their life cycle.

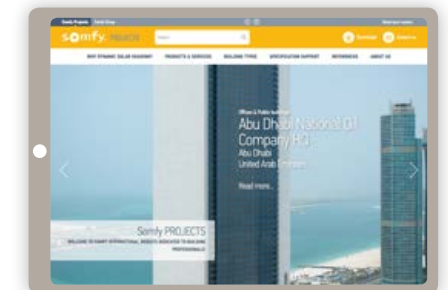


NEW MARKET

Somfy has acquired a majority holding in iHome, a smart solutions integrator for automatic systems in the **vertical residential market**. Established in 2007 and operating in Thailand, Malaysia and Singapore, iHome benefits from a strong presence in South-East Asia, and has developed a solid customer portfolio and specifier network. The aim for the two partners is to provide apartments fitted with Somfy products.

SOMFY.COM/PROJECTS

At the beginning of 2017, the entity dedicated to controls for commercial buildings launched its new website for project managers.



INTERNET OF THINGS

Somfy has joined the Board of Directors of the **zigbee alliance**, which brings together the largest community of construction manufacturers with the aim of designing a universal language to allow smart objects to communicate. In a similar initiative, the Group has also joined the **Open Connectivity Foundation** (OCF), created by technology giants.



PRODUCTION

Somfy's factory in Cluses (France) has improved its production lines to take innovative new products, including the RS100 Smart & Smooth Operator motor, which will eventually become the core product in the range of motors for rolling shutters.





RECRUITMENT

In 2016, 284 new employees (excluding company acquisitions) joined the R&D, distribution and sales teams.

CIVIC-MINDED COMPANY

In July 2016, the **Somfy Foundation** celebrated five years of action fighting poor housing and supporting social inclusion through housing. It provides funding and human resources through two programmes: in France, the crowdfunding platform Les Petites Pierres, and internationally, A House is a Home. Since 2011 the Group's Foundation has supported 144 charitable projects to the tune of €1.5 million. Furthermore, 400 Somfy employees have provided their skills and help on the ground. To celebrate five years of collaboration, seven charities and 70 employees met up to define an action plan that would continue their work to provide decent housing.



2 + 8 = 10

After France and Brazil, **A House is A Home**, the Somfy Foundation's international programme to fight poor housing, has been extended to eight new countries: Germany, Australia, Belgium, China, Spain, United States, Lebanon and Poland. In each territory, the Somfy Foundation and the Group's distribution subsidiaries provide funding and people to support charities' work.

3

out of 4 employees are active members of our corporate social network, Yammer, among users of the Group's IT system.

+11%

in hours of e-learning consumed by employees (3,413 hours), with 63% outside France.

16%

organic and local products served in Somfy's staff restaurant at Cluses (France). 6% more than in 2015.



SOMFY SPIRIT

Because the Somfy Spirit has formed the basis of the Group's development and success over more than 40 years, Somfy is reasserting the importance of this founding culture and its role to unite the whole Group behind it. 2016 saw the international launch of Somfy Spirit, a document that defines the Group's identity - vision, values - as well as its functional and organisational modes and management principles. In the autumn, the publication was supported by a number of major events attended by most Somfy employees.

110

entities connected at the same time for Somfy Spirit Day on 28 September

IMPROVING THE WAY WE LIVE ON THE PLANET

- P. 20 CONNECTED HOME
TAHOMA®: BESPOKE COMFORT
THE WHOLE HOUSE COMMUNICATES TO IMPROVE SECURITY
CONSUME LESS, USE BETTER
- P. 26 CONNECTED WORLDS
PLUG & PLAY: SIMPLICITY FIRST
- P. 28 COMMERCIAL BUILDING
WORKING TOGETHER FOR ENERGY PERFORMANCE

INNOVATION ON A LARGE SCALE

- P. 33 CONSUMER
MY SOMFY LAB: A HOUSE THAT MAKES LIFE EASIER
IN INDIA, UNDERSTANDING THE NEEDS OF EMERGING COUNTRIES
- P. 38 INDUSTRIAL AND TECHNOLOGY PARTNERSHIPS
CONNECTIVITY: GLOBAL ALLIANCES
- P. 40 CUSTOMERS FROM DUBAI TO SHANGHAI, AN INTERNATIONAL SUCCESS STORY

ACTING MORE QUICKLY

- P. 46 SOMFY SPIRIT DAYS
COMING TOGETHER AROUND THE CORPORATE CULTURE THE WAY WE ARE EVERY DAY
- P. 50 DIGITAL TRAINING
IN-HOUSE EXPERTISE
- P. 51 ENVIRONMENT
FEWER CARS = LESS CO₂
- P. 52 CUSTOMER RELATIONS
CUSTOMER RELATIONS HAVE ENTERED A NEW ERA
- P. 54 COLLABORATION WITH DIGITAL, OUR PROJECTS ARE DRIVEN BY TEAMS
- P. 55 ADVERTISING
FIRST WIDE-SCALE CAMPAIGN IN NORTH AMERICA
- P. 56 SOMFY FOUNDATION
JOINING FORCES TO FIGHT POOR HOUSING
- P. 58 SPORTS SPONSORSHIP
PROMOTING OUR PASSION FOR NORDIC SKIING
SOMFY CREATES A BUZZ

IMPROVING THE WAY WE LIVE ON THE PLANET

CONNECTIVITY

In homes and buildings, connectivity between devices has become a key way of increasing the value of using Somfy's products and innovating for greater comfort, security and energy savings. Marc Westermann, Director of the Connected Solutions Activity, paints a picture of this emerging market and presents the strengths that are already making Somfy one of the leaders in the Connected Home. Our ambition is to inspire better living environments, accessible to all.

// WE ARE REINVENTING
THE USEFULNESS
AND BENEFITS
OF OUR PRODUCTS
FOR USERS AND
OUR PROFESSIONAL
CUSTOMERS. //

INTERVIEW
WITH MARC WESTERMANN,
DIRECTOR OF THE CONNECTED
SOLUTIONS ACTIVITY



THE ALL-CONNECTED HOME FASCINATES MAJOR PLAYERS IN TECHNOLOGY, TELECOMS, ETC. WHO ARE ALL GETTING INVOLVED; BUT ARE CONSUMERS READY?

▶ **MARC WESTERMANN** Yes, today, it is a reality. The Smart Home is not yet a mass market, but it has been maturing over the past two years. There are more than 15 million homes* in the world with a Smart Home product. The first change is that the more products that are available, the more consumers can see the value of connectivity. We have seen this among users of TaHoma®, the app that connects to our Smart Home platform. 70% use it daily, and 60% go on to buy Somfy products to add to their smart ecosystem. This means users recognise how useful it is over time. The second change is that the home and building industry sees connectivity no longer as an add-on feature but as a central element of services offered to residents. This is a major shift. The most obvious sign of this for Somfy in 2016 was the Bouygues Immobilier invitation for tenders, which we won in France with "an apartment that offers an experience of life connected with services." We are seeing the same phenomenon in Germany on the prefabricated house market.



THE MARKET IS TAKING OFF. IN THIS CONTEXT, WHAT IS YOUR PRIORITY?

▶ **MW:** Our focus is on users. Somfy makes users a priority every step of the way, because while it is very promising, the Smart Home is also, in the short term, a factor of increasing complexity in the home. In this context, we want to give users the pleasure of the time they save every day in their homes. How? By offering a coherent collection of smart solutions that provide real benefits in terms of security, comfort and energy savings. Somfy also stands out by offering a unique user experience with attractive products and apps, as seen with the launch in April 2017 of Somfy One, an all-in-one video alarm system which won multiple awards at CES** in Las Vegas in January. Our extensive range for each application, the breadth of our TaHoma ecosystem with its smart products and partners, and now the connection with services such as video surveillance and maintenance, form the other pillars of Somfy's smart strategy focused on the user. This also applies to our professional customers, who will now be able to develop new services such as remote repairs.

WHAT DO USERS WANT FROM SMART SOLUTIONS TODAY?

▶ **MW:** Their expectations are clear: they want tangible benefits such as security, comfort and energy savings, as well as easy, reliable implementation. This is why we are focusing on these areas. For example, even if it is not expressed in the same terms, consumers want interoperability between the different devices in their home. They want to not have to worry about technology. As a result, we must do a lot of preparatory work to keep this promise, without compromising on security.

For this reason, Somfy is a key member of global technology alliances around the Internet of Things, such as the Thread Group and zigbee alliance.

YOU SAY THAT WITH CONNECTIVITY, SOMFY IS "CREATING A DIRECT LINK" WITH CONSUMERS. HOW DOES THIS WORK, EXACTLY?

▶ **MW:** This closeness, which will grow as our smart objects become more commonplace in the home, works in two ways. Firstly, the smart devices themselves, by their nature, tell us in real time how they are used by consumers. The data we gather anonymously means we can constantly improve our products. Secondly, using the TaHoma®, Connexoon®, Somfy Protect™ smart phone apps, the Somfy brand is supporting and interacting with our users on a daily basis. This new direct link will not only give us a better understanding of the way our products are used, and the needs in the home, but it will also enable us to offer users other products and services that meet their needs. In this way, connectivity is altering our traditional push/pull strategy, which consists of giving consumers the desire to buy Somfy products, including our trade customers.

*Berg Insight report April 2016.

THE SMART HOME MARKET IS BEING TARGETED BY MANY PLAYERS, PARTICULARLY THE DIGITAL GIANTS. WHAT ARE SOMFY'S STRENGTHS THAT WILL ALLOW IT TO STAY IN THE LEAD?

▶ **MW:** It is true that these giants, and the start-ups inspired by them, are accelerating the digital revolution in the home: they are introducing new behaviours based on the Internet and mass-market electronics, which are familiar to consumers. So Somfy is adapting. But the real magic of smart objects for users is the ability to know - or see - what is happening in the home and act on it, even if they are not there. While smart objects can be very knowledgeable and autonomous, few are able to operate if they cannot integrate into the manufacturers' equipment ecosystem: blinds and awnings, locks, doors and gates, boilers, etc. To make these actions useful, we need detailed knowledge of each application. To offer a positive user experience with these complex products, you often need to call on an installer - the last mile! - and local support with getting started and after-sales. In this respect, Somfy, which is both the world leader in motorisation and a smart home pioneer, needs to present itself as a partner of choice for the major digital groups and position itself as the best player to provide users with a positive experience of the time they can save, end to end, with the smart home.

**CES (the Consumer Electronics Show) in Las Vegas is the world's biggest event dedicated to technological innovation for the electronics retail market.

2016 YEAR OF ACCELERATION

+17.3% IN SALES FOR THE CONNECTED SOLUTIONS ACTIVITY (EXCLUDING MOTORS, INCLUDING SECURITY)

+48.3% IN SALES OF IO-HOMECONTROL® MOTORS USING SOMFY'S COMMUNICATION PROTOCOL FOR THE SMART HOME.

On a like-for-like basis

x 2
NUMBER OF SMART HOMES

750,000
SMART OBJECTS INCLUDING **320,000** IN 2016

62,000
SMART BOXES INCLUDING **MORE THAN 30,000** IN 2016

4
MAJOR LAUNCHES

CONNEXOON® BOX
a simplified version of TaHoma® based on controlling settings for the home

SERRURES SMART LOCKS

CAMÉRAS VISIDOM SMART CAMERAS

TAHOMA® BOX 2.0
a new version that provides even more intelligent settings

3
ACQUISITIONS OF DIGITAL START-UPS
THAT STRENGTHEN OUR EXPERTISE, PRODUCT OFFER AND MARKET ACCESS

MYFOX
pioneer in smart security for the home

OPENDOORS
smart lock specialist

IHOME
designer of smart solutions for the vertical residential market in South-East Asia

CONNECTED HOME TAHOMA®: BESPOKE COMFORT

In Somfy's range of smart solutions for the home, TaHoma®, launched in 2010, is the one that can "do it all", including controlling objects made by other brands. With even more features in 2016, TaHoma® continues to offer new benefits to consumers and attract a growing number of customers. Above all, it demonstrates the Group's ability to adapt this foundational technology to the needs of different markets, with the launch of a security interface (Serenity) and a version designed for electricians (rail DIN). Focus on the main new features that make this box a bespoke platform for the smart home.

INCREAS- INGLY INTELLIGENT AUTOMA- TION

The user interface associated with the TaHoma® box provides greater freedom when controlling equipment. The user can decide to monitor their home: at home, simply by swiping their tablet screen, or remotely, via their smart phone, to check that the roller blinds are shut, for example. Users can also rely on smart technology by allowing equipment to control itself automatically, with their personalised and timed settings for when they are away, or returning home, for example. In 2016, TaHoma® became even more autonomous with its new "smart" mode that responds to information transmitted by sensors (temperature, presence, sunlight, etc.). Lights switch off and heating goes into eco mode when the house is empty. The blinds are lowered to protect furniture.

A VERSION FOR ELEC- TRICIANS

After versions for installers and DIY stores, TaHoma® is now targeting electricians. For Rexel, which distributes electrical equipment, the Group has designed a special rail DIN version which can be installed directly on the consumer unit.

TURNKEY SMART HOMES

In Europe, new home builders are increasingly fitting TaHoma® as standard. How does it work? When the new owner moves in, the house is already in "smart" mode. In 2016, the French builder Maisons Avenir Tradition (MAT) sold 350 pre-fitted homes. With motors for roller shutters, curtains, alarms, lighting modules, thermostats, solar panels and energy consumption monitors, the buyer can choose their own TaHoma® pack in one of nine MAT showrooms designed in partnership with Somfy. The partners have also developed a co-branded app to control equipment from a smart phone or tablet. This is aimed at creating long-term direct relations with buyers of new homes. Similar initiatives are under way with customers in other sectors in Poland and Germany.



*A smart home built
by Maisons Avenir Tradition
(MAT).*

25 countries

In 2016 TaHoma® was launched in Morocco, Greece, Hungary, Israel, Portugal, Bulgaria, Turkey and Romania

18 languages

70%

of users use
it every day

THE STRENGTH OF TAHOMA® IS ITS FLEXIBILITY. PROOF X 4

Technology platform

TaHoma® is not just a smart box that connects to the Internet and an app. It is a complete technological infrastructure, offering secure communication and a Cloud architecture. Its strength? Its strength is that it allows new services to be designed with

great agility, for consumers and professionals. It evolves with technology, particularly with the Internet of Things. Overkiz, Somfy's subsidiary that designed TaHoma®, uses this same technological framework to develop smart solutions for customers outside the Group.

Multi-equipment

TaHoma® is currently compatible with more than 200 product ranges in five key areas of the home: openings (shutters, awnings, skylights, etc.); access (gates, garage doors, locks, etc.); alarms and security; lighting (bulbs, sockets); terraces and gardens (awnings, pergolas); energy savings (radiators, heat pumps, thermostats, etc.). In 2016, the solution gained a new range of smart cameras.

Multibrand

As well as Somfy branded products, the Smart Home solution can control equipment made by 16 partner brands including

Velux, Philips Hue, Atlantic, Sauter, Honeywell, Ciat and Hitachi. In 2016, De Dietrich boiler products joined this ecosystem.

Multi-protocol

Another benefit of TaHoma® is that it enables equipment that uses different communication protocols to interact. Naturally, the platform is compatible with Somfy's two radio languages (RTS and io-homecontrol®) as well as with enocean and Z-Wave.



CONNECTED HOME THE WHOLE HOUSE COMMUNICATES TO IMPROVE SECURITY

This is a point of entry into the Smart Home for many consumers; today, home protection is the biggest smart solutions market. In 2016 Somfy made major investments including the acquisitions of Myfox and OpenDoors to extend its security offer. We look at the various smart solutions - from original applications for gates, garage doors and shutters to more recent additions for alarms, videos and locks - that provide integrated security for all lifestyles.

LOCKS

The acquisition of OpenDoors, the specialist in smart locks, at the end of 2015 allowed the Somfy brand to launch its first product in November. It can be fixed to an existing lock and allows the front door to be unlocked remotely, even when the user is absent. This new application also opens up a new distribution channel to the Group: locksmiths.

ALARMS

Indoors, they sound as soon as they detect an attempted intrusion. Outside, they alert and dissuade would-be intruders. The Myfox alarms have extended the Somfy range.

CAMERAS

Surveillance cameras can be used, for example, to check that children have returned from school, via a smart phone, or that the delivery officer that the user let in to the garage has actually left. Launched in 2016, the HD Visidom range of cameras with integrated movement detector has been one of the great commercial successes of the year. And with Myfox, there will be more innovation in 2017 with the launch of the all-in-one camera, Somfy One.

GATES & GARAGE DOORS

These "core" applications are what differentiates Somfy in smart security. They offer unsurpassed added value in most settings that users can programme for enhanced comfort (e.g. going out and returning home). In 2016, the Group continued to expand its range of motors controlled by io-homecontrol®, the communication protocol dedicated to connectivity. The aim is to make all models compatible.

ROLLING SHUTTERS

Activated when occupants leave, used to simulate presence when on holiday, automatic closure when the alarm is activated... Somfy's original application plays an important role in most automated settings for the smart home.

SENSORS

These small devices play an essential warning role in controlling home equipment. From an impact on the window or attempted intrusion to movement inside the house or in the garden, they are used to secure the whole residence and alert users in case of incident (fire, flood, etc.).

VIDEO SURVEILLANCE SERVICES

To complement a camera or alarm, Myfox has designed a suite of services for users, including flexible subscriptions (users can choose when they activate the service) and neighbour alerts.

LIGHTING

From the outside, lights dissuade and warn of a presence when activated by the movement sensors. Inside, smart sockets can be used to simulate presence with different settings.

CONNECTED HOME CONSUME LESS, USE BETTER

The window is an essential interface for managing interactions between the weather outside and the interior of the home. Somfy's smart solutions offer real benefits in terms of thermal comfort and energy savings. Now, the products themselves go into eco mode!

SHUTTERS RUN ON SOLAR ENERGY

In response to strong demand for energy-saving products - sales have increased threefold in two years - Somfy is focusing more on its solar-powered products. In 2016 in Europe and Brazil, the Group launched a new range of motors for roller shutters powered by photovoltaic cells. Other benefits of this product include easy installation and universal compatibility, as no electricity supply is required. Over the next few years we will see major innovations that will increase the value of this solar range. In 2018 a smart version will keep users informed of the charge level of their system and the position of roller shutters. Manufacturers will benefit from optimal parameters set in the factory. Most importantly, installers will be able to offer remote maintenance and anticipate the replacement of batteries at end-of-life.

60%

of Somfy products sold will carry the Act for Green® label by 2018



MOVING TOWARDS ECO-DESIGNED PRODUCTS

Somfy continues to gradually roll out its Act for Green® eco-design label across all of its ranges. By the end of 2016, six models of motors, sensors and control points carried the label. Launched in 2015, this voluntary approach covers all aspects of reducing the environmental impact of our products: components, electronics, raw materials, packaging, durability and so on, as well as limiting electricity consumption in standby mode.



WITH TAHOMA® ENERGY-SAVING SETTINGS ALL YEAR ROUND

The combined automation of home window protection (shutters, awnings, curtains) and heating, air conditioning and lighting systems can offer energy savings everywhere in the world. Using temperature and sunlight sensors combined, solar protection is always in the right position. To benefit from the sun's heat and warmth, or to protect ourselves from it!

DYNAMIC HOME INSULATION, SUMMER AND WINTER



When it gets hot outside, sun protection systems are automatically lowered to keep the inside of the building cool. Air conditioning can operate at a low level. Thanks to presence sensors, the lights are always off when nobody is at home.



On fine winter days, shutters and awnings are fully opened to allow the sun to heat the home naturally. The heating systems switches to eco mode and light bulbs adapt to natural light levels.



At night, or when it gets cool, the shutters close to maintain the heat indoors. The heating thermostat switches to comfort mode so that the home is at the right temperature when occupants return in the evening.

MONITOR CONSUMPTION IN REAL TIME



In France, the TaHoma® box meets thermal regulation RT2012. Due to its compatibility with all energy sources, Somfy's smart home solution can be used to monitor electricity, water and gas consumption in real time.



SMART SOLUTIONS PLUG & PLAY: SIMPLICITY FIRST

Today, it is easy to control one or more systems in the home remotely using smart phone apps. This is why, across Europe, Asia and the Americas, Somfy is successfully developing Plug & Play products that control equipment in the home. Easy to use and install, they provide an easy way for consumers to become familiar with smart home solutions. In Asia, these products are now an important means of boosting the sale of motors.

EUROPE TERRACE, ACCESS, WINDOWS, CONNEXOON®

launched in Europe throughout 2016, Connexoon® accounted for 30% of sales of boxes in the year. Its success validates the relevance of this simple, clever connectivity solution focused on Somfy products and controlling a particular area of the home such as the terrace, access points or windows. What are the benefits for users? The ability to control systems remotely using a smart phone app and to create lifestyle settings - to simulate presence, for example - as well as the way this solution will evolve over time. In Access, for example, consumers can add an alarm or lighting whenever they want to complement their operators for gates and garage doors. When the user's vehicle approaches, Connexoon® geolocates it and prepares the home for their arrival. Sold exclusively by installers and manufacturers (of roller shutters, gates, shutters, etc.), Connexoon® lets Somfy's traditional customers take their first step towards connectivity.

NORTH AMERICAN AND ASIA BLINDS, CURTAINS, MYLINK

Spearheading the smart solutions business in Asia-Americas, MyLink can be installed in five minutes. The small box is simply plugged in to an electrical socket, and the user is guided by the app to connect the motor! Available since 2015 in the United States and Canada, a special version of MyLink has been successfully rolled out in Asia-Pacific. Sold via Somfy's existing networks in these regions (interior decorators, installers), the product has been used to test the market's potential before accelerating in 2017. It also helps raise awareness of the brand among users, who now have a Somfy app in their pocket.



ASIA A NETWORK OF 3,000 SALES OUTLETS

In India, Taiwan, Hong Kong, Thailand and China, Somfy has created a network of resellers of its Plug & Play solutions. The aim of this presence in interior decoration stores that specialise in curtains and awnings is to increase the brand's visibility among consumers and persuade them to motorise their interior applications.



They say

//
**IN ASIA,
CONNECTIVITY
IS ACCELERATING
OUR
DEVELOPMENT.**
//



Benjamin Bertrand,
*Director of Connected Solutions
for Asia-Americas*

What is your Connected Solutions strategy in Asia-Americas?

It is exactly the same as Somfy's strategy elsewhere in the world: firstly, to increase the value of using our products, and secondly, to develop new markets around the benefits of security, comfort and energy savings, in association with our core business. The main difference compared with Europe is that our territories are mainly interior application markets, which have an average motorisation rate of no more than 2%. For this reason, through the new benefits it offers users, connectivity is a powerful accelerator of the sale of motors and therefore of our growth in Asia-Americas.

Are you already seeing the impact of connectivity on your Activity?

In Asia-Americas, our smart solutions are only in their infancy. We expect them to take off properly in 2017, with the launch of a major product plan, and even more from mid-2018, with the introduction of natively connected products. But in 2016 we were already seeing a noticeable acceleration in our interior applications sales, which are partly driven by connectivity.

What role do Plug & Play products have in this context?

Their simplicity appeals to consumers. For this reason they are central to our strategy to increase the value of using our products. In 2016 we formed a network of approved distributors in Asia. In 2017 we are increasing interoperability between our Plug & Play products and other home systems by launching a new version of MyLink in North America and with the European Connexoon® range in Asia.

What are the new benefits for consumers?

They can enjoy all the benefits of motorisation for their shutters and curtains. For a start, they can protect their privacy and manage light and heat levels to suit the weather conditions outside. We are also working on solutions to combine the management of artificial and natural light, and on very specific benefits such as interior air quality for the Chinese market.

What about the second part of your strategy: to develop new markets?

This is primarily aimed at vertical collective housing, for which we are currently developing comprehensive value-added smart solutions. This was the reason for our acquisition in 2016 of iHome, an integrator in South-East Asia that specialises in collective housing, which will give us a foothold on the property development market.

COMMERCIAL BUILDING WORKING TOGETHER FOR ENERGY PERFORMANCE

In office buildings and public spaces (schools, hospitals, etc.) where thermal and environmental regulations are increasingly strict, connectivity has ushered in a new era of low consumption by aligning operation of all systems: lighting, heating, air conditioning, solar protection and so on, for more co-ordinated and efficient automation. We take a closer look at the results of the Onix project led by Somfy, and at the digital solutions being developed by the Group.

They say



//
**THE SMART
BUILDING
IS WELL ON
ITS WAY.**
//

Katia Vlahovic,
*Director of the Building Control
Business Group*

How has Somfy contributed to the building's energy efficiency?

By regulating heat and light from the sun through the automation of solar protection. This was incorporated into the original building plans and significantly reduces (up to 40%) the need for air conditioning and heating. We are certain that our solutions are an essential element of high-performance façades and we promote our expertise in dynamic solar protection when working with architects, engineers and property developers.

Why are you moving towards smart solutions?

This is the only way of progressing towards the smart building; in other words, centralised energy performance management of the whole building. All systems can interact smoothly while taking into account the requirements and comfort of every occupant.

How long will this take?

We already have motors and digital management platforms that can be used to control automation for each individual window. To interact with other systems, we use open communication protocols. To go even further in the interaction of our solutions with other systems in the building, we are currently developing new all-digital solutions that will allow us to become the major player in smart solar protection.

RESULTS *

-54%
on lighting

-10%
on air conditioning,
ventilation and heating

-29%
in overall energy

*Reduction in energy consumption over a full year.

SOLAR PROTECTION + LIGHTING = THE WINNING FORMULA FOR THE ONIX BUILDING (FRANCE)

THE ONIX PROJECT: in 2014, Somfy and Philips Lighting launched a pilot project on one floor of the Onix office building in Lille. The aim was to demonstrate the energy efficiency of automation combined with electrical lighting and blinds, as well as the enhanced comfort for occupants. After a year-long study comparing it with another floor of office space - same company, equivalent activity - fitted with manual blinds and timed lighting, the results were revealed in June 2016.

LIGHTING AND THERMAL COMFORT

With the automation of blinds, occupants are never dazzled and temperature levels are regulated throughout the day. The effects of cold and hot walls ceases, and there is less need for air conditioning and heating.

SMOOTH AND EASY TO USE

Like other studies, Onix demonstrates that, for their personal comfort, occupants must be able to temporarily override automatic controls using a virtual interface on their computer. This flexibility benefits overall efficiency.

INNOVATION ON A LARGE SCALE

CO-INNOVATION

To design the products, services and technologies that will create the future smart home, Somfy works with its professional customers and its technology and manufacturing partners. And more recently, directly with consumers. Serge Darrieumerlou, Innovation Director of the Somfy group, explains the co-innovation strategy which increasingly harnesses the collaborative tools of the web 2.0.



// TOGETHER, WE
ANALYSE CONSUMERS'
REQUIREMENTS TO
DESIGN THE PRODUCTS
AND SERVICES
OF THE FUTURE. //

INTERVIEW

WITH SERGE DARRIEUMERLOU,
INNOVATION DIRECTOR OF THE SOMFY GROUP

SOMFY HAS ALWAYS INNOVATED WITH ITS MANUFACTURING CUSTOMERS. WHY ARE YOU NOW WIDENING YOUR CO-INNOVATION APPROACH TO INCLUDE OTHER PARTIES?

▶ **SERGE DARRIEUMERLOU:** In the future, smart systems will make buildings even more intelligent. In our core business, they will create new functionalities in terms of comfort, energy savings and security. This innovation means that we must further combine our products and services, hence Somfy's need to collaborate with other players such as manufacturers of home equipment and technology partners, but also directly with consumers. This is because to innovate, we need to think beyond the benefits of our solutions and this means we must listen to what consumers want. If I take the example of older people, their needs in terms of home automation are based around home support solutions that will evolve as they get older. For us, this means thinking about how our current solutions are used but also designing products and services that we can integrate into this global, flexible offer. This need to understand the current and future needs of consumers has led us to accelerate our co-innovation approach with them for the past year.



IS IT ESSENTIAL TO CO-INNOVATE WITH CONSUMERS?

▶ **SD:** Yes, because digital has profoundly changed behaviour. As well as the need to mesh products and services together, this massive change requires a much more active approach to listening to consumers, to understand how they live, to identify their needs, and also to define requirements they have not yet expressed. This is why we launched our co-design platform, My Somfy Lab, in 2016, which allows us to maintain a dialogue with consumers who are not necessarily customers. The same aim lies behind our Design Thinking method, which we applied in India to understand how the middle classes live, and to offer them products and services to simplify their lives.

WHAT ARE YOUR OTHER AIMS WITH CO-DESIGN?

▶ **SD:** By observing how people use products, we can define key changes for our innovation programmes. The first step is to align all our internal areas of expertise by getting our engineering, tech (R&D), marketing and communication people to work together to develop the products and services people need, and the associated technological solutions. The second step is to open our Group up and choose the right partners with whom to draw up road maps: universities, research centres, start-ups, manufacturers and other allies to position our group in new distribution channels. It is essential that we anticipate modes of consumption of our future smart solutions. For example, someone who is thinking about a home support solution would not naturally contact a manufacturer or installer of rolling shutters. The act of buying is more likely to be motivated by talking with their insurance company on ways to secure their future.

YOU COMPARE THE CURRENT CHANGES TAKING PLACE WITHIN SOMFY AS A "CHANGE OF AQUARIUM". WHAT EXACTLY DO YOU MEAN BY THAT?

▶ **SD:** For digital players such as Google, Samsung and Apple, moving into the construction market shows the extent to which housing - like cars - has become a strategic place for gaining detailed knowledge of occupants. For us to remain at the forefront, it is up to Somfy to stay abreast of these new competitors in their own territories - use of products - while building on our strengths of expertise in building openings and our global network of professional customers.

IN THIS CONTEXT, WHAT ARE THE PRIORITIES FOR THE INNOVATION DEPARTMENT CREATED IN 2015?

▶ **SD:** Our priority in 2016 was to put in place conditions that enable us to listen to customers actively. Initiatives launched in France and India are just the start. For example, access to our collaborative platform My Somfy Lab will soon be extended to the United Kingdom, Germany and the United States. Our second project is to support Activities and distribution subsidiaries to structure their collective co-design approach in line with the Group's strategic priorities. Our third priority is speed of action, to facilitate the process of moving from an idea to designing the models. In Cluses, the Fab Lab which will open in 2017 will allow any employee to see their innovative concepts realised. Lastly, the all-powerful role of uses in our industry means we need to be constantly in touch with underlying trends that will continue to disrupt our market in five years, 10 years and beyond: energy transition, the smart city, new construction methods, etc. This is why we are building a global network of employees who specialise in prospection and market monitoring.



CONSUMER

TESTED AND APPROVED PRODUCTS: FOCUS ON NINA

Today, no product is launched without having been approved by consumers. This customer-centred approach played a large part in the commercial success of innovations such as the Smart & Smooth, Ultra Quiet and solar motors in 2016. We look at how it works with NINA, the first control in the building industry to be operated remotely by movement.

1 LISTEN

INITIAL AIM: DISRUPT THROUGH DESIGN

In the home, the remote control is part of life, while the motor itself is not seen by users. This is a major issue in terms of brand image for Somfy. At the end of 2012, when the NINA project was launched, the aim was clear: to create a new-generation remote control with innovative technology and design. For the Control Points unit, based in Cluses, this was the start of a three-year marathon. The first step was to understand users' needs in the core markets of France and Germany. To do this, they consulted the people who know them best: the distribution subsidiaries. Their expectations were as follows: the new product had to be attractive, different, and above all, easy to use and install.

2 INNOVATE

THE TOUCH SCREEN WINS UNANIMOUS APPROVAL

On the basis of this very open brief, the Marketing and Design teams worked on 10 different options for six months. During this time, they came up with the idea of a touch screen that takes up almost all the space on the front of a remote control with a curved shape. This design won the unanimous support of the project team.

4 DEVELOP

MOVEMENT AS A FINISHING TOUCH

Having gained insights with the consumer test, NINA underwent a final assessment: the user interface was simplified and the remote control gained a battery and charging base. The idea of a control feature using movement was introduced at this stage too, to raise and lower users' favourite objects. After 15 months in development, NINA was launched in February 2016. It has been a great success: sales have already overtaken those of the previous generation of remote controls.

3 TEST

END USERS APPROVE THE ERGONOMICS

The prototype still needs to be assessed by a representative panel of potential buyers. In France and Germany, Somfy holds 30 individual interviews. Based on the non-operational model, NINA passes the ergonomics test with flying colours. A demonstration on iPhone lets consumers test the features of the future remote control and the ease of controlling equipment in the home simply by swiping the screen.

CONSUMER MY SOMFY LAB: A HOUSE THAT MAKES LIFE EASIER

To gain direct contact with consumers, who have become central to its innovation policy, Somfy set up the collaborative platform My Somfy Lab. Its purpose is to allow people to go online and define their key demands in terms of the future smart home and to share their ideas for new applications. For the Group, the aim is to enrich its thinking around future products and services and test prototypes with the most active contributors. We look at three conversations that shaped the early months of My Somfy Lab.



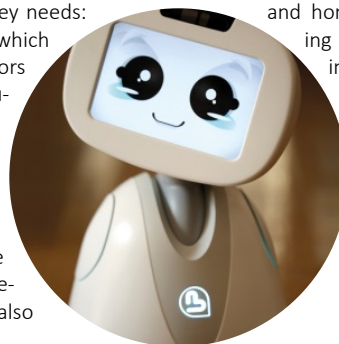
CREATING A MORE PRACTICAL POINT OF ENTRY

After the acquisition in 2016 of the start-up OpenDoors and its smart lock, Somfy set up My Somfy Lab with this question: how can we make the front door more practical? Over four months of discussions, French consumers highlighted the importance of managing access remotely and providing independence for children and pets. They also expressed their wish to see the front door gain a level of insulation and security in case of emergency. These results are now helping us to design models for new products.



A HOME THAT HELPS US GROW OLD IN COM- FORT

For the past seven years, in association with its partners, Somfy has been exploring the use of TaHoma, its smart home platform, in terms of helping older people to live at home for longer. On My Somfy Lab, the brand wanted to address the issue of how we can live in comfort for as long as possible by using all types of innovations. Consumers' ideas and the survey conducted among a panel of older people highlighted three key needs: everyday support services which use robotics, presence sensors and mobile apps in particular; comfort, particularly in terms of household tasks and automating repetitive tasks (heating, lighting, shutters, etc.); and lastly, safety at home and the prevention of falls. Voice-activated controls were also widely discussed.



A ROBOT ASSISTANT IN EVERYDAY LIFE

How could a small robot simplify interactions between a home's occupants and their Somfy smart equipment? What new applications could it create for children, adults and older people? These were the questions raised in conversations on the subject of Buddy the robot, in partnership with Blue Frog Robotics, its creators. Many consumers felt it could play a valuable role in everyday tasks and home safety/security, envisioning it managing energy savings independently, as well as being a source of entertainment for the whole family. The success of this theme illustrates the current convergence between robotics and the smart home.

FROM VIRTUAL CONVERSIONS TO REAL-LIFE BRAINSTORMING

Following an online request for contributions on the subject of support with ageing, in December 2016 the Group got together the 40 most active consumers to examine initial product concepts in greater detail. As well as the needs identified on My Somfy Lab, the day confirmed the importance of home automation products that connect the occupant with the outside world (family, friends, neighbourhood, leisure, etc.) as well as offering support at home.

//
THE HIGH LEVEL
OF INVOLVEMENT
FROM CONSUMERS
CONFIRMS THAT
SOMFY IS SEEN
AS A TRUSTED
PARTNER TO DESIGN
THE HOMES OF
THE FUTURE.

//
Marie-Albéric Martin,
Innovation Project Manager at Somfy

CO-INNOVATING IN THREE STEPS

- 1 The platform My Somfy Lab features a language tool that analyses terms used by contributors to understand how the project is qualitatively perceived and to draw rapid conclusions from it.
- 2 Once the conversation had attracted enough ideas and comments, Somfy developed the concept further with the most active contributors.
- 3 Lastly, a small number of contributors were selected to test the prototypes at home. In order to co-design projects in a more confidential mode, a second version of My Somfy Lab was designed for the Group's employees.

3 CONVERSATIONS
INITIATED IN 2016

3,034
ideas and comments

1,813
surveys answered

349
unique contributors

**A market
with high potential**



Ravi Rajagopalan,
Director of the Marketing
& Development Strategy
for Asia-Americas

"We started out with a blank page to design specific solutions with consumers. Our professional Indian customers are very keen on this in-depth thinking that will also allow us to take great strides forward to serve the needs of the middle classes in other rapid-growth countries in Asia. With this project we are exploring a potential market of more than five million consumers."

CONSUMER IN INDIA, UNDERSTANDING THE NEEDS OF EMERGING COUNTRIES

"Emerging" countries represent more than a third of territories where Somfy is present. At the moment, the Group is mainly positioned in these countries with upmarket products aimed at the most wealthy consumers, with the aim of developing rapidly among the middle classes. Since 2016 the Group has been exploring and experimenting in India by listening directly to consumers. It wants to understand their way of life and define their primary needs for improving their homes in order to design smart solutions for new needs.

METHOD DESIGN THINKING

For this project called "Accessible to all in Emerging", Somfy chose the Design Thinking method, which it uses to co-design products in close consultation with their future users. From the initial inspiration to testing prototypes and the implementation of pilot projects, consumers play an active role at every stage of the innovation process. For this programme launched at the beginning of 2016, Somfy's Innovation Department teamed up with the National Institute of Design in Ahmedabad, India's most prestigious design school. Under the supervision of Somfy's distribution subsidiary in India, 15 of its students were asked to choose a representative sample of 50 Indian families across the country and visit them in their homes to understand how they want their living environment to improve. Since then, Somfy has put together a team to lead this project in the long term, and has also taken on two young graduates from the design school.

*Accessible to all in emerging countries.

TARGET THE 10% OF MIDDLE CLASS HOMES

Often young (age 25-40), the Indian middle class aspires to improving their living environment but for the moment cannot find solutions to meet their needs. Somfy's work on listening to consumers has flagged up very specific problems, particularly due to a lifestyle with occupants who frequently span three generations under one roof. With parents coming and going, living alongside the children and grandparents, and almost every household employing a maid who carries out her duties when the occupants are out, Indian homes are rarely empty. For example, the overuse of bathrooms, which is also a place for storing household cleaning products, generates high levels of humidity. This is a real dilemma when occupants must choose between the quality of interior air and the need to keep out air pollution and dust, which are public health hazards in this country.

EXPECTATIONS SIMPLE SMART SOLUTIONS THAT CHANGE LIVES

Somfy's Indian and French teams developed the first concepts for smart solutions. The aim is to offer simple but value-added products that will allow Indian consumers to become familiar with the Somfy brand. The Group has designed a first solution concept associated with a smart phone app that automatically airs the bathroom very early in the morning, before its first use, and throughout the day when it reaches a particular level of humidity. In India, Somfy is also testing technologies such as Bluetooth Low Energy to develop more affordable products. The first prototypes are being tested by consumers in 2017.

INDUSTRIAL AND TECHNOLOGY PARTNERS CONNECTIVITY: GLOBAL ALLIANCES

With connectivity, Somfy has made a bold move into the Internet of Things. Because it aims for total interoperability between all smart objects in the building, this new phase in the digital revolution is happening on a global scale through alliances between manufacturers and technology specialists. To get objects to communicate with one another, they must first be given the physical ability to communicate. Then, they must be able to speak the same languages. Within the Somfy group, this is the role of the Communication Standards and Connectivity Solutions entity, which is attached to the Connected Solutions Activity. We take a closer look at this new area, which is now essential for building future smart homes and buildings.

SOMFY IS AT THE HEART OF ACTIVITY AROUND THE INTERNET OF THINGS!

BRINGING THE INTERNET INTO EQUIPMENT FOR THE HOME: THREAD ALLIANCE

The second Internet revolution - the Internet of Things (IoT) - consists of bringing the Internet into all objects. This allows them to communicate independently with each other, send data to the Cloud, and above all to interact, to create new applications for users. In the home, the Thread alliance, founded in 2014, is focusing on developing this technology. It has specific demands compared to other fields of application in the IoT, particularly in terms of security, energy consumption and reliability. The Thread alliance, of which Somfy has been a member of the board of directors since 2015, unites more than 200 technology and manufacturing partners.



//
BECAUSE THE OBJECTS THEMSELVES INCORPORATE ALL THE TECHNOLOGY THEY NEED TO COMMUNICATE AND INTERACT, THE SMART HOME REVOLUTION IS ALREADY UNDER WAY.
//

LETTING THEM "SPEAK" UNIVERSAL LANGUAGES: ZIGBEE AND OCF ALLIANCES

Until recently, home manufacturers and digital specialists developed their own communication protocols to let their equipment interact. Because the Internet of Things requires universal languages, we are currently seeing a convergence of these players around new protocols designed by major global alliances. In 2016, Somfy joined the Board of Directors of zigbee, which now represents the largest community of building manufacturers. In January 2017, zigbee announced the launch of dotdot, a universal language for smart objects in IP (Internet) with Thread, but also with other protocols (Wi-Fi, Bluetooth, etc.). Meanwhile, technology giants have created their own language through the Open Connectivity Foundation (OCF) of which Somfy is also a member. As well as objects, this language covers smart sensors and terminals as well as many other areas such as cars, electrical appliances, metering and smart cities.



They say



Jean-Michel Orsat,
CTO in charge of technologies
in the Communication Standards
& Connectivity Solutions entity.

//
THE INTER-OPERABILITY OF OUR PRODUCTS IS BEING DEVELOPED ON A PLANETARY SCALE.
//

Why has it become so important for Somfy to join global technology alliances?

Firstly because the Internet of Things is taking shape at a worldwide level. We cannot envisage interoperability between all equipment in the home - ours, but also lighting, TVs, smart phones, fridges, etc. - without all players sharing the same international communication standards. Since 2015, Somfy has been on the Board of Directors of the Thread alliance. In 2016 we joined the board of zigbee and the Open Connectivity Foundation. The second reason is that it is essential for Somfy to ensure that issues relating to our field of activity - energy consumption, for example - are taken into account in these standards. This makes it necessary for us to

play an active part in their development. Lastly, and this is a concern shared by all our partners, interoperability between all our equipment must give rise to new uses for consumers while ensuring we retain control over our applications.

How does co-innovation work within these alliances?

These alliances group together several hundred industry and technology partners, some of whom have very specific co-innovation strategies. In Somfy's case, our presence on the boards of directors of Thread and zigbee places us at the heart of the strategy of these alliances. We are also playing an ongoing role in several working groups. With zigbee, we particularly focus on

issues of security and interoperability. With Thread, our actions are targeted at energy savings and communication between smart equipment. In the home, this is a major issue due to the growing presence of battery-powered objects.

When will consumers start benefiting from the Internet of Things in their homes?

We must not forget that these alliances and technologies we are developing are recent. Wi-Fi took eight years to become standard. Just two and a half years after its launch, Thread technology, which brings the Internet into objects, started to be incorporated into products by leading brands. The same goes for the dotdot language developed by zigbee, which has been widely adopted by lighting brands. In two or three years' time, we will probably all have zigbee-certified bulbs in our homes. At this stage, nobody can say how quickly consumers will adopt all the potential of the Internet of Things. But what is certain is that when the objects themselves incorporate all the technology needed to be able to communicate and interact, as soon as they are in our homes, the smart home revolution will be under way. When Wi-Fi was launched in 1997, very few people had the necessary router to use it in their home. But as soon as Wi-Fi was incorporated into Internet boxes, it was taken up worldwide.

CUSTOMERS FROM DUBAI TO SHANGHAI, AN INTERNATIONAL SUCCESS STORY

In 2014, Somfy and its customer Sedar based in Dubai decided to co-develop their first battery-powered curtain motor: Irismo WireFree. We review the key stages of this exemplary collaboration.



They say

//
**AUTONOMY,
A KEY FACTOR
IN THE
SUCCESS
OF INTERIOR
SOLUTIONS.**

Guilhem de Brugière,
Director of the Curtains
Business Unit

Why did you decide to develop this motor with your customer Sedar?
Around the world, the motorisation of interior solutions stands at 2% at the most. In the Middle East, 25% of curtains sold by Sedar are motorised. Somfy saw Sedar as being very committed to promoting the benefits of motorisation and having a good understanding of consumers' needs.

For Somfy, what are the issues of motorisation with batteries?
Because they do away with electrical wiring, autonomous products are easy to install and do not detract from the décor. Autonomy is therefore

a key factor of success for our interior solutions, particularly for renovation. If you add to this the new benefits of connectivity such as privacy, and light and heat management, there is an even greater incentive to motorise curtains.

How are you positioned on the curtain application market with this product?
At the forefront! This new motor is unique on the market thanks to the performance of its battery and the ease of installation and use. With this co-development, our R&D centre for interior products, based in China at the heart of the world's biggest market for motorised curtains, has boosted its expertise. Other ambitious projects will add to the strong growth of this market, where our sales grew by 18% in 2016.

1 MAY 2014
CLUSES – FRANCE
During a visit to Somfy's headquarters, representatives from Sedar, a Dubai-based manufacturer and distributor of curtains, blinds and interior accessories, expressed their wish to co-develop a battery-powered curtain motor. The aim was clear: to boost the motor market using a product that is easy to sell and has solid autonomy.



2 OCTOBER 2014
DUBAI
For Sedar and Somfy's project team (the Curtains Business Unit and the R&D centre based in China), it was time to define the product's technical specifications. Sedar works hard to communicate closely with consumers and it had specific requirements. The battery needed to have a lifetime of nine months, and the motor needed to be able to power six metre-long curtains weighing up to 45 kg.

3 OCTOBER 2014
NANXUN – CHINA
At Somfy's global R&D centre for curtains, 30 people worked on the technical side: electronics and mechanical developers, software developers, test technicians and so on. Lithium-ion battery technology was a "first" for the Group, and it also needed to minimise motor consumption to maximise battery life.

4 MARCH-JULY 2015
DUBAI
Sedar saw the first prototypes. Additional features were added, including the ability to recharge the battery without having to unplug it from the motor. The development phase was going well.



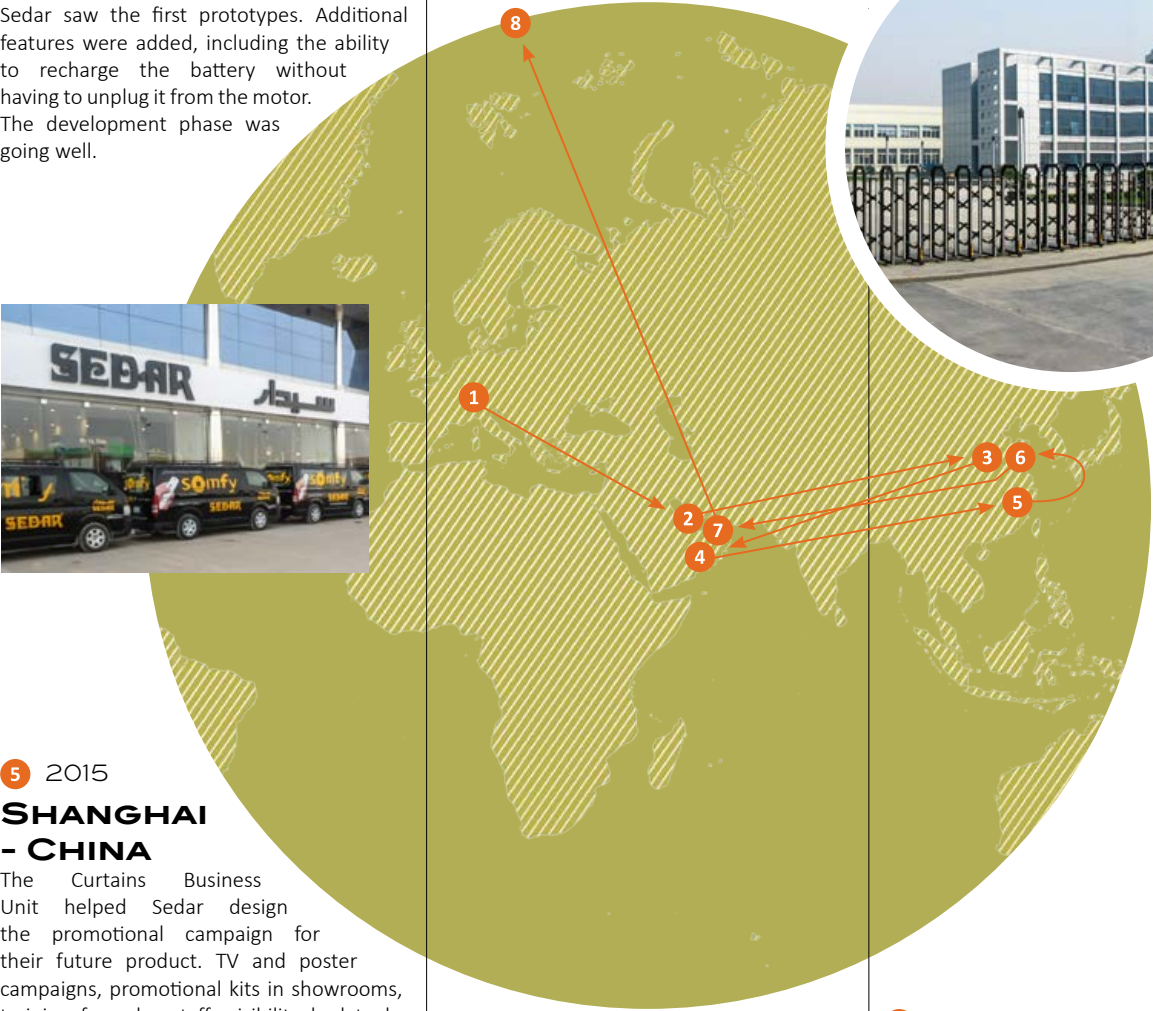
5 2015
SHANGHAI - CHINA
The Curtains Business Unit helped Sedar design the promotional campaign for their future product. TV and poster campaigns, promotional kits in showrooms, training for sales staff: visibility had to be maximised. Somfy's distribution subsidiary in the Middle East and the Group Marketing team were also involved.



6 MARCH 2016
NANXUN – CHINA
Production began at the LianDa factory.

7 APRIL 2016
DUBAI
Marketing begins for the Irismo WireFree in Sedar stores in the United Arab Emirates and the Gulf countries.

8 JULY 2016
WORLDWIDE
Somfy launched the Irismo WireFree around the world. This motor, which can be incorporated into all connectivity solutions for the home, quickly became a success in Europe, China and the United States.



//
USING DIGITAL
TRANSFORMATION
TO SUPPORT
OUR BUSINESSES,
PEOPLE AND THE
SOMFY SPIRIT.
//

GUY BROUTECHOUX,
DIRECTOR ORGANISATION &
MANAGEMENT

VINCENT PINSSEAU,
DIRECTOR GROUP
INFORMATION SYSTEMS

ACTING MORE QUICKLY

AGILITY

Customer relations, staff training, communication and more... Somfy is accelerating its digital transformation which is now spreading to working practices and employee co-operation through the use of collaborative IT systems. The aim is to make the Group function more smoothly and easily, with greater agility. Guy Broutechoux and Vincent Pinsseau, Organisation & Management Director and Group Information Systems Director, respectively, give their opinions on how digital facilitates and accelerates individual and collective entrepreneurship.

IN 2016, SOMFY COMBINED ITS HR, IT AND COMMUNICATIONS TEAMS IN THE SAME STRUCTURE, THE ORGANISATION & MANAGEMENT DEPARTMENT, DEDICATED TO THE GROUP'S PEOPLE. WHY?

► **GUY BROUTECHOUX:** This initiative stemmed from the wish to reassert our cultural identity, the Somfy Spirit, centred on people, as well as the need to incorporate major changes brought about by the digital revolution. Our aim is to put in place HR processes and methods that reflect the expectations of our employees; to promote a management model that encourages co-construction, a multidisciplinary approach and subsidiarity; to make communication a key factor in involving people; and to introduce modern digital technologies that meet our needs. The Organisation & Management Department has the resources it needs to lead the process of transformation that reflects the changing world and takes into account individual needs.

► **VINCENT PINSEAU:** We cannot have digital transformation without managerial transformation, and vice versa. We cannot offer our customers a digital experience if we do not have the same within the Group. Similarly, new technologies offer new ways of introducing managerial change. Collaborative tools, in particular, strengthen the feeling of belonging to the Group, enable much more interdisciplinary communication and bottom-up feedback, and frees up our organisation structure.

HOW DOES SOMFY USE DIGITAL TRANSFORMATION TO HELP EMPLOYEES?

► **GB:** Digital transformation affects every area of our lives. It changes the way we interact with others and the way we do things. The same goes for business. The development of social networks and collaborative tools has profoundly changed the way the Group relates to its employees and to all stakeholders, particularly customers. The major growth of big data and artificial intelligence continues to boost these changes. This means we must make digital tools available to employees to allow them to be as effective as possible when going about their work. In particular, these technologies must give us greater flexibility in the way we work. For example, we are carrying out a pilot study with 160 volunteers to develop remote working. One of the challenges with the digital revolution, which tends to break down barriers of all kinds, particular the one separating professional and personal life, will be to put in place practices that respect individuals. We are taking great care with this.



► **VP:** And we must not forget that we can use digital transformation to support our business activity. The Information Systems Department provides solutions for operational teams to harness the power of digital to help us perform better, but our needs are guided by changes in our business environment. In the case of the new CRM system that we have had in place since 2016, it was the distribution entities that realised it was necessary, and defined their needs.

The choice of the CRM system and the process of setting it up was done collectively by the distribution subsidiary teams. This was the only approach possible to achieve a system that meets all of their needs.

WHAT WERE THE MAIN ELEMENTS OF YOUR INTERNATIONAL DIGITAL TRANSFORMATION IN 2016?

► **VP:** Between the end of 2015 and the beginning of 2017, we introduced a complete platform and collaborative tools. We began with Skype for Business, which lets our employees communicate with one another much more directly and instantly than via email. We then launched Yammer, our corporate social network, which is now used by more than 2,900 people, more than three-quarters of users in the Group. Yammer is now completely integrated into the Group's way of life. To complement it we created collaborative spaces where employees can share documents and work together in SharePoint. It is currently being rolled out, and the aim is to cover the Group's key needs by the end of 2017. Employees will be able to work together on documents and projects from any of the Group's locations around the world. At the end of 2016 we began the final stages of our internal digital transformation with the migration of our emails to Outlook and the introduction of a video-conferencing system that will reduce the amount of travel.

WHAT ARE YOUR PRIORITIES FOR 2017?

► **GB:** The aim is to allow employees to benefit from all the advantages of this system by emphasising new approaches and ways of working allowed by these tools. To ensure all employees adopt them correctly, the changes are supported as part of all of the projects. Internal communication will also be revised to reflect all of these digital systems. We also need to continue thinking about the development of skills required with digital.

► **VP:** The Information Systems Department will continue to support the other aspects of digital transformation at Somfy, in line with the activities' needs. In terms of CRM, the system launched as a pilot study in Switzerland in summer 2016 will be rolled out to all regions by the end of 2018. With our teams on the ground, we have also defined a digital transformation road map for distribution, which includes the sale of our products online. This planning of priorities for the years ahead will be extended in 2017 to the Group's other activities: logistics, R&D, production and Human Resources.

*Customer Relationship Management (CRM) is an IT system used to manage customer relations.

BY ENCOURAGING WORK IN A NETWORK, OUR DIGITAL TRANSFORMATION SERVES OUR OPERATIONAL PRINCIPLES: CO-CONSTRUCTION, A MULTIDISCIPLINARY APPROACH, AND SUBSIDIARITY.



Guy Broutechoux,

Organisation & Management Director



SOMFY'S DIGITAL TRANSFORMATION



€4.3M

INVESTED IN 2016

COLLABORATIVE SYSTEMS FOR EMPLOYEES

- Skype for Business
- Yammer, our corporate social network used by 2,927 people
- SharePoint, for co-writing working documents
- Migration of email to Outlook
- Video-conferencing system

A NEW CUSTOMER RELATIONS MANAGEMENT (CRM)* SYSTEM



SOMFY SPIRIT DAYS

PLEASURE TAKEN IN SHARING OUR CORPORATE CULTURE

On 28 September and 22 November 2016, Somfy reasserted its corporate culture, the Somfy Spirit, which is based on an entrepreneurial spirit and the search for personal fulfilment through teamwork.

The group's employees around the world were able to watch a live transmission of the global launch of Somfy Spirit, the document that defines the Group's identity: its vision and values, its modes of operation and organisation, and its management principles. The aim was to remind everyone of the importance of a corporate culture, for each of us to embody it every day, and through these two days, which celebrate Somfy's principles of living together, to leave a strong emotional impression on our collective memory.

These events also allowed us to think about how we can strengthen the Somfy Spirit in the future. In every territory, production site and brand*, teams got together in workshops. On Yammer, they posted their recommendations for how we can each contribute to the Somfy Spirit and play our part. Today, this "ideas box" is available for everyone to consult using SharePoint.

30 countries

5 continents watching the broadcast of the Somfy Spirit Day on 28 September

Thousands

of comments and photos shared on Yammer

110

entities connected at the same time

An "ideas box"

of 150 suggestions on SharePoint

*Not all of the Group's employees took part in the Somfy Spirit Days. This was the case of Dooya in China, which has its own corporate culture based on the terms of the joint venture agreed in 2010 with Somfy.



//
THE SOMFY SPIRIT IS WHAT MAKES US SPECIAL. IT IS A STRENGTH THAT SHAPES THE WAY THE GROUP IS GROWING. IT IS ALSO ABOUT THE WAY WE ENJOY WORKING TOGETHER.
//

Jean Guillaume Despature,
Chairman of the Management Board
of Somfy, speaks to employees at
the Somfy Spirit Day on 22 November.



THE SOMFY SPIRIT,
THE WAY WE ARE
EVERY DAY

4 SHARED VALUES

BOLDNESS
RESPECT
OPENNESS
PROXIMITY

FUNCTIONAL PRINCIPLES

CO-CONSTRUCTION

SUBSIDIARITY

A MULTIDISCIPLINARY
APPROACH

MANAGEMENT PRINCIPLES

UNITING
OUR TEAMS

ALLOWING
EVERYONE
TO DEVELOP
PERSONALLY

MAKING
OUR CUSTOMERS
HAPPY

ENCOURAGING
CO-OPERATION

SETTING
AN EXAMPLE
AND EMBODYING
OUR VALUES



They say



Étienne Bourgeois,
Communications Director

Why did you feel the need to reassert Somfy's corporate culture in 2016?

Because the Somfy Spirit is at the origin of the Group's development and success. Jean Guillaume Despature made it his priority when he joined the Management Board in January 2015. The first reason is that the Group has grown significantly in recent years, particularly through acquisitions, and we were aware that not all of the Group had adopted our founding culture to the same extent. It was therefore important to reassert it for everyone as our shared foundation, by formalising its key principles in a document, Somfy Spirit. This clarification work was carried out over the first half of the year by a team of managers and employees. We started with our Management Charter, which dated back to 1994, which we updated, particularly in terms

//
THE CLARIFICATION OF THE SOMFY SPIRIT IS PART OF OUR MANAGERIAL TRANSFORMATION.
//

of our functional and management principles. Because - and this is the second reason for this fresh impetus for the Somfy Spirit - with the digitalisation and globalisation of our markets, the way the Group functions has changed. By clarifying everyone's roles, the work on the Somfy Spirit supports the current managerial transformation taking place within the Group.

Lastly, in the context of our openness today, it is essential for us to define behaviours that shape our interactions with customers and partners. We also wanted to convey the foundations of our culture to all our new employees. The Somfy Spirit document has been translated into 15 languages. It has been distributed throughout the Group and is given to all new recruits.

What is the next step after the Somfy Spirit Days?

A corporate culture cannot be imposed, it must be lived. This is the message we wanted to communicate on those days. However, because they are the ones who drive the way we work - co-construction, subsidiarity, a multidisciplinary approach - our managers are co-responsible for its implementation. The principles of the Somfy Spirit have been incorporated into their annual performance appraisal and the consolidation of our corporate culture has become a theme that is regularly monitored by leadership and managers, just like the business reviews.

In terms of technology, these days were also a first for the Group.

Yes, to have connected 110 entities to our live streaming platform at the same time opens up new opportunities for internal communication in the future. I also think that, for our employees, these events marked a turning point in the internal digitalisation of the Group. It has become tangible for everyone.

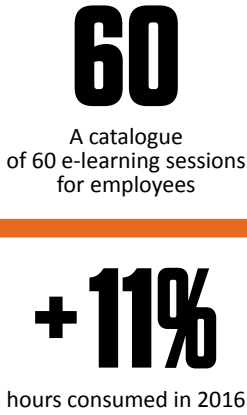
DIGITAL TRAINING IN-HOUSE EXPERTISE

Particularly in the HR department, Somfy has its own team dedicated to creating digital media for training and educating teams. We look at some of the key areas of expertise of this team who work with the latest technologies and ensure all of the Group's entities benefit from their knowledge.

E-LEARNING WHERE I WANT, WHEN I WANT

Video support with voice-over and animations: technology allows Somfy to design quality training for its employees on subjects as varied as products, technology and the Group's processes. Introduced seven years ago, e-learning has been accelerating constantly over the past two years, resulting in an 11% increase in terms of hours consumed in 2016, 63% of which was outside France. The great benefit of e-learning is that, as well as offering flexibility, it reduces the need for travel. This is something the Activities' product teams understand well: they have doubled their e-training catalogue for the distribution subsidiaries.

In 2016, Somfy prepared to extend its e-learning to skills development, with the Somfy Academy. The first modules will be launched in 2017.



WEBINAR DOING AWAY WITH DISTANCE

A contraction of the words "web" and "seminar", the webinar is a virtual class available online. In 2016 this method was adopted by Somfy with 20 sessions to communicate strategic information to managers located around the world. It was also used to roll out the new Ethical Charter and prepare for the Somfy Spirit Days with the 110 entities concerned. What is the benefit of webinars? They do away with the problem of distance by making it easier for participants to communicate, for example by using instant messaging for comments.



QUIZ MORE INTERACTION!

Before or during internal workshops and seminars, digital tools are being used more and more to allow for direct feedback and communication. Quizzes allow participants to answer questions on their smart phone. The aim is to measure their awareness. In 2016, quizzes covered themes such as personal data protection, ethics, and internal processes.



ENVIRONMENT FEWER CARS = LESS CO₂

The large-scale deployment of an internal video-conferencing system and collaborative tools such as Skype for Business are helping to reduce the amount of travel required of employees. In 2017, a first environmental report will be published following the remote working pilot project conducted in France. For Somfy, the issue of transport is particularly relevant in its home region of the Arve valley, which suffers from periods of severe pollution from fine particles due to its location surrounded by mountains. As a Group with a conscience, Somfy has been working towards more responsible mobility in the region since 2009. We look at two initiatives.



MORE RIDE-SHARING

Somfy is a partner of the ride-sharing website created in 2009 by the Haute-Savoie region aimed at private individuals, businesses and local authorities. In 2016, 150 Somfy employees were members, up by 30 in the space of two years. How does it work? The user enters their departure and destination points into the search engine to find someone to share the journey with.

RETHINKING MOBILITY

Somfy has stepped up its actions to support the Mobil'Arve scheme launched in 2014 by the region to get private and public organisations involved in new mobility solutions for travelling to work. In 2016, the Group carried out an online survey of the habits of employees who work at its Vallée de l'Arve sites (frequency of journeys, duration, distance, modes of transport, etc.). 52% of Somfy SAS' employees took part: a total of 690. The aim was to gather information on their needs to enable the public authorities to adapt existing mobility services. In 2017, the Group will launch new initiatives to encourage ride-sharing and cycling schemes to reduce the environmental impact of employee transport. Internally, these new actions are being promoted in a SharePoint space dedicated to mobility in the Vallée de l'Arve. There, employees can find details on local transport services, ride-sharing and air quality.



* These figures are taken from the survey on travelling to work carried out by Somfy in 2016 among its employees in the Vallée de l'Arve.

CUSTOMER RELATIONS CUSTOMER RELATIONS HAVE ENTERED A NEW ERA

In 2015, Somfy changed its sales strategy to strength links with users of its products. More generally, the Group wants to offer its professional customers and consumers a unique, smooth experience at every stage and point of contact. In 2016, Somfy chose the Salesforce system, the world leader in CRM software, to improve the management of these interactions. We look at the key benefits of this IT system currently being rolled out, which allows Somfy to meet three major customer needs in the digital era: instant responses, mobility, and personalisation.

*Customer Relationship Management (CRM) is an IT system used to manage customer relations.



** Lead management consists of handling quote requests from customers received by Somfy online and transferring them to their professional customers.

WITH SALESFORCE, WE STRENGTHEN OUR INTERNAL CO-OPERATION AND IMPROVE CUSTOMER AND CONSUMER SATISFACTION.

By allowing most of its departments to share customer data and their interaction history, Somfy has a 360° vision of its customers' preferences and needs.



WITH THIS CRM SYSTEM, CUSTOMER SATISFACTION IS MEASURED AFTER EACH INTERACTION, WHICH ALLOWS US TO CONSTANTLY IMPROVE THE CUSTOMER EXPERIENCE.

*Françoise Germain,
Organisation and Management Director
of the EMEA BMA.*

BENEFITS AT EVERY STAGE IN RELATIONS

Salesforce is a system that can centralise customer information, automate recurrent tasks, analyse data and quickly create new services. From prospection to after-sales, here are some highlights of new performances for Somfy's teams:

▶ A **sales person** who visits a trade customer can take details of the history of the relationship with Somfy on their computer or smart phone - purchases, preferences, feedback to customer services. It is more efficient for everyone.

▶ Using the chat and email system that is part of Salesforce, **customer services** can direct customer enquiries to the right person at Somfy. The response time is reduced and the quality of responses is improved.

▶ The **Key Accounts team** has an accurate vision of the Group's activity with its customers in every country. Somfy supports them with the same quality of service around the world.

A PROJECT GUIDED BY THE NEEDS OF THE ACTIVITIES.

The development of this new system is the result of effective collaboration between the Group's Information Systems Department and the distribution entities. From drawing up the specifications to choosing the system and setting it up, no less than 54 Somfy employees contributed to this project, including 50 from international subsidiaries. The aim was to adapt it to the specific needs of every activity. After the test phase was launched in Switzerland in July 2016, this CRM* system will be rolled out by the end of 2018 in the 58 countries where Somfy operates commercially.

COLLABORATION

WITH DIGITAL, OUR PROJECTS ARE DRIVEN BY TEAMS

In 2016, Somfy reduced the distances between the teams of its 125 subsidiaries working on its development in 58 countries. Using the internal social network Yammer and collaborative tools such as Skype for Business and SharePoint, there are now nearly 3,000 employees who can communicate, share their successes and harness the Group's collective intelligence to accelerate the implementation of their projects.

YAMMER, ACCELERATING HUMAN STORIES

Yammer

online

JADE COOTE - FOLLOW

19 January at 11:30am from iPhone



Hi Sophie-Caroline Tappaz and Anne Meilhan one more question. We celebrate 30 years in Oceania this year and I am looking to get a logo designed for the different events we have planned for the year. Is the design of the logo something you could help me with or I am better to use out local designer ? Thanks.

Cc Sophie-Caroline Tappaz and Anne Meilhan

LIKE

REPLY

SHARE

Karim Hussein, Bianca Morais, Erika Schweizer and 1 other like this message

SOPHIE-CAROLINE TAPPAZ

20 January at 4:07pm



Hi Jade

It depends on the creation delay you need. When do you need it ?

SC

LIKE

REPLY

SHARE

JADE COOTE

REPLY TO SOPHIE-CAROLINE TAPPAZ

22 January at 11:15pm on iPhone



Hi Sophie-Caroline Tappaz I would ideally like to work on this now for final artwork to be ready by early-mid Feb. Does it work for you ?

Cc Sophie-Caroline Tappaz

LIKE

REPLY

SHARE

SOPHIE-CAROLINE TAPPAZ

23 January at 5:37pm



Yes it's a pleasure to work with you on this logo.

SC

LIKE

REPLY

SHARE

MICHAEL LEE

24 January at 5:06pm



That's exciting Jade ! Somfy US will be 40 Years old in November of this year ! Please share whatever you decide to do for your 30th ! Maybe we could benefit from the ideas ! We will celebrate our anniversary during our December 15 SNABA Holiday party. Including significant others & some special guests we will be probably over 250 persons ! And we will also recognize 5 Retirees, including me ! (1 hit 32 Years with Somfy in October !)

LIKE

REPLY

SHARE

Axel Habel, Jamie Chae, Stephen Eggleton and 6 others like this message

JADE COOTE - REPLY TO MICHAEL LEE

31 January at 9:09am from iPhone



Hi Michael we are celebrating some great milestones this year ! We are having a big customer bash too, planned for July. We'd like to recognise our team as even though we are a small team we have quite a few years of service between us – which is such a refreshing change in Business. We've also got an official opening of our new office, which will tie in with celebrations. I'd also like to develop some video content to celebrate our achievements and conduct some short interviews with key developer.

LIKE

REPLY

SHARE

Axel Habel, Jamie Chae, Mala Mastroberte and 1 other like this message

2,927
active members on
Yammer

Nearly
75%
of users
of the Group's IT
systems

415
interest groups on
Yammer: commercial
projects, e-commerce,
interior products,
etc.

90%
employees improve
productivity using
Microsoft®Office
365

55

ADVERTISING FIRST WIDE-SCALE CAMPAIGN IN NORTH AMERICA

Just 30 years after its first appearance on French television, the Somfy brand addressed North American and Canadian consumers for the first time with a high-impact, original digital campaign. It represented an investment of €1.28 million, with six videos viewed more than five million times in three months, and 120 million views for the banners. The aim of the campaign was to raise Somfy's profile, generate traffic to its partner distributors and above all to convince the public of the benefit of motorising interior solar protection. This was all done using the persuasive powers of an unusual pair: a dog and a cat.

IT'S EASY TO "HAPPIFY YOUR HOME" WITH MOTORISA- TION!

For the six 20-second videos in the campaign, Somfy exploited people's love of pets. A cat and a dog are shown home alone, and find clever ways to stay comfortable. A quick paw of the Somfy remote or tablet app and the solar protections are always in the right position to allow the two pets to keep cool in the shade, watch TV and keep mosquitoes out. Six benefits of motorisation were highlighted in the campaign, which proved a hit on social networks.

TARGETING THE POWER OF DIGITAL

Having first identified the priority audiences with media buying agencies - for example readers of interior decoration websites, the banners were placed in response to key search terms on Facebook and YouTube. With this campaign, Somfy reached out directly to its core consumer target. The choice of a rich media solution that allows readers to click on content resulted in a high rate of redirection to sales sites or information by partner distributors.

+125%
traffic to the Somfy
North America website
in 2016

+52%
conversion rate
(people who visited the
"Where to buy?" page)

+103%
response on Somfy's
Facebook page
(people who liked it)

+90%
People who posted
comments about Somfy
on Facebook

Source: figures for January to September 2016.

2016 SOMFY ACTIVITY REPORT

SOMFY FOUNDATION JOINING FORCES TO FIGHT POOR HOUSING

Across France, charities and volunteers are building and renovating decent homes for people who need them the most, and are creating community projects to protect social cohesion. To support these charities and help them raise funds, the Somfy Foundation set up a digital charitable crowdfunding platform in 2013: lespetitespierres.org. With more than €1.2 million raised by the end of 2016, which was used to fund 91 homes and centres, it proves its worth every year. We take a closer look at this ecosystem of goodwill, which is unique in France in the field of housing.

LESPETITESPIERRES.ORG INCREASES THE IMPACT OF PEOPLE'S ACTIONS

CHARITIES

By providing charities with a source of crowdfunding for their projects, Les Petites Pierres allows them to focus on what is essential: fighting poor housing conditions. The principle is simple: charities register their projects on the platform - these must not exceed €20,000. They then have 90 days to mobilise their community of donors and complete their funding. In three years, around 100 local and national charities have completed their projects in this way. Les Petites Pierres also helps them to make the best use of digital tools - Facebook, email campaigns, etc. - and implement effective communications strategies.

THE SOMFY FOUNDATION

Les Petites Pierres chooses the projects and verifies that each one is ethical and genuine. To continue to expand its network of donors, the Somfy Foundation is widening its panel of corporate backers which, like the Foundation, match individual funding. This means that for every €5 donated, the charities receive €10.

INDIVIDUAL DONORS

Having found out about the projects from the charities themselves, 4,700 individuals have used the platform in three years, and many return regularly. Once they have donated, the person receives regular updates on the progress of fund-raising, the use of the funds, and the project once it has been launched.

PARTNER SPONSORS

We have long-standing partners such as the Fondation Crédit Agricole Solidarité et Développement and the Macif Corporate Foundation, as well as sponsors who help fund certain projects from time to time. The principle is always the same: like the Somfy Foundation, they match individual donations. To continue to grow, Les Petites Pierres will accelerate its expansion in 2017. Its target is to be able to fund 150 to 200 charitable projects every year.

SOMFY EMPLOYEES

Like A House is a Home, the other programme run by the Somfy Foundation, employees who wish to support the charities can donate time and skills. For example, they help set up a Facebook page or website, and also get involved in renovation work.

€511,633

raised
by charities win 2016
including €173,000
contributed by the
Somfy Foundation

47

projects funded



SPORTS SPONSORSHIP PROMOTING OUR PASSION FOR NORDIC SKIING

A sponsor of the French Biathlon team since 2005 and the entire Nordic Ski team since 2014, Somfy also supports seven individual and talented biathletes and skiers. In recent years, public interest in the biathlon has been intensified by the very high profile of Martin Fourcade, twice Olympic medallist in 2014 and 11 times World Champion since 2011. This has been an opportunity for Somfy to intensify its activity on social networks and in sports media to continue to support "its" champions and the sport that is so popular among its employees!

A CLEAR RUN ON SOCIAL MEDIA

With live streaming of international events, messages from athletes supported by Somfy, news on the major winter competitions, the 2016-2017 season for the Biathlon and the Nordic Ski World Cup, which runs from November to March, Somfy significantly boosted its communications on social networks. The campaign began with more activity on the Facebook Somfy Sports page, dedicated to tracking the achievements of the seven biathletes and skiers sponsored by the brand. The exclusive content, including interviews, photos and messages, generated a much higher response rate from visitors (an average of 10% for the period November to March) than is typically seen on Facebook pages, as well as many shares. Martin Fourcade won a historic number of victories in biathlon events: 63 individual wins. For the first time, Somfy France also stepped up references to "its" champions on its Facebook, Twitter and Instagram accounts.

PROMOTING THE BIATHLON IN SPORTS MEDIA

In France, Somfy gained a media presence through the Biathlon with *L'Équipe*, the most popular website for sports news. The two partners created 10 videos, each a few minutes long, in which members of the French team explained the techniques and subtleties of the biathlon. The aim was to improve knowledge and recognition of this sport. Somfy also organised a major competition with Sport1, Germany's leading digital platform for sports. The winner met Martin Fourcade at the Ruhpolding World Cup. Lastly, through media buying, the brand supported two websites that specialise in news on Nordic skiing: Nordic Mag and Ski-Nordique.net.

Somfy supports
7 individual
sports personalities

The brand sponsors three
biathlon champions:
Martin Fourcade,
Marie Dorin-Habert
and Simon Fourcade
and supports talented
newcomers through
the Somfy Ski Talents
programme
Enora Latuilliere
(biathlon),
Jonas Devouassoux
(ski cross),
Clément Parisse
(nordic skiing),
Thomas Clarion
(biathlon).



> **86,000**

views for the publication
on Facebook Somfy Sports

> **23,000**

views for the video

> **800**

shares on lequipe.fr

SOCIAL NETWORKS

SOMFY CREATES A BUZZ

CLUSES EMPLOYEES SUPPORTING THEIR CHAMPIONS




For the Somfy Mannequin Challenge, employees at the Group's headquarters got in front of the camera sporting ski jackets and after-ski gear to feature in a video supporting the French biathlon and Nordic ski teams, which took the web by storm.

MARTIN FOURCADE GIVES BIATHLON LESSONS



In partnership with Somfy and *L'Équipe*, members of the French biathlon team talked about the subtleties of their sport on film.

Layout / Production: 

Photos: Somfy photo library, Laurent Cousin, Adrien Daste, Paolo Verzone, agence Zoom, Getty Images, X.

This document was printed using vegetable inks by the printers Monterrain, which have been awarded the Imprim'Vert label, on FSC-certified paper.



SOMFY SA
50 AVENUE DU NOUVEAU MONDE
BP 152 - 74307 CLUSES CEDEX - FRANCE
TEL. : +33 (0) 4 50 96 70 00
www.somfy-groupe.com
