



LIVING
better

CONTENTS

Joint interview with the leadership team	4
Business model	6
Presentation of the business model	8
Presentation of the Group's sustainable development strategy	9
Presentation of non-financial risks	11
SOMFY's responses to non-financial risks	14
Methodology note	44
Global Reporting Initiative cross-reference table	47
Report of one of the Statutory Auditors, appointed as Independent Third Party, on the verification of the consolidated non-financial statement	50

JOINT INTERVIEW WITH THE LEADERSHIP TEAM

SOMFY IS CONTINUING TO IMPLEMENT ITS STRATEGIC ROADMAP DESPITE THE MARKET SLOWDOWN

Within a weaker economic environment, SOMFY recorded a drop in its sales after several years of growth. The Group is maintaining its strategic focus and investing to confirm its role as a key player in the connected home and the energy performance of buildings. Update with Jean Guillaume Despature, Chairman of the Board of Directors, and Pierre Ribeiro, Chief Executive Officer.

How did SOMFY perform in 2023?

P. R. — Like other players in the building industry, SOMFY has been operating in a challenging environment marked by inflation, which is impacting purchasing power, and by the rise in interest rates, which is restricting households access to credit. The resulting deep crisis in the property market, particularly in new builds, is impacting our business. The drop in the number of property transactions results in a decline in renovation and upgrading work in buildings. Beginning in the fourth quarter of 2022, the slowdown in our activity continued throughout 2023. After several exceptional years in the wake of the health crisis, our sales and profits are down, a result of the weaker economic environment. However, our financial position remains sound with a low level of debt.



How has SOMFY responded to safeguard its position?

P. R. — We reacted immediately to retain room for manoeuvre by reducing our expenses and simplifying our processes, and by taking action on our inventories and trade receivables. Our agility and responsiveness made it possible to preserve our cash position. We have also returned to a good level of service rate with our customers after a tense period in relation to semi-conductors. It is partly the result of our work to redesign our products to incorporate new generation electronic components, which are readily available on the market. We have also continued our transformation, reflected in the digitalisation of our internal processes and the efficiency of our digital infrastructure, to better serve our customers.

J. G. D. — We've remained offensive by acquiring the Dutch company De Haan Westerhoff, positioned on the buoyant solar shading solutions repair market, primarily for commercial buildings. Our delisting in February 2023 gave us the freedom to set the pace of our transformation and to seize opportunities as they arise.

“We have remained offensive by acquiring the Dutch company De Haan Westerhoff, positioned on the buoyant solar shading solutions repair market, primarily for commercial buildings.”

Jean Guillaume Despature



“We have continued to roll out our execution plan, 2025 One Way, by enhancing the customer experience, launching new connected ranges and strengthening our multi-brand organisation.”

Pierre Ribeiro

What have been the major improvements for your customers?

P. R. — Despite the economic climate, we have continued to roll out our execution plan, 2025 One Way. We’ve enhanced the customer experience by launching Somfy Pro Portal, a website designed to improve the digital experience of our professional customers. 2023 also saw the launch of two new connected ranges that were very well received by the market: the RS100 Solar io motor in Europe and a range of Zigbee 3.0 bi-directional motors in the United States. Additionally, we’ve strengthened our multi-brand organisation to address the specific needs of our markets. With our strong and complementary brands, we are able to address all our customers’ expectations with the right solution in the right place.

What progress is SOMFY making in terms of non-financial performance?

P. R. — We are structured to make CSR a true differentiator, as well as a growth driver. The appointment of a dedicated Director, who is a member of the Executive Committee, along with the acquisitions in recent years – De Haan Westerhoff and Répar’stores – reinforces our commitment to develop a more sustainable business model.

J. G. D. — Our CSR roadmap is ambitious. It is built around three pillars – Planet, People and Prosperity – which have indicators integrated into our annual non-financial reporting. In terms of the environment, 2023 marked an 18% reduction in our scope 3 greenhouse gas emissions compared with 2019 and more than 71% of Somfy products sold were Act For Green® eco-designed. A virtuous circle is being put in place given that our professional customers are committed to the circular economy and opt for the best products in terms of carbon performance to improve their own footprint.



How are you approaching 2024?

P. R. — We want to support our customers as best we can in this challenging environment. Whilst we expect a business slowdown and are faced with a sluggish economic outlook, we are determined to successfully combine our transformation with market share gains. Our products are well positioned on a market driven by long-term trends: connectivity and the energy efficiency of buildings. We are confident in the future and are preparing for it by investing in a new factory in Portugal and in our future logistics base in western France.

BUSINESS MODEL

VISION: INSPIRING A BETTER WAY OF LIVING, ACCESSIBLE TO ALL.

AMBITION

TO BE THE PREFERRED PARTNER
FOR WINDOW AND DOOR AUTOMATION
FOR HOMES AND BUILDINGS.

RESOURCES

Human

- ▶ 6,395 employees,
41% in France
and 59% internationally

Intellectual

- ▶ 18 R&D centers in 8 countries
- ▶ 8% of sales invested in R&D
- ▶ 74% of employees received training during the year ^①

Industrial and commercial

- ▶ 8 production sites in 5 countries
- ▶ Commercial presence in 59 countries

Financial

- ▶ Historical and long-lasting family shareholders
- ▶ Financial robustness

Environmental

- ▶ Team dedicated to carbon footprint
- ▶ Act For Green® ^② eco-design process since 2015

Societal

- ▶ SOMFY Foundation since 2004

TRADES

- ▶ Research & Development
- ▶ Purchasing
- ▶ Assembly
- ▶ Marketing – Prescription
- ▶ Sales
- ▶ Distribution

ORGANIZATIONAL PRINCIPLES

- ▶ Architecture by functions
- ▶ Customer-centric culture
- ▶ Digitalized organizational model

^① Scope of social reporting.

^② SOMFY's internal eco-design process, certified by an independent third party and formalised by PEP Ecopassport.

^③ Reduction in absolute value of emissions from energy consumption according to the market-based methodology.

MARKET TRENDS

- ▶ Energy efficiency
- ▶ Connected buildings
- ▶ Digitalization of uses
- ▶ House as a refuge



APPLICATIONS

- ▶ Shutters and solar protection
- ▶ Interior blinds and curtains
- ▶ Smart Home
- ▶ External awnings and pergolas
- ▶ Access and Security

VALUE CREATED

PLANET

- ▶ **34%** reduction of greenhouse gas emissions of Scopes 1 & 2 vs. 2019 ^④
- ▶ **18%** reduction of greenhouse gas emissions of Scope 3 ^④
- ▶ **71.1%** of products sold have followed the Act For Green® eco-design process ^⑤
- ▶ **8%** reduction in annual electrical consumption per motor
- ▶ **83%** of electricity from renewable sources

PEOPLE

- ▶ **6%** of employees received a promotion
- ▶ **25.3%** of women in management
- ▶ **25** tailor-made, in-house training courses available, to all employees

PROSPERITY

- ▶ EcoVadis Silver Medal

Finance

- ▶ Sales of **€1,447 m**
- ▶ Current operating result of **€201 m**

Customers

- ▶ **12,892** customer interactions via My SOMFY Lab
- ▶ **2,185** patents in portfolio
- ▶ **8.1%** of sales generated by new products in the last two years ^⑥

Partners

- ▶ **4,000** experts
- ▶ Longevity of the supplier relationship

Regional anchoring

- ▶ **690** solidarity days

^④ Reduction in relative value, based on the number of motors sold, of indirect emissions concerning the entire value chain.

^⑤ Somfy brand.

^⑥ Excluding Teleco Automation.

The non-financial statement forms an integral part of the management report provided to shareholders and filed with the Commercial Court Registry. It is presented separately for ease of reading.

PRESENTATION OF THE BUSINESS MODEL

PRESENTATION OF SOMFY

PROFILE

SOMFY is an international, independent, and family-owned company and is the benchmark for “Living Better”. As a player in the connected home and its use cases, the Group brings innovations to homes and buildings in terms of comfort and well-being, safety of people and property, and energy savings. SOMFY designs, assembles, and distributes motors and automated systems—integrated into blinds, shutters, doors, and gates—and the intelligent systems that control them. It also distributes connected products and digital applications.

SOMFY is always on the lookout for new uses and needs to develop new products that operate with other players’ products in the connected home and building sector. Active in the building and renovation markets, the company reduces its solutions’ carbon footprint and makes them accessible to as many people as possible through its locations on five continents and its portfolio of complementary brands. With solutions adapted to each market, SOMFY builds a relationship of trust with its customers and partners, based on the excellence of its products and services.

THIS IS HOW SOMFY WRITES THE FUTURE OF HOUSING FOR BETTER LIVING EVERY DAY, AND WE DO SO BY BEING USEFUL AND RESPONSIBLE.

DESCRIPTION OF GROUP ACTIVITIES

SOMFY designs, assembles and distributes motors and automated devices (remote controls and sensors) as well as smart systems which control their operation.

SOMFY’s main manufacturing activity is the assembly of subunits and parts designed by it but produced by subcontractor partners.

The R&D activity’s role is to anticipate peoples’ new habits and needs in relation to homes and buildings, to design the corresponding solutions, to guarantee the performance and compatibility of products from the same brand and to ensure their interoperability with other brands in the field of connected homes and buildings.

SOMFY controls its distribution (international supply chain, local sales and marketing presence), which means SOMFY can deliver its products worldwide. Its customers are manufacturers and installers, who integrate SOMFY solutions into carrier products: blinds, shutters, doors and gates, or by replacing existing equipment in buildings, by leveraging the strength of the Group’s brands. SOMFY also distributes finished products (a selection of motors and control panels, connected objects, digital applications) that are sold by prescribers, networks, retailer installers or resellers, *via* large specialist and DIY stores, and online, either directly or indirectly.

SOMFY products are installed indiscriminately in individual homes, small businesses, apartment blocks, office blocks, hotels and collective residences.

BUSINESS MODEL

A SUSTAINABLE BUSINESS MODEL, ADAPTED TO THE LOCAL MARKET, WHICH BRINGS TOGETHER THE ENTIRE VALUE CHAIN

The Group’s vision, “**Inspiring a better way of living accessible to all**”, guides its growth model: offering useful and responsible solutions with the support of and for the benefit of all its stakeholders. The attractiveness of the Group’s offers, their interoperability with other household devices, and their ease of use, all influence the adoption of new technologies by the user and by the construction industry and unleash the growth potential of the connected home.

SOMFY is a local stakeholder, with a presence on five continents, and adapts its offers to the specific features of each of its markets. SOMFY aims to become the preferred partner for window and door automation for homes and buildings. In this way, SOMFY contributes to the development of both its customers and its partners, by making the excellence of its products and services a constant priority.

RESILIENCE OF THE BUSINESS MODEL

The health crisis and rising energy costs have increased the desire of home and building occupants for better, energy-efficient living environments. The benefits brought by SOMFY solutions in terms of comfort and energy efficiency in the home are valued by consumers.

The Group organization has proved its relevance in dealing with the operational challenges raised during and after the pandemic, as well as geopolitical and economic disruptions, without calling into question organisational choices or the business model.

During the health crisis, as in the post-Covid period, the mobilisation of the teams to secure electronic components and redesign electronic boards, and constant interaction with customers, made it possible to limit the impact of the global shortage of components and materials, as well as the rise in energy and raw material costs, on customers.

PRESENTATION OF THE GROUP'S SUSTAINABLE DEVELOPMENT STRATEGY

SOMFY has made sustainable development a key element of its strategy and its 2030 Ambition. By bringing to life its vision – inspiring a better way of living accessible to all, SOMFY is bringing well-being, security and energy savings to its customers. Through connected products and services, users benefit from features that simplify their everyday lives, ensure the active monitoring of goods and people, and optimise the thermal and light contribution of solar energy.

SOMFY's vision – “Inspiring a better way of living accessible to all” – serves the **Group's sustainable development trajectory**, which is being built step by step: every day, the Group reduces the impact of its activities and products on the environment, cares about the daily lives and future of its employees and maintains quality relationships with its partners and local communities.

SOMFY's sustainable development policy is the foundation of its sustainable growth. It is fully integrated into the Group's strategy, through the implementation of its corporate responsibility and social commitment, and is structured around three pillars: Planet, People and Prosperity.

Planet

SOMFY is taking action to reduce the environmental impact of its activities and solutions, helping to provide responses to the challenges of combating global warming, the protection of biodiversity, and the sustainable management of resources.

The Group's solutions are accessible to all and contribute to the energy performance of buildings and the well-being of their occupants.

People

SOMFY strives on a daily basis to provide its employees with a fulfilling work environment that is also fair and inclusive. The Group also wants to take care of their sustainable employability by developing their skills.

Prosperity

The sustainability of SOMFY's business model runs through its entire value chain. The Group is implementing respectful and ethical practices, to create the confidence essential to its long-term prosperity.

The priority challenges of this sustainable development policy have been ratified by the Sustainable Development Committee of SOMFY's Board of Directors:

- Planet pillar: rolling out a low-carbon strategy by reducing the Group's emissions and developing solutions that help avoid greenhouse gas emissions in buildings. In addition to carbon, SOMFY is broadening its scope of action and is committed to preserving biodiversity and promoting the circular economy;
- People pillar: ensuring the sustainable employability of its employees in a work environment that fosters performance and the fulfilment of inclusive teams;
- Prosperity pillar: for sustainable growth, respecting all industry participants through ethical business practices that comply with product standards and GDPR requirements, involving suppliers in a responsible purchasing approach, and aiming for customer satisfaction.

2030 ROADMAP

In line with its priority sustainable development challenges, SOMFY has drawn up a roadmap with key targets between now and 2030. This roadmap will be expanded in line with the progress made in each of these pillars.

PLANET

Challenges	Indicators	2021 reference	2023	2030 target
Reducing the carbon footprint	Reduction of greenhouse gas emissions Scopes 1 & 2 GHG Protocol, Market based (kt CO ₂ e)	15 kt CO ₂ e*	-34% ●	-50% vs. 2019
	Rate of electricity from renewable sources**	40%	83% ●	100%
	Reduction of greenhouse gas emissions Scope 3 GHG Protocol, Intensity (kg CO ₂ e/motor)	108 kg CO ₂ e/motor*	-18% ●	-50% vs. 2019
	Rate of products sold under the Somfy brand having followed the Act for Green® eco-design process	61.5%	71.1% ●	100%

PEOPLE

Challenges	Indicators	2021 reference	2023	2030 target
Promoting fairness and inclusion in the teams	Proportion of women in management	25.7%	25.3% ●	40%
Making the work environment contribute to employee performance	Frequency rate of work-related accidents leading to absence (industrial and logistics scope)	3.06	3.80 ●	-50% vs. 2021
Strengthening employee commitment	Percentage of Group employees involved in philanthropic activities	3.9%	10.3% ●	15%

PROSPERITY

Challenges	Indicators	2021 reference	2023	2030 target
Growing with the Group's ecosystems	Rate of signature of the responsible purchasing Charter***	100% of new suppliers	100% of new suppliers ●	100%
Putting business ethics into practice	Number of people trained in ethics and compliance****	657	3,595 ●	3,000

The colour of the bullets reflects the evolution of the indicator in comparison to the projected trajectory. These targets relate to scopes in which they have the most impact.

* 2019 is the reference year for SBTi indicators.

** Industrial scope representing 80% of the Group's electricity consumption.

*** Scope covering direct purchases.

**** Over the last two years for connected employees.

SUSTAINABLE DEVELOPMENT GOVERNANCE

The Group's sustainable development policy is overseen at Board of Directors level through a Sustainable Development Committee made up of the Chairman of the Board of Directors and three of its members. This Committee meets at least twice a year. In 2023, it completed training on Corporate and Social Responsibility, as did the Audit and Risk Committee and some members of the Executive Committee.

The Executive Committee leads the implementation of the sustainable development policy, which has been fully integrated into the Group's 2030 Ambition. The heads of each strategic priority regularly report to him on their progress.

Each pillar is then managed by a dedicated team:

- the Engineering & Customer Satisfaction function supports the environmental performance of the Planet pillar;
- the People, Culture & Organization function is responsible for the People pillar as well as for the societal responsibility and commitment of the Group's employees;
- the Prosperity pillar is fuelled by both the excellence teams of the sales and purchasing functions and the Ethics & Compliance Department.

Coordination meetings are held every quarter to ensure the coherence of actions and their roll-out to Group employees, both at head office and in all subsidiaries through local management.

The Group uses CSR indicators in its performance-based remuneration tools to encourage employees to contribute to the environmental, social and societal targets. The CSR criterion represents 40% of targets to be attained in the long-term variable remuneration plans. The SOMFY ACTIVITÉS SA incentive agreement includes four CSR indicators, representing 30% of overall targets.

In 2023, 59 employees devoted more than 10% of their time to CSR activities.

SOMFY'S CONTRIBUTION TO SDGS



By signing the **Global Compact**, SOMFY is committed to contribute to the United Nations Sustainable Development Goals (SDGs). The SDGs provide a shared framework to help achieve a better and more sustainable future for all. SOMFY contributes to them via the three pillars of its sustainable development policy: Planet, People and Prosperity.

Planet	People	Prosperity

PROOF OF COMMITMENT

External assessments have confirmed the progress made within the Group in terms of sustainable development.



Despite moving to silver medal certification in 2023, SOMFY's score went up by two points in relation to 2022, standing at **69/100**. This year again, it was the area of responsible purchasing that improved the most, achieving a score of 80/100.

PRESENTATION OF NON-FINANCIAL RISKS

METHODOLOGY

MAPPING OF RISKS

The major risks for SOMFY or risks that are significant as a result of the Group's activity are presented in the management report.

The Risk Management & Compliance function is responsible for leading an overall Group approach in order to ensure all risks are properly identified and addressed.

A Group risk framework has been established to be able to formally set out and consolidate the assessments of each scope and function. The assessment stage involves examining the potential causes and consequences of the main risks identified (consequences that may in particular be financial, human, legal or reputational) and to assess their likelihood of occurring.

The Group has adopted standard methodology for assessing risks enabling the assessment of inherent (gross) risks and residual (net) risks based on a standard and consistent rating allowing the impacts, likelihood of occurrence and level of control to be graded. These assessments mean that the Group's risks can be mapped and updated every year by the Risk and Compliance Department. The parties involved in these assessments are the heads of the legal entities, those within the functions responsible for Excellence and the line managers.

The results of the assessment are reviewed and approved by the EXCOM.

Since 2021, particular attention has been given to identifying the risks related to the Group's CSR challenges, which have been

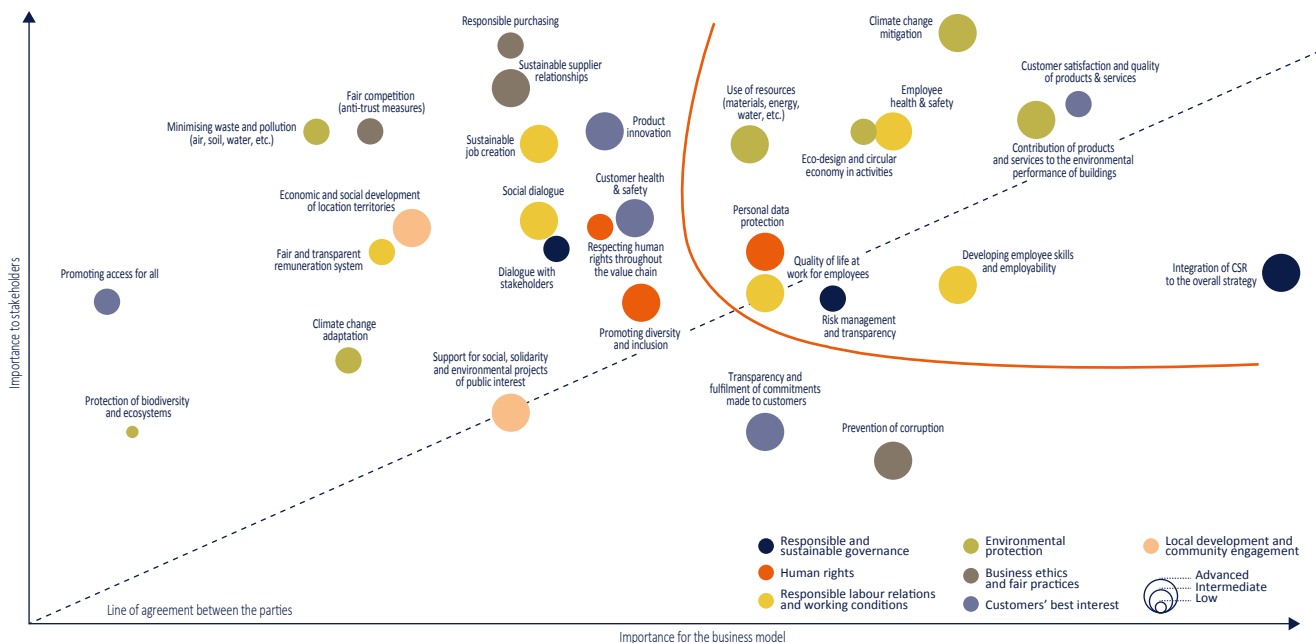
added to the Group's catalogue of risks for each process. These risks have been identified in consultation with internal stakeholders, then validated by several members of the sustainable development coordinating bodies.

However, the CSR risks presented below do not appear as such under major risks presented in the Risk factors section of the management report. The Group has indeed decided to present its main risks in a consolidated manner, as macro-risks, while CSR challenges are presented at a more granular level.

MATERIALITY MATRIX

In addition to the review of the Group's overall risks, the highlighting of SOMFY's CSR challenges is based on its materiality matrix, updated in 2022, which makes it possible to compare the Group's specific CSR challenges with the challenges identified by SOMFY's stakeholders in accordance with a three-step methodology:

- **identification of the main CSR challenges** (analysis of major risks, sectoral analysis, benchmarks and international guidelines, etc.);
- **prioritisation of themes by external stakeholders**, according to the importance of the issues to be addressed for a group such as SOMFY, **and by internal stakeholders**, according to the current and potential impact of the issues on Group activities. Internal and external stakeholders were consulted *via* individual interviews and online questionnaires. They were asked to rank the importance of the issues using a rating system;
- **detailed review and final validation** of the matrix by the Sustainable Development team and the Executive Committee.



PRESENTATION TABLE OF CHALLENGES AND RISKS

The challenges identified in the materiality matrix feed into each of the three pillars of the sustainable development policy: Planet, People and Prosperity.

PLANET

Challenges	Challenges in the materiality matrix	Risks	KPI	Pages
Reducing the carbon footprint	<ul style="list-style-type: none"> – Eco-design and circular economy in activities – Climate change mitigation – Use of resources (materials, energy, water, etc.) 	<ul style="list-style-type: none"> – Impact of SOMFY operations on climate change, biodiversity and the use of resources – Impact of SOMFY products on climate change & natural resources depletion – Carbon impact of digitalisation 	<ul style="list-style-type: none"> – Reduction of greenhouse gas emissions Scopes 1 & 2 – Reduction of greenhouse gas emissions Scope 3 – Annual average electricity consumption per motor sold in kWh – Rate of products sold under the Somfy brand having followed the Act For Green® eco-design process – Energy consumption in kWh per m² – Rate of electricity from renewable sources 	16-19
Maximising avoided emissions	<ul style="list-style-type: none"> – Contribution of products and services to the environmental performance of buildings 	<ul style="list-style-type: none"> – Impact of SOMFY products on climate change & natural resources depletion 	<ul style="list-style-type: none"> – Volume of CO₂ emissions avoided in the residential roller shutter market 	20
Acting with and for the planet beyond carbon	<ul style="list-style-type: none"> – Climate change adaptation – Use of resources (materials, energy, water, etc.) – Eco-design and circular economy in activities – Minimising waste and pollution (air, soil, water, etc.) – Protection of biodiversity and ecosystems 	<ul style="list-style-type: none"> – Impact of global warming on SOMFY activities – Impact of SOMFY operations on climate change, biodiversity and the use of resources – Impact of SOMFY operations on pollution 	<ul style="list-style-type: none"> – Volume of hazardous and non-hazardous waste in kg/motor produced – Rate of waste recycled – Water consumption in m³ per employee 	21-22
Becoming a citizen for the environment	<ul style="list-style-type: none"> – Support for social, solidarity and environmental projects of public interest 	<ul style="list-style-type: none"> – Bad buzz on employer brand – Hiring & retention issues 	– N/A	23

PEOPLE

Challenges	Challenges in the materiality matrix	Risks	KPI	Pages
Ensuring the sustainable employability of employees	<ul style="list-style-type: none"> – Developing employee skills and employability 	<ul style="list-style-type: none"> – Lack of professional development monitoring 	<ul style="list-style-type: none"> – Percentage of employees who received training during the year – Percentage of performance reviews completed – Percentage of employees promoted or who have moved to a different position – Percentage of development reviews completed 	26-28
Promoting fairness and inclusion in the teams	<ul style="list-style-type: none"> – Fair and transparent remuneration system – Social dialogue – Promotion of diversity and inclusion 	<ul style="list-style-type: none"> – Employment conditions inequity – Risk of strike or social movement (including tense relationships with unions) – Wrong monitoring of employee engagement – Lack of professional development monitoring 	<ul style="list-style-type: none"> – Change in the breakdown of women/men – Proportion of women in management 	29-31
Making the work environment contribute to employee performance	<ul style="list-style-type: none"> – Quality of life at work for employees – Employee health & safety 	<ul style="list-style-type: none"> – Deterioration of working conditions – Work accident and occupational disease – Staff unavailability – Employee safety breach – Pollution exposure 	<ul style="list-style-type: none"> – Frequency rate of work-related accidents leading to absence – Severity rate 	32-33
Strengthening employee commitment	<ul style="list-style-type: none"> – Sustainable job creation – Quality of life at work for employees – Developing employee skills and employability – Support for social, solidarity and environmental projects of public interest 	<ul style="list-style-type: none"> – Lack of professional development monitoring – Wrong monitoring of employee engagement – Bad buzz on employer brand – Hiring & retention issues 	<ul style="list-style-type: none"> – Somfyscope survey engagement rate – Number of solidarity days in the year – Percentage of Group employees involved in philanthropic activities 	34

PROSPERITY

Challenges	Challenges in the materiality matrix	Risks	KPI	Pages
Developing a customer-centric model	<ul style="list-style-type: none"> – Customer satisfaction and quality of products & services – Transparency and fulfilment of commitments made to customers – Customer health & safety – Product innovation – Promoting access for all 	<ul style="list-style-type: none"> – Lack of customer satisfaction measure and action plans – Products quality issue – Customer litigation linked to SOMFY offer modifications – Cyber breach exposure – Regulatory non-compliance of products (including safety standards) – Failure to achieve strategic objectives and succeed in the company project – Outdated innovation model – Significant or recurring delay in new product releases – Non-alignment between the Group strategy and the market expectations – Counterfeiting and industrial property theft – Infringement of third-party patent 	<ul style="list-style-type: none"> – Customer Net Promoter Score 	36-37
Putting business ethics into practice	<ul style="list-style-type: none"> – Respecting human rights throughout the value chain – Prevention of corruption – Fair competition (anti-trust measures) – Personal data protection – Dialogue with stakeholders 	<ul style="list-style-type: none"> – Non-compliance with business ethics laws and regulations – Employee misconduct – Breach of human rights and employment laws – Corruption and fraudulent practices – Anti-trust laws violation – Failure to protect data and privacy – Cyber breach exposure 	<ul style="list-style-type: none"> – Number of ethics alerts – Percentage of connected employees who have taken at least one training course on ethics and compliance in the last two years – Rate of new hires who have taken the GDPR online training 	38-40
Growing with the Group's ecosystems	<ul style="list-style-type: none"> – Responsible purchasing – Sustainable supplier relationships – Economic and social development of location territories – Support for social, solidarity and environmental projects of public interest 	<ul style="list-style-type: none"> – Suppliers non-compliance with CSR standards – Suppliers risks non-detection – Bad buzz on employer brand – Hiring & retention issues 	<ul style="list-style-type: none"> – Percentage of local purchases – Rate of signature of the responsible purchasing Charter – Number of suppliers covered by a supplier risk assessment – Amount of financial sponsorship of social and solidarity projects 	41-43

SOMFY'S RESPONSES TO NON-FINANCIAL RISKS

SOMFY's response to these risks is structured and organised based on the three pillars of its sustainable development strategy: Planet, People and Prosperity.



PLANET

Reducing the carbon footprint	16
Focusing on carbon to reduce the Group's impact	
Maximising avoided emissions	20
Providing solutions for energy efficiency	
Acting with and for the planet beyond carbon	21
Adapting to climate change	
Extending the scope of the Group's environmental actions	
Becoming a citizen for the environment	23
Encouraging societal commitment to the environment	

Originating in the foothills of the Alps, SOMFY has been aware of the challenges of global warming for a number of years, and, more broadly, environmental challenges. Its environmental policy tackles these issues at different levels, and includes global warming, biodiversity, managing resources through the circular economy, and water management. Nevertheless, as with many companies in its sector, SOMFY's impact primarily and directly concerns greenhouse gas emissions. The investment priority has therefore been given to reducing the Group's carbon footprint.

SOMFY's initiatives to combat greenhouse gas emissions was first demonstrated by the completion of a Bilan Carbone® (carbon assessment), and then by the implementation of emission reduction targets by 2030.

In parallel, SOMFY enables its customers to reduce their CO₂ emissions by developing solar protection automation solutions that utilise solar energy loads to optimise the energy efficiency of buildings.

Three areas of action have been defined for CO₂:

- **reducing the carbon footprint** of the company and its products;
- **maximising avoided emissions**, *i.e.* the energy savings made in buildings thanks to SOMFY systems;
- **contributing to carbon sinks** through nature-based solutions. However, priority being given to the first two areas of action, SOMFY invests on an *ad hoc* basis in carbon credits associated with reforestation and natural regeneration projects. In 2023, SOMFY signed a partnership contract with AGOTERRA for the carbon sequestration of approximately 500 tonnes of CO₂e by 2028, through the financing of an agroecology project certified with Label bas-carbone®.

While SOMFY is doing its share in combating global warming, the Group also focuses on other environmental challenges such as biodiversity and resource scarcity. Actions are carried out locally on the Group's sites.

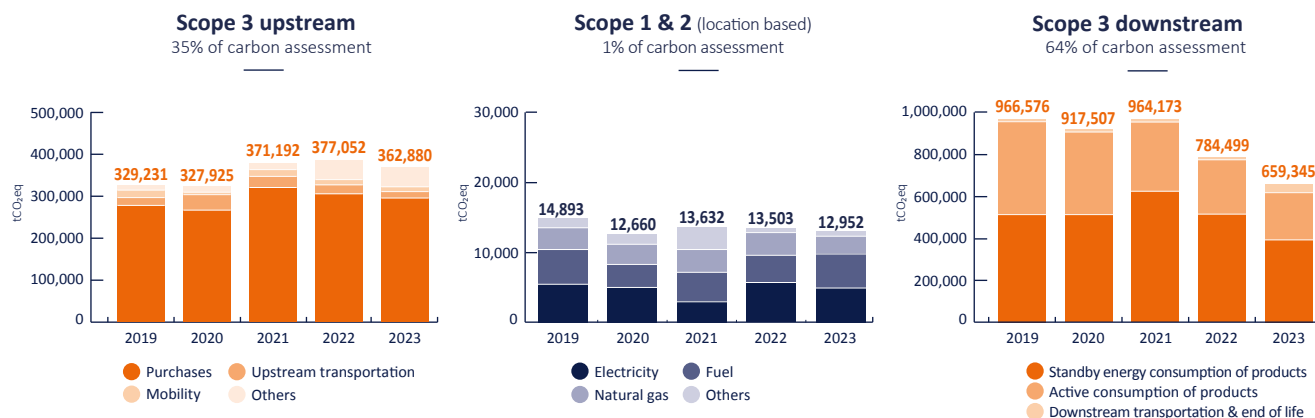


REDUCING THE CARBON FOOTPRINT

FOCUSING ON CARBON TO REDUCE THE GROUP'S IMPACT

SOMFY conducted in 2020 its first Bilan Carbone® for scopes 1, 2 and 3, based on 2019 data, for the entire Group. This assessment has been recalculated annually since then, an activity for which the Group specifically recruited an individual within the environment team.

The main indicator guiding the Group's action plans is the breakdown of the Bilan Carbone® by emission sources.



SOMFY's 2023 Bilan Carbone® totalled 1,035 kt CO₂e, *i.e.* a **reduction of 20% compared to 2019** while the volume of products sold remained stable.

In 2023, **98.7%** of greenhouse gas emissions related to scope 3, and in particular to the manufacture and use of SOMFY products (scope 3 indirect emissions) and **1.3%** to emissions related to energy used by the Group's sites (scope 1 and 2 emissions on a location basis).

The targets for reducing greenhouse gas emissions by 2030 are as follows:

- **reduce greenhouse gas emissions of scopes 1 and 2 in terms of absolute value by 50%** in relation to 2019 levels (using market-based methodology);
- **reduce greenhouse gas emissions of scope 3 in terms of intensity by 50%** (per number of actuators sold).

These targets have been validated by the Science Based Target initiative (<https://sciencebasedtargets.org/>), in line with a global warming trajectory of 1.5°C by 2100 for scopes 1 and 2.

Between 2019 and 2023, the downward trajectory was in line with the targets set for 2030:

Science Based Target Initiative indicators	2019	2023	Change
✓ Reduction of greenhouse gas emissions - Scopes 1 & 2 GHG Protocol, Market based (kt CO ₂ e)	15	10	-34%
✓ Reduction of greenhouse gas emissions - Scope 3 GHG Protocol, Intensity (kg CO ₂ e/motor)	108	89	-18%

✓ means that the indicator has been audited with reasonable assurance.

The roadmap implemented by the Group to reduce the greenhouse gas emissions generated by its solutions is a strategic priority whose monitoring is overseen by the Executive Committee and which is led by the Environmental Performance Department. The performance of these indicators also forms part of the interest rate subsidy criteria relating to the Group's loan and the variable remuneration of executives.

The following paragraphs present the most significant actions undertaken by SOMFY.

OFFERING MORE ENVIRONMENTALLY-FRIENDLY PRODUCTS

SOMFY's Bilan Carbone® shows that **92%** of the company's greenhouse gas emissions come from products and, more specifically, from their electricity consumption.

SOMFY has therefore embarked on an ambitious programme to reduce the energy consumption of its products, with the objective of reducing it by 40% by 2030.

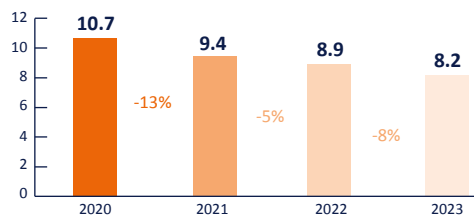
The Group has launched projects to design new electronic boards incorporating more energy-efficient components and original architectures, which will gradually be integrated into products.

Since 2022, each product offer development project has been assigned a CO₂ equivalent mass target. This objective is based on the best available technologies and allows each project to be part of the Group's roadmap for reducing greenhouse gas emissions.

This target is reviewed each time a new stage is entered and represents a criterion in the decision to launch the project.

The result included an **8% reduction in the electricity consumption of products in 2023**, continuing the trend seen in 2022 (-5% compared to 2021).

Annual electricity consumption per motor (kWh)



On a constant scope basis, the recalculated reduction in electricity consumption would have been 10% between 2022 and 2023.

Beyond the electricity consumption of its products, SOMFY is committed to their eco-design to optimise their environmental impact. To support this mission, which is partly entrusted to its designers, the Group rolled out a new solution in 2022 enabling them to measure the impact of each ongoing project as it is being designed.

To bring this **eco-design process** to life, SOMFY continues to roll-out Act for Green®, launched in 2015, which is awarded to products that meet environmental requirements that are more stringent than current regulations. All Act for Green® products are subject to an environmental impact declaration in the form of a PEP Ecopassport®, available on the organisation's website and on the INIES database. Common to the entire Electric and Electronic Equipment profession, the PEP is established using recognised methodology and tools, such as lifecycle analysis (which is based on ISO 14040) and EIME (Environmental Information & Management Explorer) software. The PEP complies with ISO 14025 (environmental labels and declarations), it is verified by an independent auditor and benefits from a State appointed programme.



71.1%

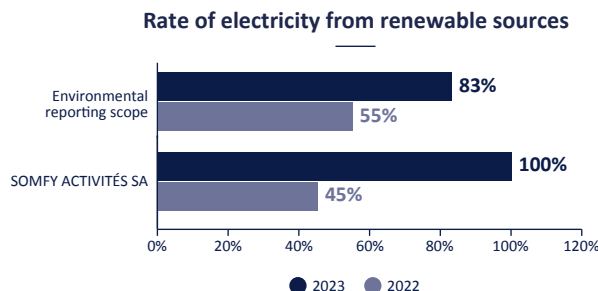
of products sold under the Somfy brand followed this eco-design process

At the end of 2023, **71.1%** of products sold under the Somfy brand had followed this eco-design process, compared with 65.9% in 2022. This rate was 62.3% for all the Group's brands. The aim is to reach 100% of Group sales with eco-designed and Act for Green® products by 2030.

For SOMFY, reducing the carbon footprint of its products is a key area of collaboration with its customers. In addition, a close dialogue was established with some of them to help develop their own Bilan Carbone®.

ACCELERATING THE CONVERSION TO MORE ENERGY-EFFICIENT SITES

Although the greenhouse gas emissions of its sites form a minority in SOMFY's Bilan Carbone®, the Group has made them a driver of action. As such, in 2023 **83%** of the electricity used on its industrial sites is from renewable sources with the target of reaching 100% by 2030.



In 2023, 88% of the Group's industrial sites had green electricity contracts, thanks to a new contract signed for the Nanxun site in China.

Focus on SOMFY ACTIVITÉS SA

SOMFY ACTIVITÉS SA's green electricity supply contract covered consumption for the whole of 2023. A feasibility study regarding the installation of photovoltaic panels is ongoing.

Energy consumption	Environmental reporting scope			SOMFY ACTIVITÉS SA		
	2022	2023	Change	2022	2023	Change
Gas (kWh/m ²)	55	41	-26%	77	62	-19%
Electricity (kWh/m ²)	64	54	-15%	64	57	-11%
Mineral fuel (kWh/m ²)	0.2	0.2	-20%	0.6	0.5	-20%
ENERGY CONSUMPTION PER M ² (kWh/m ²)	119	96	-19%	142	120	-15%

In addition, the Group's sites significantly reduced their energy consumption in 2023. The roll-out of initiatives was ramped up, with the most important being the **introduction of an Energy Management System (EMS)** at the Group's main industrial sites.

The other measures taken in 2023 bore fruit, in particular: following the energy sobriety plan, completion of energy audits, the overnight shutdown of certain equipment, and the feasibility study regarding the implementation of photovoltaic panels.

Focus on SOMFY ACTIVITÉS SA

In 2022, the Group committed to reducing its energy consumption in France by 10% in under two years, within the context of the governmental sobriety plan and the signing of the RTE Charter. SOMFY ACTIVITÉS SA is taking action in relation to three main levers: heating, lighting and IT equipment. A large-scale communication campaign informed employees of the initiatives implemented by the Group and the eco-gestures that can be adopted by all.

Lastly, within the production systems, measures were rolled out to reduce their energy consumption. For example, fluorescent lighting on production equipment is being replaced by LED devices, outdoor lighting is being reduced, and a number of production facilities are shut down at night.

BEYOND THESE TWO MAIN AREAS, ACTING ON ALL THE GROUP'S ACTIVITIES

SOMFY believes it is important to **raise employee awareness** of the challenges of global warming to enable everyone to act at their own level.

More than 650 employees have been able to attend a climate fresco workshop since 2020, and messages to raise awareness of eco-gestures were shared throughout 2023.

The network of Sustainable Development officers became more professional during the course of the year, with in particular official recognition of 10% of the time allocated to these tasks formally set out in their job descriptions. Organisation of this network takes the form of prioritisation of the measures to be implemented, the sharing of best practices and awareness raising.

PURCHASES

Purchasing accounts for **20% of SOMFY's carbon footprint** and is an important lever for action. In addition to its responsible purchasing Charter, the Group integrated an environmental criterion in the supplier selection process in 2022. Furthermore, SOMFY developed a tool to measure the carbon footprint of its supplies. The database allows the comparison of technical solutions between them in terms of the impact of global warming (measured in CO₂ equivalent kg).

In parallel, each category of purchases develops a strategy for reducing its environmental impact. For example, the plastics category is working with suppliers to introduce recycled materials or to substitute certain materials for less carbon intensive materials. These procurement strategies are reviewed annually by some of the company's Executive Committee.

To be able to ensure a sustainable and verifiable performance, SOMFY's suppliers are asked to provide increasingly accurate environmental information verified by third party. As such, they are asked for Environmental Product Declarations (EPD) to substantiate the performance of the materials purchased.

EMPLOYEE MOBILITY



To encourage soft mobility, events on mobility were organised in June 2023 at many Group sites during the internal sustainable development days.

Focus on SOMFY ACTIVITÉS SA

The one-off initiative of offering free train tickets was made permanent in 2023 through the caretaker's office.

Between May and October, a fleet of **20 e-bikes from the circular economy** was made available to employees free of

charge for a period of two weeks in order to test the bikes for commuting.

The initiative was very popular and more than 7,000 km were covered by bicycle instead of car.

The Bonneville site was also awarded Pro-Cycling Employer GOLD level for its efforts to promote the use of bicycles as a mode of transport.

The eco-safe driving initiative launched in France in 2022 was extended to Germany in 2023 and will be a high point of the initiatives implemented in 2024.

TRANSPORT

Transport represents **2% of SOMFY's carbon footprint**. To reduce it, the Group has drawn up a transport decarbonisation plan with three time frames - short, medium and long term - which includes the following:

- the imposition on all its partners of a minimum EURO 5 criterion for road transport;
- the prioritisation of the least polluting mode of transport (or multimodal transport);
- the optimisation of the filling rate of lorries when SOMFY is responsible for transport.

At the same time, SOMFY raises team awareness of best practices through communication campaigns, training and change management.

Focus on SOMFY ACTIVITÉS SA

One example of concrete action was the introduction of a "milk run" in the Arve Valley in 2022. This involves a standard route making regular stops between several suppliers to collect components and deliver them to the Cluses sites.

In 2023, SOMFY added a module to measure CO₂ emissions to its transportation management solution. In 2024, it will cover all journeys and should allow better consideration of the environmental criterion in the choice of transportation.

In the future, SOMFY plans to integrate transport data directly into its ERP system to improve monitoring and highlight areas for improvement in the action plan.

DIGITAL

The impact of digital is becoming a global concern with the explosion of digital services. Committed to a digital transformation, SOMFY intends to support it with virtuous practices. With this in mind, the Group's servers have been equipped with the MyITFootprint solution to measure and detail their environmental impact.

This solution has highlighted that a significant proportion of digital's carbon footprint comes from equipment, such as computers and mobile phones. To limit this impact, a decision was taken to extend the lifetimes of these devices and to encourage their repair.

Devices are now not replaced periodically, but when users can no longer use their current device under appropriate conditions.

In relation to telephony, Fairphones® are offered to users, thereby promoting reparability as well as reconditioned devices.



MAXIMISING AVOIDED EMISSIONS

PROVIDING SOLUTIONS FOR ENERGY EFFICIENCY

Solar radiation on a window pane is equivalent to the heating power of a 500 W per m² radiator. The use of solar shading makes it possible to manage this energy input into the building.

SOMFY develops and markets motors and automation controls that make the most of the sun energy input in winter and protect against it in summer. The benefit to building occupants is twofold: **improved thermal comfort** and **energy savings**.

In addition to TaHoma which features "thermal comfort" automation, in 2023 SOMFY launched a new RS100 Solar io offer whose photovoltaic panel indicates the level of sunlight to the automation system. In 2024, a new range of wall controls, AMY, will include a temperature sensor and algorithm enabling sun energy input to be managed. This range is compatible with TaHoma and complements the automation's ecosystem when it is connected.

Thermal studies carried out in 2021 and 2022 and validated by Carbone 4, assessed the carbon impact of SOMFY solutions. The table below summarises the results of motorisation and automation of roller shutters installed in residential buildings in six European countries.

Country	Emissions induced by the products (kt CO ₂ e)	Reduced emissions in user customers buildings (kt CO ₂ e)	Avoided emissions (kt CO ₂ e)	Avoided emissions/ Induced emissions ratio
France	41	161	120	2.9
Germany	93	186	93	1.0
Belgium	7	49	42	6.0
Poland	30	65	34	1.1
Spain	5	13	9	1.9
Italy	6	10	4	0.7
TOTAL	182	484	302	1.7

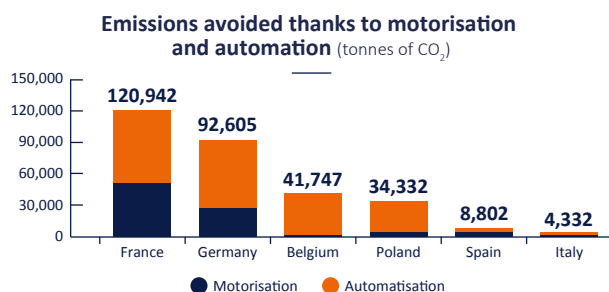
Avoided CO₂ emissions by country in the European residential market.

The results are calculated in relation to a benchmark scenario consisting of the most commonly installed products in buildings, *i.e.* manual roller shutters.

The avoided emissions are the difference between the reduced emissions in the building and the emissions induced by the products.

The main findings of these calculations are as follows:

- SOMFY solutions have a positive impact and avoid on average 1.7 times their carbon mass for user customers;
 - there are wide variations between countries, due to the energy mix of each country as well as to the level of automation of solutions.
- Over the scope considered, the emissions avoided thanks to automated solutions are indeed three times higher than those generated by motorised solutions.



Configurators taking into account the geographical location of buildings and the type of housing were introduced in 2023 so that user customers can assess potential energy gains in their situation.

A white paper approved by Carbone 4 on the calculation methodology and main results will be circulated in 2024.



ACTING WITH AND FOR THE PLANET BEYOND CARBON

ADAPTING TO CLIMATE CHANGE

ANALYSING RESILIENCE TO CLIMATE RISKS

In 2022, the Group implemented an analysis of its resilience to climate risk for its most important production sites.

This three-step approach consists of:

- **identifying climatic variations** with a potentially strong impact on the Group's operations. This analysis was performed by taking into account the historical data and the IPCC's RCP 2.6 and 8.5 scenarios for 2030, 2035 and 2050 respectively;
- **outlining a vulnerability profile** for each production site. This profile is based on the sensitivity of the processes to the climatic variations of the geographical area in which the site is located as well as the existing adaptation capacities. The vulnerability profile takes into account the highest risk according to the IPCC scenarios mentioned above;
- **defining an adaptation plan** for each of the highest risks. These action plans are included in the sites' business continuity plans.

This analysis showed a relatively low level of residual risk.

In 2023, the scope was extended to include all the industrial sites. The analysis will be progressively applied to the distribution subsidiaries and then to the entire value chain.

EXTENDING THE SCOPE OF THE GROUP'S ENVIRONMENTAL ACTIONS

TAKING ACTION FOR BIODIVERSITY

The impact of SOMFY's operations on biodiversity is relatively limited. However, the Group is attentive to this and is developing initiatives to protect it. The major challenge is in the vicinity of its industrial sites.



Focus on SOMFY ACTIVITÉS SA

Located in the heart of the French Alps, close to Mont Blanc, the company wants to act to protect the mountain ecosystem and is involved in local initiatives, including:

- the Club d'Entreprises pour la Montagne et son Développement Durable (CEM2D);
- the installation of four apiaries, *i.e.* 12 hives in total, on the various Arve Valley sites in partnership with the Apidae organisation. The 2023 harvest totalled 156 kg despite a summer heatwave which dried out the flowers quickly. The apiaries have made it possible to reintroduce the Black Bee of Savoy, a local endemic species in danger of extinction;
- the introduction of a smart mowing regime on all sites;
- the protection of certain parking spaces and planting of local species adapted to biodiversity in order to follow the recommendations of the diagnosis made by France Nature Environnement in 2022.

In Niepolomice, Poland, the factory is located on the edge of two protected sites belonging to the Natura 2000 network: Puszcza Niepolomicka PLB 120002 and Torfowisko Wielkie PLH120080. The local teams follow strict specifications for the protection of its immediate environment, which was as a precondition for the building of this factory.

In 2023, the site installed a rainwater collection system.

To complete these actions, SOMFY joined forces with EDHEC to conduct a biodiversity inventory on its main industrial sites and their local regulatory challenges. In this way, eight golden rules were shared to provide information about best practices (removing artificial surfaces from car parks, stopping using chemicals in managing green spaces, turning off the car park lights at night, etc.).

CONSERVING RESOURCES

The operations at the Group's industrial sites involve assembling metal and plastic parts to create finished products. These assembled products use processes such as embedding, screwing and clipping. These operations do not use water or effluents, or products likely to cause discharges into the air, soil or collection network. Moreover, SOMFY does not use SF6 gas in its manufacturing processes. Water consumption detailed in the table below is therefore exclusively related to sanitary (toilets, showers) use. Following the return to the site of all employees in 2022, consumption stabilised in 2023.

Water	Environmental reporting scope			SOMFY ACTIVITÉS SA		
	2022	2023	Change	2022	2023	Change
Water consumption in m ³	44,831	37,934	-15%	9,984	9,341	-6%
Ratio m ³ /employee	9.1	9.1	1%	5.2	5.3	1%

In addition to water, the resources used by SOMFY mainly include the materials and energy used to manufacture its finished products:

- for its products, SOMFY is promoting the use of recycled materials, starting with packaging (recycled cardboard and foam wedges expanded with biogas);
- 83% of the electricity used is from renewable sources. The aim is to reach 100% by 2030.

PROMOTING THE CIRCULAR ECONOMY

SOMFY participates in the collection of end-of-life products through its contribution to eco-organisations (Ecosystems, Corepile, etc.) and promotes this sector among its customers to optimise the collection of used products.

As previously mentioned, **SOMFY promotes eco-design** by promoting the most energy-efficient designs possible and the use of recycled materials.

At operational level, SOMFY has modernised its facilities to reduce energy consumption and reuse functional components of finished products not fit for sale.

In addition, waste is sorted and **94% was recycled in 2023**, compared to 93% in 2022.

Waste	Environmental reporting scope			SOMFY ACTIVITÉS SA		
	2022	2023	Change	2022	2023	Change
Non-hazardous waste in kg/unit	0.27	0.31	14%	0.99	1.06	6%
Hazardous waste in kg/unit	0.004	0.004	7%	0.02	0.02	49%
TOTAL WASTE IN KG/UNIT	0.28	0.32	14%	1.01	1.08	7%
Rate of hazardous and non-hazardous waste recycled	93%	94%	1%	91%	98%	8%

The rate of waste recycled has increased thanks to the actions carried out, including a change of service provider and improved waste sorting. These efforts were complemented by the introduction of returnable bins for certain supplier flows to replace cardboard packaging. Product sustainability is also a lever for action. For example, commercial warranty periods have been extended to seven years on products such as the S&SO RS100.



BECOMING A CITIZEN FOR THE ENVIRONMENT

ENCOURAGING SOCIETAL COMMITMENT TO THE ENVIRONMENT

SOMFY encourages local initiatives in terms of societal commitment to environmental issues, both with its teams and through its Foundation.

Focus on SOMFY ACTIVITÉS SA

In 2023, SOMFY ACTIVITÉS SA renewed for the third time its support for the EcoTremplin competition, organised by the Alpine radio station "Radio Mont Blanc", as a partner in the social and solidarity category, which rewards the region's most exemplary organisation in this area. SOMFY supports the winner with the development of their project and the radio station finances a communication campaign to raise awareness of it.

SOMFY is also a founding member of the Green association, which works with industrialists in the Arve Valley to encourage local economic players to act rather than just pay taxes. SOMFY is the main financial backer of the association for educational initiatives and spin-off and prototyping projects on environmental issues.

The SOMFY Foundation is working to build a better world for future generations. A world where everyone has access to healthy and sustainable living spaces that respect people and the environment. Its scope was extended in 2021 to include the environmental aspect, enabling it to take part in public interest projects benefiting the environment.

Its first major environmental initiative is the restoration of 10 of the 70 hectares of Magland's communal woods ravaged by a storm in 2019, in partnership with the ONF's fund Agir pour la Forêt (Act for Forests). In 2023, the SOMFY Foundation and 26 Group employees undertook the upkeep of 1.7 hectares planted in 2022. In parallel, the National Forestry Office of France continued its recovery plan by planting 3.75 hectares with six different species to test the resilience of new species against a backdrop of climate change.



In the subsidiaries, this commitment to the environment is implemented locally. In Israel for example, seven employees took part in a tree-planting operation. In Mexico, ten employees took part in the sustainable development days, and in Greece, 15 employees collected 275 kg of clothes for recycling.

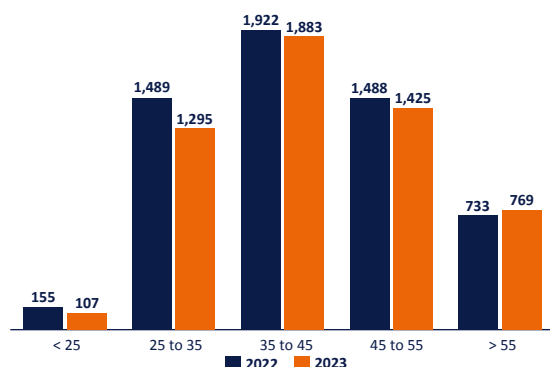
As part of its environmental commitment, the SOMFY Foundation establishes partnerships with local organisations near the Group's main sites. It collaborates with ten environmental organisations who work to promote biodiversity, for local waste sorting solutions or who raise population awareness. In total, the Foundation completed 24 environmental projects with the involvement of 162 employees which led to the creation of composting sites, the upkeep of dry pasture, the uprooting of invasive plants and the collection of waste during World Clean Up Day.



PEOPLE

Ensuring the sustainable employability of employees	26
Becoming a learning organisation	
Promoting career development	
Promoting fairness and inclusion in the teams	29
Strengthening gender equality	
Supporting the employment of people with disabilities	
Supporting the employment of young people	
Making the work environment contribute to employee performance	32
Developing new ways of working	
Ensuring safety at work	
Strengthening employee commitment	34
Onboarding new hires	
Cultivating employee commitment	

The workforce within the social reporting scope at 31 December 2023, including permanent and fixed-term employees but excluding interns, work/study students and temporary workers, stood at 5,479 people, compared with 5,787 in 2022, with the breakdown by age range as follows:



The desired culture is the foundation of SOMFY's transformation and constitutes a long-term asset for the company. Since 2021, SOMFY has integrated this new corporate culture and supported its managers in a broad leadership and culture programme.

Taking ownership of this culture takes place in several stages. In 2021, the Group's top 80 managers, members of the "One Team", participated in a series of workshops with a coaching firm specialising in transformation.

In 2022, the 250 most senior managers, all members of the "One Team Conference", joined the programme. In a year, these roll-out modules represent more than 40 hours of workshops and coaching per employee.

To date, some 400 employees have benefited from the initiatives implemented in this regard (training or fun and educational sharing activities), which will be continued and expanded in 2024.

The five behaviours of the desired culture:

- **Focus on Customers:** develop active listening and problem-solving skills to meet customer needs;
- **Play One Team:** establish effective collaboration between functions, put the interest of the Group above that of the team, and build diverse and inclusive teams;
- **Take Responsibility:** make each employee committed and responsible for implementing the priorities in order to deliver with the expected level of quality and an appropriate sense of urgency;
- **Grow and Learn Everyday:** as employee development is an essential part of this desired culture, everyone must be able to play their part in coping with constant change. Therefore, opportunities for development must be seized and encouraged by managers. Feedback is becoming an established practice at the heart of the dialogue between the manager, his employees and his peers, in order to progress but also to facilitate mutual adjustments. It allows to try out different ways of doing things, in full transparency with one's manager;
- **Act Authentically:** employees must be able to express their ideas, to say transparently and without fear what they are good at, and what they need others to do.



ENSURING THE SUSTAINABLE EMPLOYABILITY OF EMPLOYEES

SOMFY has always put people at the heart of its company plan since the Group firmly believes that it is through people that it will make the difference in all that it does. SOMFY thus seeks to offer every employee a plan that enables them to develop their internal and external employability in a sustainable manner. The company is a living place in which every person can grow, both professionally and personally. Conditions in the workplace and under which they perform their role, and maintaining the health and safety of everyone are priorities of the Group's people strategy.

2030 Ambition outlines the Group's social strategy, the main actions of which are described in the paragraphs below.

BECOMING A LEARNING ORGANISATION

ROLLING OUT CAREER DEVELOPMENT REVIEWS TO ALL EMPLOYEES

As part of the HR cycle, employees have a development review once a year. This review is separate from the performance review and is dedicated to the career prospects and development of employees. Together with their manager, employees take stock of their experience and skills acquired and those to be developed. It is now rolled out across the Group on a digital platform. In 2023, 93% of employees benefited from this review, which enabled the identification of 9,562 development actions, *i.e.* twice as many as in the previous year.

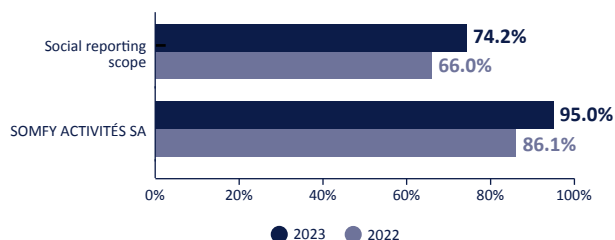
SOMFY encourages employees to become actors in their own development and therefore in their employability. The Group promotes the development of business and technical skills as well as personal development, and applies the 70/20/10 model which structures learning into three parts: 70% through case study, 20% through social interaction and discussion with peers and 10% through traditional training.

OFFERING ACCESS TO SOMFY CAMPUS TO ALL EMPLOYEES



In 2021, the Group launched SOMFY Campus, its corporate university which offers development paths for all employees. These programmes enable the professionalisation of teams and the development of leadership and business skills.

Percentage of employees who received training



In 2023, SOMFY had LinkedIn Learning licences open to 4,500 employees. This library of off-the-shelf training content helped to upskill employees. SOMFY also provided staff with training catalogues by Academy to guide them in their search for courses.

In 2023:

- number of activated licences: 3,788 (3,284 in 2022);
- number of videos viewed: 268,000 (112,986 in 2022);
- number of courses completed: 9,895 (3,226 in 2022);
- number of hours viewed: 12,702 hours (4,772 in 2022);
- average time spent per learner: 3 hours 35 minutes (2hrs18 in 2022, 0hrs30 in 2021).

In addition, in 2022 SOMFY acquired licences from Speexx, a language learning platform, to meet the business priority of developing English skills within the Group:

- number of active learners at end 2023: 296;
- number of hours: 3,243 hours.

ROLLING OUT CAREER PERFORMANCE REVIEWS TO ALL EMPLOYEES



SOMFY offers an HR cycle to all its employees, with individual meetings with their managers throughout the year. Among these, the performance review is used to assess the achievement of targets and employee proficiency in the position. This interaction is an opportunity to identify areas of progress for the coming year and to share information on the employee's work-life balance. This is also a time for both the employee and their manager to set targets for the following year. In 2023, 91% of employees completed a performance review (scope: Group connected employees, workers at the Cluses plant and the Bonneville production site), totalling 3,921 people.

STRENGTHENING THE GROUP'S COMPETENCY FRAMEWORK

A Group-wide **Jobs and Competencies Framework** has been developed over the past three years. Today, this framework covers 18 functions, 93 job families with a list of associated skills, 189 generic positions with associated descriptions. These documents, which are accessible to all Group employees, enable each employee to find out about existing jobs within the company and identify the next steps in their career. This work is also the basis for a forward-looking approach to the development of professions, in order to anticipate the Group's future skill requirements.

In conjunction with this referencing work within the Group, in 2023 SOMFY complied with the new classification of metal industry jobs for its French entities: SOMFY ACTIVITÉS SA, SIMU, SOMFY Protect by Myfox, Domis SA, SOMFY SA and CMC, equating to 2,320 employees.

This structuring work resulted in the breakdown of SOMFY's generic professions into 441 UIMM (French Union of Metal Industries and Professions) job descriptions. Added to the preliminary work in relation to the Jobs and Competencies Framework, this classification becomes the backbone of its employment structure, and will lead to the establishment of strong HR policies based on objective responsibility levels.

PROMOTING CAREER DEVELOPMENT

Attracting talent and developing the skills of its employees are central to SOMFY's challenges. The Group's growth and performance, as well as the success of 2030 Ambition, is dependent on its ability to secure the right talents, in the right place, at the right time. The resources devoted to promoting career development are key to overcoming these challenges. In addition to the risk of not having the human resources necessary for the achievement of its ambitions, neglecting the development of employee skills could result in talents leaving or a fall in their commitment levels. Supporting employees in their development helps to improve their employability and their sense of security in relation to the next steps in their career, which makes it a factor in terms of commitment.

INCREASING TALENT REVIEWS

Talent Reviews are collective meetings between managers aimed at anticipating organisational changes, defining development plans, identifying talent pools in order to offer them **attractive career paths**, developing succession planning for key roles in the organisation, and analysing changes to the organisation and to jobs. Since 2020, this annual event has been extended to the entire Group. In 2023, the careers and development of more than 3,950 employees were evaluated as part of Talent Reviews. After three years of implementation and continuous improvement, the Group is beginning to see the real benefits of this exercise. It allows us to get to know our employees better, to define tangible development and career action plans, and to identify global talent pools to fill key positions. This process is supported by regular mobility committees (at several management levels) which have resulted in more than 300 transfers across the Group.

2023 has also improved the **talent assessment process** in the following areas:

- improve the quality of succession plans for all the Group's critical positions, or report when no successor is identified;
- develop retention schemes for One Team members with an assessment of criticality, irritants and action plans in terms of employee remuneration, development and exposure;
- tighten up the definition of the classification of talents according to performance and potential;
- strengthen the skills of the HR community to support and optimise the process.

The company's maturity journey in this regard is a long-term process. Therefore, continuous improvement in 2024 will remain an important topic, with several focus areas:

- forward-looking management of roles and career paths in strategic areas such as skills and positions related to digital and artificial intelligence;
- roll-out strategic workforce planning for each function;
- strengthen the pipeline for key positions.

PROMOTING INTERNAL MOBILITY

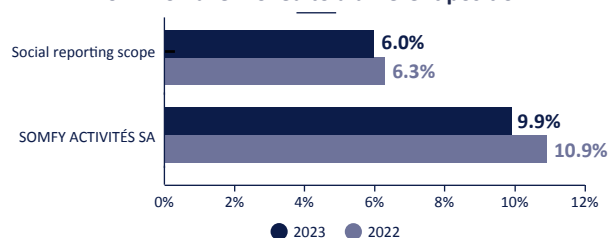
Through internal mobility, SOMFY wishes to promote career paths that enable the development of key skills that are specific to the Group, to provide it with the talent it needs for the years to come, notably to prepare for the digitalisation of professions, and to build a common base of experience that is conducive to cross-functional collaboration and innovation. Through these actions, SOMFY also aims to attract and retain employees, thanks to inspiring career paths.

In 2023, the internal mobility policy was reviewed, to reiterate that the minimum recommended duration in a position is three years, and that a maximum duration of five years is desired. These clarifications have helped to make mobility run more smoothly, by linking employee aspirations to the Group's needs.

Through its **internal mobility policy**, the commitments made are as follows:

- the Group is committed to giving preference to internal applicants over external recruitment;
- managers encourage employee mobility by considering first and foremost the interests of the Group and the development of the employees;
- particular attention will be paid to applications from people whose positions are considered to be under threat or sensitive/critical in order to support possible organisational or job changes;
- managers are responsible for organising and carrying out the integration process and the employee skills development plan to support mobility;
- SOMFY is committed to ensuring that each employee receives information on the outcome of their application, whether or not they are selected for the position in question. If unsuccessful, the applicant is supported to strengthen their development plan and their next career steps.

Percentage of employees promoted or who have moved to a different position



Managed mobility exists in the Group's policy to address its strategic challenges, fill job vacancies in urgent and/or confidential situations and offer roles to the identified talents. Initiated by management, Human Resources Business Partners or the Talent Management Department, it can take place as part of a development plan defined for the employee or as part of a reorganisation. By way of example, new "springboard positions" were identified in 2023. These are roles in which the Group can place employees with high potential, so that they can strengthen their management and leadership skills.

RAISING THE INTERNATIONAL PROFILE OF THE TEAMS

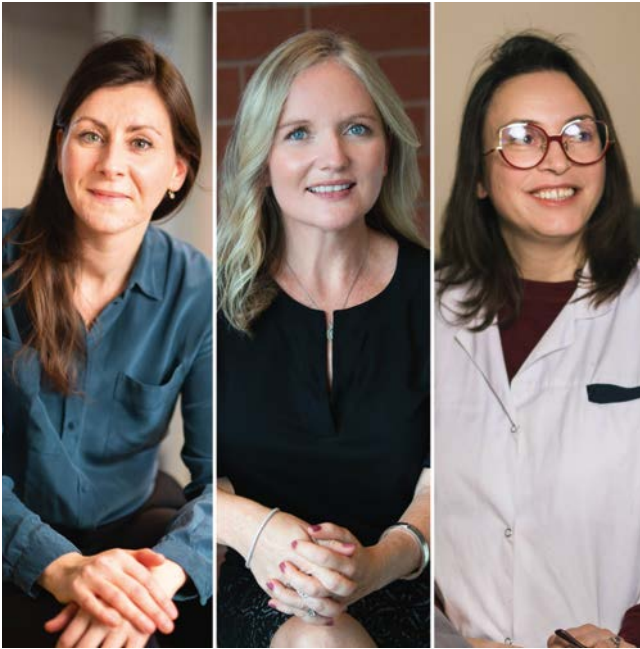


SOMFY's international profile has been boosted since 2020. Many recruitments are made with this in mind, either by recruiting people of different nationalities or by giving foreign employees responsibilities within the so-called "Group" teams. This progress was accelerated thanks to the development of the smart working policy, which reaffirmed SOMFY's desire to recruit internationally, for example by offering the option to work remotely to more employees and creating a "remote worker" status. This drive to mix cultures establishes English as the common language. This gives more opportunities for mobility to non-French speaking employees and makes SOMFY more attractive. In addition, an **international mobility management procedure** is now in place: it provides a more reliable framework for the expatriation or secondment of certain employees, from a legal, salary, accommodation or transport point of view.



PROMOTING FAIRNESS AND INCLUSION IN THE TEAMS

STRENGTHENING GENDER EQUALITY



SOMFY places diversity and inclusion at the heart of its priorities. The Group considers that this diversity is a **driver of performance** and an important element of its societal responsibility. In this context, equality between women and men is being strengthened through numerous measures. In 2023, for example, 15 women followed a “Women in Leadership” development programme (EVE and TREMLIN programmes), whose ambitions are to support women in asserting their managerial style, to boost their self-confidence, to listen to inspiring testimonies, to raise awareness against prejudice and to create their own support network. A discussion focused on the promotion of women is organised in each annual Talent Review. Similarly, SOMFY ensures it identifies as many women as possible for each role in its Talent pools.

Gender equality is closely monitored in its recruitment process: SOMFY strives to ensure that its shortlists for each position are made up by 50% women.

RENEWING COMPANY AGREEMENTS

Diversity and inclusion are at the heart of our people project and have been identified as major levers for collective performance. The gender discussion is one of the foundations of this. SOMFY aims to achieve 40% female managers by the end of 2030 (25% achieved by the end of 2023) and also to generalise the actions already implemented by SOMFY ACTIVITÉS SA at Group level.

Focus on SOMFY ACTIVITÉS SA

Following on from a process of company-wide agreements initiated in 2013, the company has renewed its commitment to gender equality at work through a three-year agreement for 2022-2024. This agreement falls under the umbrella of Group initiatives that are strengthened, tailored and completed at local level.

The 2022-2024 three-year agreement for gender equality at work covers five themes – recruitment, remuneration, career development, work/life balance, and health & safety at work.

This agreement sets two targets for gender equality at work, on which SOMFY improved in 2023:

- to reach 33% of women in “Managerial” positions by 31 December 2024. This rate was 31% at 31 December 2023;
- to achieve 30% of women in Executive positions - category C3. This rate was 29% at 31 December 2023.

Moreover, in 2023, SOMFY ACTIVITÉS SA continued to measure the Rixain law indicator on the proportion of women in its leadership bodies. The proportion of women represented in these bodies in 2023 was 28%. The target set for 2026 is to reach at least 30%.

In order to ensure compliance with this policy, the proportion of women in engineering and management positions is a criterion for the allocation of long-term incentives and performance-based shares to eligible top managers. The company ensures equal access to development initiatives and career progression. Specific resources have been mobilised to support the proportion of women in the Engineers and Managerial Staff category, and each year funding of €25,000 is allocated to measures aimed at female employee development towards these careers.

Seeking the balance between professional development and family responsibilities is at the heart of our concerns. Measures have been taken to promote fair distribution of family obligations - the employer's share of pension contributions maintained in the event of parental leave; full salary guaranteed in the event of statutory paternity leave; length of service maintained by the employee during parental leave (against 50% according to the French Labour Code currently); solidarity based savings account scheme for employees required to support a severely ill spouse or parent. Lastly, in order to respect the work/life balance and family responsibilities, flexible working time is facilitated. For example, employees in a team on rotating shifts can move to a team on fixed shifts until their child/children reaches/reach the age of three. Particular attention is also paid to the balance of professional training investments between the genders within the same comparison category.

While health and safety in the workplace for all employees are a priority at SOMFY, specific attention is paid to the health of female employees.

Measures are specifically financed to combat musculoskeletal disorders (MSD). An annual budget of €60,000 was dedicated over three years to the "Pro MSD" project to improve the ergonomics of production workstations, the majority of which are operated by women, which was successful. As part of the new three-year agreement, a new investment of €100,000 over the period will be dedicated to logistic positions in order to address, in a spirit of equality, the occupational health issues specific to the male employees of this site.

	Social reporting scope			SOMFY ACTIVITÉS SA		
	2022	2023	Change	2022	2023	Change
Proportion of women in total workforce	45.7%	44.3%	-3.0%	39.3%	39.2%	-0.2%
✓ Proportion of women in management	25.8%	25.3%	-1.9%	32.9%	33.6%	2.4%

✓ means that the indicator has been audited with reasonable assurance.

In 2023, the proportion of women in the workforce was slightly lower than in 2022, but **equality objectives remain a priority for SOMFY Management**. Female representation in management increased for SOMFY ACTIVITÉS SA.

SUPPORTING THE EMPLOYMENT OF PEOPLE WITH DISABILITIES

Through diversity and inclusion, work environments are safer, more fulfilling and more productive. SOMFY welcomes all types of diversity, especially people with disabilities. Knowing how to welcome and accept difference enriches and strengthens the Group. SOMFY's teams that include a variety of profiles are more efficient and more innovative. The Group will therefore maintain the momentum of its focus on people and its disability policy initiated in 2020.

Focus on SOMFY ACTIVITÉS SA

A new disability agreement was signed for SOMFY ACTIVITÉS SA in order to renew its commitments for the period 2023-2025 in favour of the employment of persons with disabilities and the pursuit of its objectives: understanding disability, training stakeholders, recruiting differently, maintaining employment, facilitating access to sites, etc.

In 2023, the company rolled out the following mechanisms:

- disability agreement concluded: renewal of commitments from 2023 to 2025;
- monthly employee awareness campaigns;
- collaboration with a communication agency with sheltered workshop status and specialising in the field of disability;
- support from an agency for the recruitment of candidates with a disabled worker status;
- training for the HR France community and all company managers to enable them to better understand recruitment, professional integration and job retention initiatives, with more than 300 people trained to date;
- measures to encourage employee retention: four-days of paid unauthorised absence per year over three years, flexible working hours, flexibility in terms of role, etc.

In 2023, SOMFY ACTIVITÉS SA participated in the following national and European events:

- fourth in-house edition of European Disability Employment Week with initiatives to improve awareness of invisible disabilities;
- DuoDay event (a day of interaction and induction in relation to the workplace) with 14 duos formed, meaning five more than in 2022;
- fully digital national recruitment forums: Hello Handicap and Talents Handicap, which are aimed at disabled job seekers;
- CSR & Disability: partnerships with the local community aid project for young people and supporting organisations to promote inclusion through professional placements for disabled people overlooked by the employment market or undergoing vocational retraining.

SUPPORTING THE EMPLOYMENT OF YOUNG PEOPLE

SOMFY is also committed to promoting the employment of young people by increasing the use of apprenticeships, work/study programmes, internships and VIEs. In 2023, more than 95 students completed work experience at SOMFY. The managers and HR teams also contribute to the future of these young people at the end of their contract by making recommendations or, if they are satisfied with their work, offering to hire them. This experience is of great benefit to these students.



Focus on SOMFY ACTIVITÉS SA

To support their integration, in 2023 SOMFY ACTIVITÉS SA developed a programme dedicated to work/study students, called "360 Mon Alternance", which holds special events during the year to develop their employability and foster interaction between young people. For example, a welcome morning hosted by the Deputy CEO in charge of Human Resources took place in the autumn, as well as introduction to jobs modules, site tours, careers day, etc.

The Group promotes work/study programmes and vocational training in close collaboration with a number of schools through initiatives such as:

- the development of forward-looking training courses *via* the Club des Entreprises de l'Université Savoie Mont-Blanc and, in particular, the sponsorship of a class within Polytech Annecy-Chambéry;
- presentation of the Group's professions in the form of testimonials from female employees to secondary school girls in Cluses to promote technical professions to a female audience;
- participation in development events such as hackathons within the EDHEC Innovation Chair;
- the participation of SOMFY employees in the roll-out of educational programmes;
- hosting groups of 14-15 year-old pupils from Cluses for their placements: a week to promote interaction with SOMFY employees and finding out about their jobs and working environments;
- participation in various events: Industry Week, Girls in Technology, COM LES PROS & COM LES PROS COLLÉGIENS, SALON FORMA (meetings about future careers), etc.



MAKING THE WORK ENVIRONMENT CONTRIBUTE TO EMPLOYEE PERFORMANCE

DEVELOPING NEW WAYS OF WORKING

EXTENDING THE SMART WORKING POLICY TO ALL EMPLOYEES

A smart working project was designed in 2020-2021 to roll-out key principles focusing on remote working, remote management and well-being at work.

SOMFY pays great attention to the well-being of all its employees and considers that this key element of its social responsibility leads to improved performance. It is also a reflection of the “symmetry of attention” SOMFY extends to both its employees and customers. Several ambitious e-learning courses have just or will soon support this approach, such as “Managing priorities”, “Preventing burn-out”, “Managing stress”, “Workstation ergonomics”.

In 2023, through its smart working policy, SOMFY further accelerated the implementation of the following initiatives:

- four weeks of remote working to work from any location;
- the Group-wide implementation of “Team Charters” to facilitate the management and collaboration of teams in hybrid mode (54 active charters in 2023, some of which were newly rolled out and other updated);
- a workshop to support managers in the prevention of psychosocial risks was held in 2023, with 157 managers attending;

- the inclusion of a second question on work/life balance in the performance review. This indicator is monitored annually by the Executive Committee in its Balanced Score Card;
- in accordance with legislation, SOMFY ensures it promotes the Nation/Army link, by making available reservists who express the desire to take part;
- SOMFY commits to take into account the difficulties experienced by employees with caring responsibilities. To facilitate the adjustment of working time to family responsibilities related to a child or relative, provision has been made for employees on variable shift patterns to move temporarily to a set shift pattern. This mechanism allows the employee to maintain their role and therefore their remuneration, whilst benefiting from an adjustment in their working time, thereby enabling them to fulfil their caring role more easily.

Many of these initiatives were designed with the support of Human Resources Business Partners to define appropriate ways of organising work and collaborating within teams.

ENSURING SAFETY AT WORK

DEVELOPING PREVENTIVE HEALTH AND SAFETY POLICIES

SOMFY places the protection and safety, and physical and mental health of its employees at the very forefront of its concerns. Depending on the type of activity carried out, this covers the risk of accident at work, risk of occupational disease, including psychosocial risks.

The Group's Health & Safety policy primarily focuses on employees. It pays particular attention to the individual and collective state of mind defined as essential in targeting the reduction of risks and the elimination of work-related incidents and accidents.

This policy relies on standards and tools rolled out across the entire Group while taking into account the context and specific features of each site.

The Health & Safety in the workplace Management approach helps to meet these objectives and is based on four fundamental principles: leadership and individual responsibility, preventive approach, awareness of risks and continued improvement.



An ambitious three-year excellence plan has been implemented to **develop the Health & Safety culture** by targeting Zero Accidents.

Major achievements in 2023 helping to **ensure a healthy and safe working environment** and **preventing work-related accidents and occupational diseases** included:

- **governance** of Health & Safety in the company *via* a quarterly Steering Committee involving all functions and the Safety Compliance on Sites Committee;
- leadership of the **Network of Health & Safety Instructors and Contacts** for the Group's entities, through monthly and quarterly meetings and working groups;
- organisation of the first **SOMFY SAFETY DAY** on 28 April 2023 on World Day for Safety and Health at Work, organisation by the Group of a lecture by the sailor Anne Quéméré on the subject of "Risk Awareness and Prevention", organisation in the Group's entities of various events and workshops to mobilise employees on the issue of health and safety at work;
- **monthly communication campaigns** on the ten issues relating to risk prevention included in the Group's Health & Safety Golden Rules;
- development of **training modules** (e-learning) targeting all staff (including new employees through the Global Onboarding process):
 - Awareness of the Group's Health & Safety Golden Rules,
 - Remote Working Health & Safety (smart working);
- creation and roll-out of **Health & Safety standards** supporting the development of a Group management system in accordance with ISO 45001 principles (processes, instructions etc.) and targeting the major operational risks for the business. As examples: Management of Health & Safety training modules, Management of external companies, Locking out equipment, Use of aerial lifts, Safety of storage racks, etc.

Within the framework of the 2030 roadmap, it has been decided to focus on the frequency rate of accidents at work resulting in at least one day's sick leave at the industrial and logistics sites, and for SOMFY employees exclusively. These are the activities most likely to cause accidents, and as a result, requiring the most attention.

Nevertheless, for the roll-out of the Group's Health & Safety policy, the scope takes into consideration all the SOMFY sites irrespective of activity or country. Other management and performance indicators, such as the severity rate, are monitored.

	Health & safety reporting scope			Industrial and logistics sites			SOMFY ACTIVITÉS SA		
	2022	2023	Change	2022	2023	Change	2022	2023	Change
Frequency rate of accidents leading to absence	2.70	2.84	5.2%	3.35	3.80	13.4%	4.57	4.69	2.6%
Severity rate	0.14	0.15	7.1%	0.23	0.29	26.1%	0.16	0.32	100.0%

A difference in maturity can be observed between the entities in terms of management of health and safety issues. Some are making faster progress than others. From experience, the effects of action plans will be visible over the medium and long term. Overall, the trend of indicators including temporary staff has continually improved since 2020.



STRENGTHENING EMPLOYEE COMMITMENT

ONBOARDING NEW HIRES

Every new employee joining the Group, a new site or a new business line, benefits from an **induction programme** called “onboarding”. It allows the employee to learn more about:

- SOMFY, its customers, its products, its footprint;
- the trade position they join and the associated ways of working;
- the site on which they will work;
- remote sites *via* virtual visits.

In 2023, 326 people were enrolled in this online English-speaking onboarding programme (232 in 2022). In 2024, this onboarding will be accessible in five languages (French, Polish, Italian, Chinese, German).

CULTIVATING EMPLOYEE COMMITMENT

ACTING ON THE SOMFYSCOPE RESULTS

Every two years, a Group-wide engagement survey is conducted. The survey carried out at the end of 2022 showed a participation rate of 89% (compared to 78% in 2020) and an engagement rate of 7.3/10 (compared to 7.6/10 in 2020). The next survey will be conducted in the last quarter of 2024.

DEVELOPING SKILLS SPONSORSHIP AND THE INITIATIVES OF THE SOMFY FOUNDATION

SOMFY strives to put the skills of its employees, developed individually and collectively, for the benefit of all through meaningful projects of public interest.

As an important lever for employee engagement, the SOMFY Corporate Foundation provides financial support, as well as **skills sponsorship**, to non-profit and community organisations seeking to provide dignified standard of living for everyone, notably by promoting access to decent and sustainable housing, better social integration and a healthier environment. In order to respond to these challenges, the SOMFY Corporate Foundation is committed to concrete projects through two action levers:

- financial support;
- human support thanks to the solidarity engagement of our employees.

Coordinating these two action levers is key to providing aid that is as close as possible to the needs of organisations.

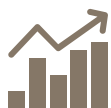
Focus on SOMFY ACTIVITÉS SA

The company has set up a scheme currently being rolled out across all entities located in France that allows employees to dedicate up to three working days to the Foundation's projects. In 2023, 569 full-time equivalent days of skills sponsorship benefited French organisations (compared with 409 in 2022).



The enthusiasm of employees for the Foundation's *pro bono* public interest initiatives is encouraged by senior management and by managers. In 2023, 119 projects were carried out with non-profit and non-governmental organisations (84 in 2022), mobilising 656 employees (470 in 2022), including 136 international employees and 520 in France, *i.e.* **10.3% of the Group's workforce** from approximately fifteen subsidiaries and 26% of the workforce in France.

Internationally, subsidiaries are similarly encouraged to implement solidarity initiatives involving employees. This mobilisation represented 121 community days in 2023, compared to 106 in 2022, a very good progress.



PROSPERITY

Developing a customer-centric model	36
Developing a relationship of trust	
Innovating with and for customers	
Developing proximity with customers	
Putting business ethics into practice	38
Promoting the Group's Code of Ethics	
Respect for human rights	
Preventing corruption	
Ensuring fair competition	
Protecting personal data	
Fight against tax evasion	
Growing with the Group's ecosystems	41
Developing the business ecosystem	
Developing local ecosystems	



DEVELOPING A CUSTOMER-CENTRIC MODEL

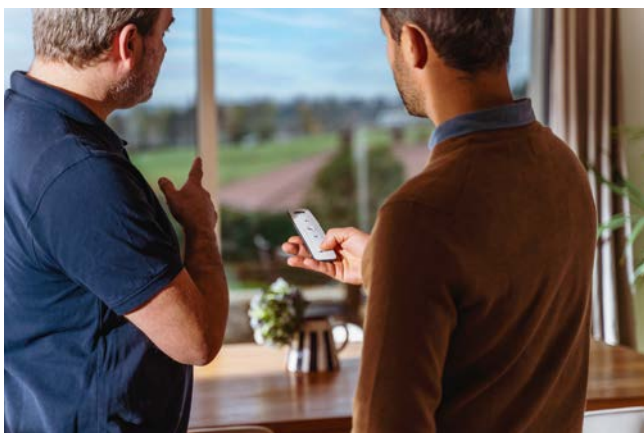
DEVELOPING A RELATIONSHIP OF TRUST

Customers are now moving towards useful and sustainable consumption, by limiting environmental impacts and choosing to shop locally. Today, providing good quality products is no longer enough. The customer must be at the heart of all the company's concerns and must receive an outstanding end-to-end service. SOMFY has initiated this process.

***"Customer Centricity"** means thinking above all about the customer, making every decision with the customer in mind, and making them the focus of everything.* The purpose of this approach is customer satisfaction. A satisfied customer is a loyal customer and a potential ambassador for SOMFY in increasingly competitive markets where demands are high. Reflecting this drive, in 2020 SOMFY renamed its Quality Department **"Customer Satisfaction & Quality"**.

SOMFY has implemented a structure to attract, listen to and involve customers by animating communities and fostering a culture developing innovation and flexibility to address and respond rapidly to changing needs.

With the aim of placing customers at the heart of its concerns, of better understanding their expectations and sources of dissatisfaction, SOMFY has created forums and surveys. This is the purpose of the community platform, "My SOMFY Lab", which brings SOMFY together with Internet users so that they can jointly create the future products and services of the home of tomorrow.



In 2023, 12,892 interactions took place with 8,881 customers (consumers and professionals from all countries) out of a total of 72 surveys conducted. In comparison with the previous year, there were five times as many interactions with professional customers, facilitating better understanding of the expectations of the Group's key partners.

Interaction notably helped to better understand customer experiences when purchasing SOMFY solutions, whether that happened in-store, online or via a professional. The SOMFY teams also met consumers during home visits or remote interaction. It helped to identify their daily needs and expectations and at every stage of their life. These meetings have helped to upgrade curtain motorisation solutions, smart windows, eco-designed products, and imagine future services.

Customer satisfaction is measured in several complimentary ways:

- **overall satisfaction surveys** conducted every two years. The objective is to assess base trends and to shape the areas for improvement. There are two types of results:

- measuring recommendation of SOMFY by customers: the survey conducted in 2021 took place within the exceptional circumstances caused by the health crisis, and included end customers on the panel. With this extended scope and unprecedented situation, the CNPS (Customer Net Promoter Score), which assesses customer loyalty, fell by 22 points to 45.4,
- overall assessment of customer satisfaction showed a satisfactory result of 79.7% in 2021.

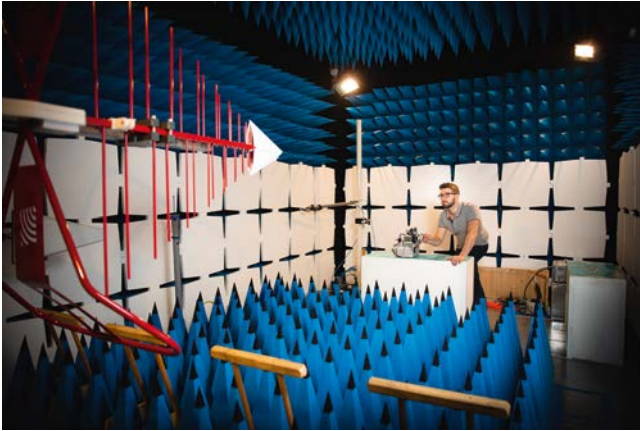
The next survey will be conducted in 2024.

The analysis of customer feedback has enabled SOMFY to identify three focus areas: the ability to manage product launches, the ease of contacting technical support and clarity of documentation;

- **ongoing satisfaction surveys** through a CRM solution. Used by the distribution subsidiaries, it includes an instant measurement of customer satisfaction (CSAT). Operational KPIs and targets are defined. The results are analysed by customer segment and localised action plans mean customer satisfaction can be improved in each country;
- **a measurement of satisfaction connected with the digital experience** (website navigation, online purchasing process and everything connected with satisfaction on social media). It is key to take into account the crossover of channels and address them appropriately.

INNOVATING WITH AND FOR CUSTOMERS

Guided by its vision “Inspiring a better way of living accessible to all”, SOMFY innovates through its products and services, primarily in the area of motorisation and in its key sales territories. In addition to the services provided, these innovations are environmentally friendly, have a very high level of quality and capitalise on connectivity.



In order to provide customers with relevant innovations, the offers developed by SOMFY meet five criteria:

- **sustainability:** products and services are environmentally friendly and have an extended life span;
- **simplicity:** SOMFY manages the complexity of the technology, which allows it to offer ergonomic, intuitive and easy-to-install products;
- **accessibility:** its fairly and reasonably priced offers create value for every link in the value chain;
- **service-ready:** its products rely on connectivity to enable its customers and partners to make the most of digitalisation;
- **discretion:** the design of the products matches various interior styles and the noise level is reduced for greater user comfort.

In parallel to its core business innovations, SOMFY offers complementary products such as connected locks and motorisation of swinging shutters, enabling it to provide consumers with complete solutions that adapt to several lifestyles.

Innovation can also be partnership-based *via* the development of products, specific packaging, or the co-development of complete solutions. A perfect example is the sliding window motorisation with the Liébot Group.

When they lead to new technical solutions, these innovations are the subject of patent applications or other industrial property titles. SOMFY respects the rights of third parties and intends to enforce intellectual property rights covering its products or those resulting from partnerships. This guarantees customers can be confident of the origin of the products and of its high quality.

DEVELOPING PROXIMITY WITH CUSTOMERS

Keen to best address its customers' needs, Somfy seeks to promote interaction with its ecosystem and develop programmes tailored to each customer type.



A series of partnerships have therefore been established:

- the **Expert Network** brings together **4,000 Somfy product installers in 24 countries**, who benefit from specific support and services. As ambassadors, they participate in the governance of the network and contribute to the strategic direction of the company's activities, which in turn enables Somfy to remain in tune with market needs;
- the **Powered by Somfy partnership** brings together solar protection manufacturers who motorise their products with Somfy motors.

Somfy is also a promoter of interoperability of connected systems through its So Open programme. The Group participates in several initiatives:

- direct integration of third-party protocols in TaHoma, or Somfy protocols in partner systems;
- the provision of APIs to manufacturers who wish to do so, allowing them to access Somfy connected products through the cloud;
- a longer-term programme, as a member of the Open Connectivity Standard alliance that defines and maintains the Zigbee and Matter protocols.

Thus, Somfy interacts with all its customers to tailor its products and services to their individual needs and anticipates the future needs of an increasingly connected world.



PUTTING BUSINESS ETHICS INTO PRACTICE

PROMOTING THE GROUP'S CODE OF ETHICS

Since 2015, SOMFY has had a **Code of Ethics** that serves as a benchmark for individual and collective behaviour. Updated in 2021, this document is a framework that guides employees in their daily actions and decision-making. This Code is systematically provided to every employee joining the Group and is available on the Group's website and intranet in 23 languages.

The Ethics Committee, supported by the Audit and Risk Committee and General Management, ensures a collective vision of ethics and monitors the application of the principles outlined in the Code.

In 2022, an **e-learning module** was made mandatory for all connected people and new hires to remind them of the importance of ethics, and to make it an open subject known to all. This module was taken by 90.3% of the target group in 2023. The rate was 81.1% in 2022.

A **whistleblowing system** is also in place, notably *via* a platform that can be easily accessed by a QR code, allowing the reporting of any behaviour in breach of the Code of Ethics, in a confidential and

secure manner. A specific procedure, formally set out in 23 languages, presents this system and the conditions of its use.

The indicator used to monitor the performance of the ethics mechanism is the number of ethics alerts reported to the Committee, which was 12 in 2023 (against 15 in 2022 and 11 in 2021). This figure has remained stable over the last three years. Out of the 12 alerts received, 8 were closed at 31 December 2023.

Since 2021, a new indicator has been calculated: the percentage of connected employees who have completed at least one training course related to ethics and compliance over the last two years. At 31 December 2023, this indicator was 83.1% of all connected employees present in the Group at that date, *i.e.* 3,595 people (compared with 86.4% and 3,843 in 2022). The objective is to keep the number of trained employees at around 3,000 to ensure that their knowledge is regularly updated.

In 2023, two new modules were rolled out, one relating to preventing corruption, the other to conflicts of interest.

RESPECT FOR HUMAN RIGHTS

The Group's approach to human rights is based on three principles:

- full compliance and application of the laws of the countries in which it operates;
- support and promote human rights at all its operational sites and subsidiaries;
- support human rights beyond its own operations and leverage its extensive network of partners and stakeholders to promote measures to ensure respect for human rights.

The Group adheres to the following principles and guidelines:

- the ILO Declaration on Fundamental Principles and Rights at Work;
- the international human rights principles enshrined in the Universal Declaration of Human Rights, which sets a common standard for all types of organisations;
- the OECD Guidelines for Multinational Enterprises, which provide recommendations for companies, including on human rights.

In 2021, SOMFY decided to join the UN Global Compact.

The actions mentioned above or below illustrate SOMFY's commitment to promoting diversity and inclusion, decent working conditions in terms of health & safety, personal data protection, and skills development. In addition, SOMFY remains committed to setting an example in all areas of human rights.

In 2023, SOMFY formally set out and distributed internally a **Human Rights Policy** to highlight that as a responsible company, the Group is taking the necessary steps to identify and manage every negative, potential or actual incident related to its activities and commercial relationships.

Targeted communication actions are regularly carried out to raise employee awareness of other fundamental rights such as those concerning child labour or forced labour.

Internal processes are also in place to ensure that:

- employees work to a schedule that respects the statutory hours and legal provisions concerning rest and leave periods, and that they have the opportunity to have a good work-life balance;
- pay employees a fair wage in view of their profile, skills and qualifications;
- not allowing any situation of potential inequality to develop either at work or during the recruitment process, based on the personal characteristics of an employee;
- have the Group's suppliers sign an appendix to their contracts in relation to their obligations in terms of respect for employment laws and human rights.

Finally, the ethics whistleblowing system is also available to employees to report any incidents of harassment, discrimination or any other breach of human rights to the Group's Ethics Committee. In 2023, six incidents were flagged on these subjects, two of which were found to be unfounded. The others led to sanctions or remediation plans.

PREVENTING CORRUPTION

In addition to the Group's Code of Ethics and following the enactment of the French law on transparency, the fight against corruption and the modernisation of the economy, SOMFY has set out its **anti-corruption policy**, available on the Group's website, and implemented an anti-corruption programme.



In this way, the Group has formally set out a mapping dedicated to the analysis of corruption-related risks in each of its geographic regions, in accordance with its activities. This mapping is regularly updated.

An **e-learning** module has been rolled out since 2019 to all the Group's employees (excluding manual workers and equity-accounted entities) in 22 languages to raise their awareness of core anti-corruption principles. A second e-learning module was launched in mid-2023 to refresh and verify everyone's knowledge on this issue. Both modules are mandatory. At 31 December 2023, 90% of the individuals targeted completed this training. In addition, **face-to-face training** are provided for employees considered to be most at risk.

Accounting controls were implemented to detect potential fraudulent acts. They are carried out by operational staff, the Compliance team and Internal Audit. **Assessment of third parties** is ongoing based on the defined strategy, with the help of a dedicated platform.

ENSURING FAIR COMPETITION

The Group's compliance with rules governing competition is a priority. Since 2022, the Group widely circulates its **Competition Law Compliance Code** to all employees, who signed it and committed to upholding it.

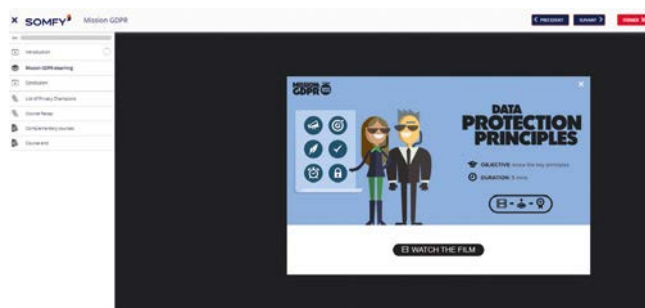
The Group has also undertaken a wide-ranging **awareness-raising** campaign for employees concerned by these challenges by providing them with dedicated face-to-face and remote training. Thematic and digitalised fact sheets are available to everyone, and immersive e-learning modules are mandatory for certain targeted and priority populations.

Finally, a process for detecting and reporting **incidents** on this subject has been put in place.

PROTECTING PERSONAL DATA

Since 2018, SOMFY has been actively engaged in ensuring the Group is in compliance with regulations governing the processing of personal data and, in particular, the General Data Protection Regulation (GDPR).

Within the framework of the disclosure and transparency requirement provided for by GDPR, the Group has adopted **data protection policies**: one intended for employees and a second intended for customers, partners and consumers. The data protection policy covering employee information applies at global level, going beyond European scope, to ensure an equivalent level of protection for all employees wherever they are located.



An Information System Security policy has been formally outlined and rolled out in order to structure governance and define each person's role in ensuring the security of SOMFY's IT system. It is supported by General Management and implemented across the board by the Group's Information System Security Manager (ISSM). It covers all information assets: IT, industrial and products. The Group has appointed a Data Protection Officer (DPO) responsible for monitoring data protection and the roll-out of the roadmap. It relies on a network of GDPR specialists, the Privacy Champions, and on a global GDPR Steering Committee that meets quarterly. At European level, local steering committees (for each business area) meet several times a year.

Since 2019, SOMFY's European employees (excluding production) have completed a mandatory e-learning module. In 2023, 54% of new joiners successfully completed this module. A training module specifically aimed at SOMFY's HR population was also implemented in October 2022. This training is mandatory for the entire HR community in Europe.

The management of GDPR incidents is integrated into the single IT incident management process, in order to identify, track and manage GDPR incidents as soon as they are flagged. If first level operators identify a potential data or information security breach, they escalate the ticket to the information security team which then classifies it *via* an objective and expert analysis.

In addition, **IT security** has been strengthened:

- email and internet access filtering with machine learning and sandboxing technologies;
- setting up an outsourced Security Operations Center (SOC) to strengthen the capacity of internal IT security teams;
- subscription to a Cyber Threat Intelligence (CTI) service to detect potential information leaks or anticipate potential attacks;
- organisational or technical audits, as well as intrusion tests, regularly carried out by accredited and independent third parties on various areas of the information system.

Finally, in 2021 SOMFY launched a global cybersecurity awareness and training programme (Cyber 360), aiming to reinforce the awareness of all employees of IT security risks and challenges, and to embed good practices. This programme will continue for several years and will be supplemented with additional content and assessment questionnaires. In 2023, the existing e-learning modules on IT security were completed by 409 additional people.

FIGHT AGAINST TAX EVASION

SOMFY undertakes to observe the spirit and the letter of the law in all countries in which it does business. It wants a frank and transparent relationship with all tax authorities, seeks to clarify all uncertainties and resolve all disputes in due course. Beyond mere compliance with applicable tax laws, the Group's vision is to establish high standards that promote productive collaboration with the tax authorities, thus contributing to overall economic prosperity. SOMFY considers that it pays its fair share of taxes in those countries in which it operates.

The Group notably undertakes to pursue the following actions in its drive for tax transparency and to combat tax evasion:

- participate in compulsory reporting such as the Country-by-Country Reporting in France for all Group subsidiaries;
- monitor compliance of intragroup transactions with arm's length principles and OECD actions on taxation base erosion and profit shifting (BEPS).



GROWING WITH THE GROUP'S ECOSYSTEMS

DEVELOPING THE BUSINESS ECOSYSTEM

HAVING A POSITIVE IMPACT ON THE ECOSYSTEM

Given that SOMFY buys all the components that make up its products, relationships with its suppliers are key. The Group goes further, driven by the firm belief that its Purchasing Department can have a positive impact on the ecosystem.

FOSTERING EMPLOYEE ENGAGEMENT

The Purchasing Department promotes the commitment of each supplier. This commitment is incorporated in the responsible purchasing policy. In 2023, the Group published its **new Code of Conduct** that it distributed to its main suppliers. This Code of Conduct embodies the Group's fundamental values and clearly sets out what is expected of commercial partners, entirely consistent with the principles applied to the rest of the value chain.



100%

of new suppliers signed the responsible purchasing Charter

The contracts setting out the relationship between the Group and its partners include SOMFY's suppliers' commitments regarding their corporate and social responsibility, in relation to Human Rights, employment, the environment, fair practices and combatting corruption. The expectations are shared from the qualification phase onwards. 63 suppliers have signed the Charter, including **100% of new suppliers**, which is in line with the 2030 target. In 2022, 58 suppliers, including all new suppliers, had signed this Charter.

In 2023, the Purchasing Department organised the first "E-Supplier Day" with the Group's 191 major suppliers. After presenting the Group's strategic plan, the Purchasing Department sought to reinforce the commitment of its main suppliers by sharing the values embodied by SOMFY and the joint roadmap in terms of performance, resilience, sustainable development, product offers, innovation and digitalisation.

At the end of this first E-Supplier Day, a survey was conducted to better understand how SOMFY is perceived by its suppliers on nine subjects, including CSR. The high participation rate and the quality of the feedback led to the development of a targeted action plan to strengthen the collaboration and commitment of Group suppliers. The quality of the relationship, referred to as the "relation impact index", was rated as 2.83 out of 5. The annually scheduled surveys will help to measure the impact of the actions undertaken and nurture the relationship over the long-term for

mutual benefit. The results and the action plan have been communicated to the participating suppliers.

Given that suppliers have an essential role in SOMFY's value chain, in 2023 the Purchasing Department also organised a "Supplier Innovation Day" by launching a tendering process involving a selection of suppliers covering different technologies. During the day, the suppliers presented, in the form of workshops in SOMFY's R&D Center, their capabilities and potential in terms of technology innovation and sustainable development. There were many productive discussions with the Purchasing, R&D and Sustainable Development teams.

REAFFIRMING CONVICTIONS AND UPGRADING EXPERTISE

The **Purchasing Academy**, created in 2022, helps to strengthen a common culture across the Group's procurement community. The onboarding rolled out to all buyers, regardless of their seniority, reaffirms the convictions and values that each buyer must embody. Having a positive impact on the supplier ecosystem is at the heart of everything the SOMFY's Purchasing Department does. Every day, the buyers reaffirm this vision to the suppliers. The Excellence Department is also developing the expertise of buyers in relation to CSR challenges. The Purchasing Department onboarding involves a chapter devoted to Responsible Purchasing; it also highlights business ethics through case studies. At the end of 2023, the whole procurement community had been trained and all new joiners completed this training. In 2022, 96% of the procurement community had received training.

PROXIMITY

In 2023, **51% of suppliers were located within 500 kilometres** of an assembly site. In 2022, 54% of purchases met this criterion.



51%

of suppliers located within 500km of assembly sites

In 2023, the indicator was impacted by the creation of new products that are in the early phase of ramping up. Since 2022, the indicator has included the Rumilly (France) and Nanxun (China) sites. Only the BFT (Italy) site is not included. In 2021, 44% of purchases satisfied this criterion within a restricted scope (excluding the Rumilly and Nanxun sites).

ASSUMING RESPONSIBILITY FOR THE FUTURE OF ECOSYSTEMS

LONG-TERM RELATIONSHIPS

SOMFY's Purchasing Department believes that it must operate within the framework of long-term relationships with the Group's suppliers.

Performance and strategic reviews allow SOMFY and its suppliers to align and identify areas for improvement, making these relationships beneficial for all parties. These reviews are carried out on a regular basis.

REDUCING THE CARBON FOOTPRINT OF THE SOMFY SUPPLY CHAIN - PROMOTING LOW CARBON SOLUTIONS

Compliance has been at the heart of the Purchasing Department's work with suppliers for many years through compliance with the following directive and regulations: Conflict Minerals, REACH, RoHS and PoP. Each year, campaigns are launched to guarantee the compliance of the products purchased with the latest applicable regulations.

In line with the objectives mentioned in the "Planet" paragraph to reduce the carbon footprint of SOMFY's supply chain, supplier selection now includes sustainable development criteria. The carbon footprint of the products on offer, as well as the sustainable development approach of the partner suppliers, are considered in their selection. SOMFY's Purchasing Department implemented a carbon footprint assessment tool for all procurement in 2022.

DEVELOPING LOCAL ECOSYSTEMS

SHARING THE VALUE CREATED WITH LOCAL COMMUNITIES AND ECOSYSTEMS

Through its interactions with local stakeholders, SOMFY fulfils its role as a citizen by striving to give back to the local ecosystem a proportion of the fruits of its growth. This created value is shared by activating several levers: inclusion and equal opportunities, development through sport, and the fight for decent and healthy homes.

Focus on SOMFY ACTIVITÉS SA

In line with its values and its sustainable development policy, SOMFY ACTIVITÉS SA works for the common good through its participation in the initiatives of Club "Les Entreprises s'engagent" of Haute-Savoie, intended to:

- promote social and professional integration in its employment areas;
- combat discrimination and exclusion, in particular in relation to access to employment and education.

On this last challenge, SOMFY ACTIVITÉS SA also supports several local actors, including:

- the Campus des Métiers, the FORMA association, the Chambre Syndicale de la Métallurgie Haute-Savoie and the Collège Geneviève Anthonioz de Gaulle to promote professions to young people and people who struggle to integrate into the workforce;
- the organisation "Orchestre à l'École" which combats exclusion and promotes development through classical music in the primary schools of Bois-Jolivet in Bonneville and Laurent Molliex in Cluses;
- various initiatives to support local sports clubs.

In addition, SOMFY raised the awareness of 450 young people to manufacturing professions, either at the Group's head office or at trade shows, providing them with career guidance, and 231 girls from the Lycée Charles Poncet in Cluses took part in a day organised by female employees to promote women in technical and scientific professions.

FOSTERING ECOSYSTEM RESILIENCE

MONITORING OF SUPPLIER RISKS

The Group is convinced that the resilience of its supply chain is key to ensuring sustainable growth and the Purchasing Department has implemented a **reinforced supplier risk management system**:

- coverage was extended in 2023 to include 169 suppliers assessed according to the risk analysis matrix. 141 suppliers were assessed in 2022; compared with 76 in 2021 and 49 in 2020;
- risk assessment is now carried out with a rating review every three months;
- governance has been strengthened, as has the coordination of action plans.

SHARING BEST PRACTICES

SOMFY promotes the sharing of best practices from the Group and its suppliers.

For example, new suppliers share their plan to secure supplies during the SOMFY qualifying process.

SOMFY and its suppliers also hold working sessions based on securing certain strategic ranges to improve shared resilience.



Recognised as an inclusive company concerned with the integration of all, SOMFY has committed itself within the framework of the disability agreement to reach at least 15 contracts by 2025 enabling the support of vulnerable people or those who struggle to integrate into the workforce and beneficiaries of the obligation to employ disabled people: work taster placements, springboard contracts, subsidised contracts, etc. 11 contracts were completed in 2023.



500,000€

in funding for the SOMFY Foundation

This civic commitment is also supported by the SOMFY Foundation, which received **€500,000 in funding** in 2023. This funding has enabled various achievements, such as:

- support for **Les Petites Pierres endowment fund** which, in 2023, facilitated 53 projects to combat poor housing through €920,000 in funding to non-profit organisations, half of which was provided through crowd funding;
- support for the **“Ma Chance Moi Aussi” organisation** which assists primary school pupils in the underprivileged neighbourhoods of Annemasse near the Group’s head office, and a first “painting and renovation” solidarity mission organised with three employees from Saint-Priest;
- a **new international partnership with the NGO Acted** for initiatives in Turkey and Morocco, as well as a donation to emergency aid in Turkey;
- support for the **NGO Habitat for Humanity** for initiatives in the Baltic states;
- support for the **NGO Arrels** for initiatives in Spain;
- support for the organisation **“Sport dans la Ville”** for its support of young people from the underprivileged neighbourhoods.



SOMFY subsidiaries also take action in their local ecosystems to support educational and inclusive non-profit projects, through donations of equipment and solidarity days organised throughout the Group in Hong Kong, Thailand, Greece, Israel, Mexico, China, Australia, Romania, Switzerland and Tunisia:

- examples of donations of equipment in 2023: thermostats, purchases of trees for replanting, desktop and laptop computers, monitors, mice and clothing collections;
- examples of solidarity days in 2023: English and sports lessons, renovation of a mission for disabled people, cleaning and painting of a shelter for homeless people, outreach initiatives to make contact with homeless people, spending time with elderly people for companionship; two solidarity challenges were also held to support the NGOs Habitat for Humanity and Acted.

The Group’s subsidiaries contributed more than €100,000 to organisations working in the public interest (one third more than in 2022). Donations were also made to help people in Ukraine.

METHODOLOGY NOTE

The non-financial statement was drafted using the reporting protocol introduced for 2023 CSR reporting.

REPORTING PROTOCOL

The Groups' CSR reporting protocol is the reference guide for all those involved in CSR reporting within the Group. It is drawn up in French and English. Its purpose is to define all the Group's CSR indicators along with their method of calculation, and to describe the procedures for their collection and for reporting in order to promote the consistency and comparability of data. This document is distributed to and applied at all levels of data reporting. The reporting protocol is updated annually to take into account Group developments.

The CSR reporting protocol also serves as a benchmark for external data verification. It is available on request from Head Office.

SELECTION OF INDICATORS

The Group's indicators were defined by the CSR officers for each pillar in line with the Group's CSR strategy, the non-financial risks identified and the resulting social, environmental, societal and ethical objectives. They address the main challenges (risks and opportunities) related to the Group's activity and illustrate, through clear communication, the Group's non-financial performance and the policies it has introduced to address these challenges, while at the same time supporting the CSR approach in each of the areas for improvement identified by the Group.

Certain mandatory areas are not included in this statement as they are not significant in relation to the Group's activities:

- food waste;
- food poverty and responsible, equitable and sustainable food choices;
- animal welfare.

COLLECTION, INTERNAL CONTROL AND CONSOLIDATION

The collection of CSR indicators is ensured by the CSR officers within their respective fields of expertise. They rely on their network of local experts who provide the data. The CSR officers are also responsible for monitoring the consistency and plausibility of the data prior to its consolidation in order to generate the Group indicators included in the non-financial statement.

In 2021, a non-financial reporting solution was introduced to make the CSR reporting more professional and improve its reliability. Historical data is stored in the solution and helps to better track the responses from previous years. Most environmental, social and health & safety indicators are concerned.

REPORTING PERIOD

The data collected covers the period from 1 January to 31 December 2023.

Depending on the indicators, it can relate to:

- an annual consolidation of the data from 1 January 2023 to 31 December 2023;
- the data measured at 31 December 2023.

Where historical information is available, data is reported on the last two financial years.

Unless otherwise indicated, the scope of the data is like-for-like.

REPORTING SCOPE

For reasons of organisation and access to information, a number of Group entities have not been included. The Group wants to use the scopes that are the more relevant depending on the topics covered. As such, certain companies are excluded from the social scope due to very low workforces in certain organisations (distribution subsidiaries spread out over vast geographic areas such as South America), or the lack of Human Resources information systems designed for collecting data easily.

However, the Group integrates all significant companies that it fully owns.

Newly acquired companies are integrated into the reporting scope following a probationary period necessary for the introduction of reporting. Companies which were sold during the financial year are not included within the reporting scope.

Specifics of the scope for 2023 reporting:

The Group's total workforce at 31 December 2023 (including permanent, fixed-term and work/study employees, and excluding interns and temporary workers) was 6,395 people compared with 6,433 in 2022.

The scope of analysis of 2023 social data relates to 37 Group companies and a workforce at 31 December 2023 of 5,479 people, representing 86% of the Group's total workforce. Répar'stores (175 people), Teleco Automation (90 people) and De Haan Westerhoff (200 people), entities acquired in 2021, 2022 and 2023 respectively, are not included in the scope of social data reporting but will be gradually integrated over the next few years.

These companies are spread across five continents, and 30 countries (South Africa, Germany, Australia, Austria, Belgium, Brazil, China, South Korea, Egypt, Spain, United States, France, Greece, India, Israel, Italy, Japan, Morocco, Norway, Netherlands, Poland, Republic of Cyprus, Czech Republic, United Kingdom, Russia, Singapore, Sweden, Switzerland, Tunisia and Turkey).

The reporting scope for Health & Safety data comprises 63 entities in 2023, including all industrial sites, and will be progressively extended.

The environmental reporting scope is comprised of all industrial sites (eight sites). The industrial sites were selected in priority over the distribution sites given their more significant impact on the environment.

The methodology used for calculating average annual electricity consumption was refined in 2021 to take into account a greater granularity of data, down to the SKU. This methodology was retained and further improved in 2023 with a more detailed breakdown of product categories.

The reporting scope of the "Percentage of local purchases" indicator was extended to two additional sites in 2022 (in China and France). The indicator is published on a like-for-like basis.

REPORTING SPECIFICS FOR DATA RELATING TO GREENHOUSE GAS EMISSIONS

REFERENCE YEAR

2019 is the reference year for the Group's Bilan Carbone®, completed with the support of Carbone 4. The results helped to set the 2030 targets and to define the trajectories for scopes 1 and 2 and for scope 3.

The targets for reducing greenhouse gas emissions by 2030 are as follows:

- a 50% reduction in greenhouse gas emissions of scopes 1 and 2 in terms of absolute value in relation to 2019 levels (using market-based methodology);
- a 50% reduction in greenhouse gas emissions of scope 3 in terms of intensity (per number of motors sold).

These targets have been approved by the Science Based Target initiative (<https://sciencebasedtargets.org/>). For scopes 1 and 2, they are in line with the global warming trajectory of 1.5°C by 2100 according to the commitments of the 2015 Paris Agreement.

REPORTING PERIOD

The data collected covers the period from 1 January to 31 December 2023.

REPORTING SCOPE

The reporting scope is identical to the financial consolidation scope. It covers the entire Group with the exception of Dooya (equity-accounted company).

METHOD AND PRESENTATION

The information relating to greenhouse gas emissions (GHGs) has been calculated according to the Bilan Carbone® methods and the GHG Protocol.

For the item “non-current assets”, the Bilan Carbone® method was used and was based on data from financial depreciation (this item accounted for 0.4% of the carbon footprint in 2019).

The results are presented according to three scopes (1, 2 and 3) according to the model recommended by the GHG Protocol.

EMISSION FACTORS

Emission factors are taken from several sources:

- the impact and carbon base from the French Environmental and Energy Management Agency (ADEME - Agence De l'Environnement et de la Maîtrise de l'Énergie);
- the database of the LCA EIME CODDE software from the LCIE Bureau Veritas (its central laboratory of electrical industries) for the modelling of products;
- Carbone 4 with data from the International Energy Agency (IEA) for electricity emission factors by country;
- Aguaro, a digital services provider for data on IT equipment.

METHODOLOGY OF DATA COLLECTION

Data from the entities' activities is collected using the Acuredge solution. Physical data is prioritised over monetary data to limit uncertainty concerning the calculation of GHG emissions. It is subject to an annual campaign, involving the local officers at the sites. In 2023, 100% of the data from the industrial sites and 52.6% of the data from the marketing, sales, storage and delivery sites was collected. Non-participating sites were extrapolated based on the number of Full Time Equivalents employees.

Data gathering took place in November and December 2023. In order to cover the entire year, different methods were used:

- either the rolling 12 month method which corresponds to the cumulative sum of values for the last 12 known months (used for example for diesel consumption at the SOMFY ACTIVITÉS SA site);
- or an estimate of the final months of the year based on an average or specific assumptions (for example for fuel consumption at the WAY site).

When data is not available, expenses from the income statement are used and a monetary emission factor is applied.

Four types of **data relate to the products**:

- the PEP (Product Eco Passport). For this, a Life Cycle Analysis (LCA) was conducted using the EIME CODDE software which was then approved by LCIE Bureau Veritas. In 2023, 62.3% of the products had a PEP;
- equivalent products. Products are linked to another product's PEP or LCA as a result of similar features in terms of material or energy consumption;
- simplified LCAs. These are conducted for specific products with no viable equivalents. These LCAs are completed internally, with the same methodology as that used for PEPs but which are not verified;
- extrapolation method according to product sales. The average carbon impact per euro of products sold is calculated using the data from the previous three methods and this value is then reused to estimate the carbon impact of the remaining products. It represents 14.7% of Group sales.

The sales data by product category is provided by the Finance Department.

DETAILS OF SCOPES

Scope 1

Scope 1 covers direct emissions physically produced by the Group's activity, such as natural gas consumption, fuel consumption of company vehicles, refrigeration fluid leaks.

This data is provided by contacts/officers from the collection sites and can come from invoices, monitoring software and maintenance sheets.

Scope 2

Scope 2 covers indirect emissions related to energy consumption, such as grey and green electricity, heating and cooling systems.

This data is provided by contacts/officers from collection sites and comes from invoices or internal tables monitoring consumption. The emission factors used for CO₂ emission conversion take into account the energy mix of each country.

Scope 3

Scope 3 covers all other indirect emissions necessary for the Group's activity. This scope is divided into two parts: upstream and downstream.

Scope 3 upstream*Purchase of goods and services*

- The share of GHG emissions of the product material comes from the LCA, excluding components gathered directly from the entities (packaging, energy consumption of the sites, transportation, waste).
- Expenses in the income statement are used for approximately 20 types of expenses, such as expenses related to training, the maintenance of industrial machines, marketing, insurance, etc. A monetary emission factor is then applied to convert them into GHG emissions.
- Purchases of packaging and chemicals for equipment come from contacts from the collection sites. Data is provided in monetary form or directly from purchases for the Arve Valley sites (volume of wood, chemicals, etc.).
- Water consumption is provided by the sites based on invoices or internal tables monitoring water consumption.
- Data on the number of meals served in the company restaurant is provided by the sites based on invoices or directly by the company SOGERES, provider for the three Cluses sites (Crêtet, Garete, R&D).

Capital goods

- IT equipment (sources: Aguaro and SOMFY)
In 2023, the specific emission factor of each device was used. This increased the accuracy on the impact of IT, which increased three-fold between 2022 and 2023. Emissions are calculated for the entire IT equipment for the year.
- Surface area of buildings (source: collection site officers)
The surface areas of buildings are provided by the site officers. A distinction is made between concrete surfaces and metal surfaces. Emissions are calculated for all the buildings over the full year.
- Vehicle fleet (source: collection site officers)
SOMFY's vehicle fleet is monitored by each site and the site officers provide this data. A distinction is made between vehicles leased or owned by the Group, and their usage classification (standard use, for sales representatives, and vans). Emissions are calculated based on the entire vehicle fleet over the full year.
- Depreciation (source: income statement, Finance Department)
This relates to the depreciation of equipment excluding buildings, company-owned vehicles and the IT equipment. This data is centralised and completed in the Bilan Carbone® for all entities.

Transportation and transformation of energy used

Gross data for scopes 1 and 2 is collated taking into account only the impact of transporting this energy. It relates to gas, fuel, refrigeration fluids, grey and green electricity and heating networks.

Transportation and distribution of goods: upstream part

Data related to the transportation of goods stemming from the Group's operations is broken down into four modes: road, rail, sea and air. Data can be collected in monetary value (in euros or converted into euros when in another local currency) or in tonnes per km.

It is provided by the officers at the collection sites or is calculated on the basis of 2.95% of suppliers' sales (for the Bonneville site and the Garete factory). This rate of 2.95% was calculated in 2020 based on a study carried out with 13 major suppliers.

Production waste

Production waste is connected with the manufacture of SOMFY products. Officers from the collection sites provide this data.

Business travel

This collates all journeys made by employees for work, such as seminars, travel between sites or to customers. This data is collected from the sites and broken down into four modes of transport: car, bus, train and plane. In 2023, all data was collected in kilometres.

Commuting

In July 2022, a mobility survey was conducted internationally involving all Group entities. This enabled ratios by transport type and average commuting distance to be obtained. In early 2023, a second study was carried out for the Arve Valley entities and helped to refine the results previously obtained.

Scope 3 downstream*Transportation and distribution of goods: downstream part*

The process for collecting data for this indicator is identical to that used for the data for the Transportation and distribution of goods – upstream part, with the exception of the Arve Valley entities.

For 2023, the transport management system (TMS), Shiptify, was used to calculate the transportation part of the Arve Valley entities which includes the Group's largest logistics entity. Data had to be restated and hypotheses were conducted on shipments departing from Bonneville. This work was carried out by the Transportation team.

Use of products sold

This refers to the electricity consumption related to the use of products by customers, multiplied by the electricity emission factor of the country in which the product is sold.

Consumption is calculated over 15 years of use for motors and over 10 years for controls and accessories connected to the electricity network.

End of life of products sold

At their end of life, the products sold are considered to be Waste Electronic and Electrical Equipment (WEEE) which is disadvantageous as not all of them contain electric or electronic components.

The WEEE/Group Household Goods excluding cooling/Average industry end of life - Impacts – France emission factor, used for calculating the carbon impact of the end of life of products sold was updated in the ADEME database and is 10 times higher in 2023 than in 2022.

METHODOLOGY LIMITATIONS

—

The methodologies used for the reporting of certain CSR indicators may present limitations due to:

- particularities of local legislation in the various countries in which the Group is located;
- lack of availability of information on certain scopes;
- use of estimates in the absence of assessment tools;
- practicalities of collecting and processing data.

GLOBAL REPORTING INITIATIVE CROSS-REFERENCE TABLE

GRI STANDARD	DISCLOSURE	Components of SOMFY's non-financial statement: Chapter title	Sub-chapter title
GRI 2: General Disclosures 2021			
	2-1 Organizational details	Presentation of the business model	Presentation of SOMFY
	2-2 Entities included in the organization's sustainability reporting	Methodology note	Reporting scope
	2-3 reporting period, frequency and contact point	Methodology note	Reporting period
	2-5 External assurance	Report of one of the Statutory Auditors, appointed as Independent Third Party, on the verification of the consolidated non-financial statement	Conclusion
	2-6 Activities, value chain and other business relationships	Presentation of the business model	Presentation of SOMFY
	2-7 Employees	Business model	Resources
		People	Introduction People
	2-14 Role of the highest governance body in sustainability reporting	Presentation of the Group's sustainable development strategy	Sustainable development governance
	2-15 Conflicts of interest	Prosperity	Putting business ethics into practice
	2-17 Collective knowledge of the highest governance body	Presentation of the Group's sustainable development strategy	Sustainable development governance
	2-19 Remuneration policies	Presentation of the Group's sustainable development strategy	Sustainable development governance
	2-20 Process to determine remuneration	Presentation of the Group's sustainable development strategy	Sustainable development governance
		People	Respect for human rights
		People	Renewing company agreements
	2-22 Statement on sustainable development strategy	Presentation of the Group's sustainable development strategy	Presentation of the Group's sustainable development strategy
	2-23 Policy commitments	People	Respect for human rights
		Prosperity	Having a positive impact on the ecosystem
	2-24 Embedding policy commitments	People	Respect for human rights
		Prosperity	Having a positive impact on the ecosystem
	2-25 Processes to remediate negative impacts	Prosperity	Putting business ethics into practice
	2-26 Mechanisms for seeking advice and raising concerns	Prosperity	Putting business ethics into practice
	2-28 Membership associations	Prosperity	Sharing the value created with local communities and ecosystems
	2-29 Approach to stakeholder engagement	Presentation of non-financial risks	Methodology
	2-30 Collective bargaining agreements	Prosperity	Respect for human rights

GRI STANDARD	DISCLOSURE	Components of SOMFY's non-financial statement: Chapter title	Sub-chapter title
GRI 3: Material Topics 2021			
	3-1 Process to determine material topics	Presentation of non-financial risks	Materiality matrix
	3-2 List of material topics	Presentation of non-financial risks	Presentation table of challenges and risks
	3-3 Management of material topics	Presentation of non-financial risks	Presentation table of challenges and risks
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Presentation of non-financial risks	Presentation table of challenges and risks
		Prosperity	Preventing corruption
	205-2 Communication and training about anti-corruption policies and procedures	Prosperity	Preventing corruption
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Presentation of non-financial risks	Presentation table of challenges and risks
		Prosperity	Ensuring fair competition
GRI 301: Materials 2016	301-2 Recycled input materials used	Planet	Purchases
		Planet	Offering more environmentally-friendly products
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Planet	Accelerating the conversion to more energy-efficient sites
	302-3 Energy intensity	Planet	Accelerating the conversion to more energy-efficient sites
	302-4 Reduction of energy consumption	Planet	Accelerating the conversion to more energy-efficient sites
	302-5 Reductions in energy requirements of products and services	Planet	Providing solutions for energy efficiency
		Planet	Offering more environmentally-friendly products
GRI 303: Water and Effluents 2018	303-5 Water consumption	Planet	Conserving resources
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Planet	Taking action for biodiversity
	304-2 Significant impacts of activities, products and services on biodiversity	Planet	Taking action for biodiversity
GRI 305: Emissions 2016	305-1 Direct (scope 1) GHG emissions	Planet	Focusing on carbon to reduce the Group's impact
	305-2 Energy indirect (scope 2) GHG emissions	Planet	Focusing on carbon to reduce the Group's impact
	305-3 Other indirect (Scope 3) GHG emissions	Planet	Focusing on carbon to reduce the Group's impact
	305-4 GHG emissions intensity	Planet	Focusing on carbon to reduce the Group's impact
	305-5 Reduction of GHG emissions	Planet	Focusing on carbon to reduce the Group's impact
		Planet	2030 roadmap

GRI STANDARD	DISCLOSURE	Components of SOMFY's non-financial statement: Chapter title	Sub-chapter title
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Planet	Promoting the circular economy
	306-3 Waste generated	Planet	Promoting the circular economy
	306-4 Waste diverted from disposal	Planet	Promoting the circular economy
	306-5 Waste directed to disposal	Planet	Promoting the circular economy
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Prosperity	Growing with the Group's ecosystems
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People	Making the work environment contribute to employee performance
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	People	Ensuring safety at work
	403-2 Hazard identification, risk assessment, and incident investigation	People	Ensuring safety at work
	403-3 Occupational health services	People	Ensuring safety at work
	403-4 Worker participation, consultation, and communication on occupational health and safety	People	Ensuring safety at work
	403-5 Worker training on occupational health and safety	People	Ensuring safety at work
	403-6 Promotion of worker health	People	Ensuring safety at work
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People	Ensuring safety at work
	403-9 Work-related injuries	People	Ensuring safety at work
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	People	Becoming a learning organisation
	404-2 Programs for upgrading employee skills and transition assistance programs	People	Becoming a learning organisation
	404-3 Percentage of employees receiving regular performance and career development reviews	People	Becoming a learning organisation
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	People	Raising the international profile of the teams
		People	Promoting fairness and inclusion in the teams
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Prosperity	Respect for human rights
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Prosperity	Sharing the value created with local communities and ecosystems
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Prosperity	Growing with the Group's ecosystems
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Prosperity	Developing a customer-centric model

REPORT OF ONE OF THE STATUTORY AUDITORS, APPOINTED AS INDEPENDENT THIRD PARTY, ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL STATEMENT

This is a free English translation of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Year ended 31 December 2023

To the Annual General Meeting,

In our capacity as Statutory Auditor of your company (hereinafter the "Entity") appointed as Independent Third Party, and accredited by the French Accreditation Committee (COFRAC) under number 3-1884⁽¹⁾, we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated non-financial statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended 31 December 2023 (hereinafter, the "Information" and the "Statement" respectively), presented in the Group's management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de Commerce*). At the request of the entity, we also performed work designed to express a reasonable assurance conclusion on the information selected by the entity and identified by the symbol √.

LIMITED ASSURANCE CONCLUSION

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

REASONABLE ASSURANCE CONCLUSION ON A SELECTION OF NON-FINANCIAL INFORMATION

In our opinion, the information selected by the entity and identified with the symbol √ in the Statement has been prepared, in all material respects, in accordance with the Guidelines.

PREPARATION OF THE NON-FINANCIAL PERFORMANCE STATEMENT

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

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

INHERENT LIMITATIONS IN PREPARING THE INFORMATION

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

RESPONSABILITY OF THE ENTITY

Management of the entity is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators;
- preparing the Statement by applying the entity's Guidelines as referred above; and
- designing, implementing, and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Board of Directors.

RESPONSABILITY OF THE STATUTORY AUDITOR, APPOINTED AS INDEPENDENT THIRD PARTY

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the historical information (observed or extrapolated) provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, *i.e.*, the outcomes of policies, including key performance indicators, and measures relating to the main risks.

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

At the request of the entity and outside of the scope of our accreditation, we may express reasonable assurance that the information selected by the entity, presented in the Appendix, and identified by the symbol √ has been prepared, in all material respects, in accordance with the Guidelines.

It is not our responsibility to report on:

- the entity's compliance with other applicable legal and regulatory provisions;
- the compliance of products and services with applicable regulations.

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

APPLICABLE REGULATORY PROVISIONS AND PROFESSIONAL GUIDANCE

We performed the work described below in accordance with Articles A. 225-1 *et seq.* of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagements, in particular the professional guidance issued by the *Compagnie Nationale des Commissaires aux Comptes*, “*Intervention du Commissaire aux Comptes - Intervention de l’OTI - Déclaration de performance extra-financière*”, acting as the verification program, and with the international standard ISAE 3000 (revised)⁽¹⁾.

INDEPENDENCE AND QUALITY CONTROL

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

MEANS AND RESOURCES

Our work engaged the skills of four people between December 2023 and March 2024 and took a total of five weeks. We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted about ten interviews with people responsible for preparing the Statement.

NATURE AND SCOPE OF PROCEDURES

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

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

- we obtained an understanding of all the consolidated entities’ activities, and the description of the main related risks;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III of the French Commercial Code, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the main risks;
- we verified that the Statement presents the business model and a description of main risks associated with all the consolidated entities’ activities, including where relevant and proportionate, the risks associated with their business relationships, products or services, as well as policies, measures and the outcomes thereof, including key performance indicators related to the main risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented,
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in the Appendix. Concerning certain risks⁽²⁾, our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities⁽³⁾;
- we verified that the Statement covers the consolidated scope, *i.e.* all the entities within the consolidation scope in accordance with Article L. 233-16 of the French Commercial Code, within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures the entity implemented, and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important, presented in the Appendix, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
 - tests of details, using sampling techniques, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing entities⁽³⁾ and covers between 35% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities’ activities.

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

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

(2) Maximising avoided emissions; Becoming a citizen for the environment; Promoting fairness and inclusion in the teams; Developing a customer-centric model; Putting business ethics into practice; Growing with the Group’s ecosystems.

(3) SOMFY ACTIVITÉS SA (France), SIMU (France).

NATURE AND EXTENT OF ADDITIONAL WORK ON THE INFORMATION SELECTED BY THE ENTITY AND IDENTIFIED BY THE SYMBOL √

—
With regard to the information selected by the entity, presented in the Appendix and identified by the symbol √ in the paragraph “Reducing the carbon footprint” and the paragraph “Renewing company agreements” of the Statement, we conducted the same

work as described in the paragraph “Nature and scope of procedures” above for the Information considered to be the most important, but in a more in-depth manner, in particular with regard to the number of tests.

The selected sample accounts for between 60% and 100% of the information identified by the symbol √.

We believe that our work is sufficient to provide a basis for our reasonable assurance opinion on the information selected by the entity and identified by the symbol √.

Paris la Défense, 28 March 2024
KPMG SA

Sara Righenzi de Villers
Partner

Raffaele Gambino
ESG Expert

APPENDIX

Qualitative information (actions and results) considered most important

People	Action to integrate new hires
	Measures to attract and retain talents
Planet	Policy and initiatives to reduce the environmental footprint of products
	Employee initiatives for the environment and local ecosystems
Prosperity	Measurement and action systems to improve customer satisfaction

Key performance indicators and other quantitative results considered most important

Level of assurance

People	Total workforce	Limited
	Proportion of women in management	Reasonable
	Percentage of employees promoted or who have moved to a different position	Limited
	Frequency rate of accidents leading to absence	Limited
	Severity rate	Limited
	Percentage of employees who received training	Limited
Planet	Percentage of reduction of greenhouse gas emissions of scope 1 and 2 in absolute value in relation to the reference year 2019. GHG Protocol method, Market based.	Reasonable
	Percentage of reduction of greenhouse gas emissions of scope 3 in intensity (i.e. per number of actuators sold) in relation to the reference year 2019. GHG Protocol method.	Reasonable
	Total waste in kg/unit	Limited
	Rate of hazardous and non-hazardous waste recycled	Limited
	Energy consumption (gas, electricity and mineral fuel) of industrial sites per m ²	Limited
	Rate of electricity consumed from renewable sources	Limited
	Average electricity consumption per motor	Limited
	Rate of products sold under the Somfy brand that followed the Act for Green® eco-design process	Limited
Prosperity	Rate of new joiners who completed the GDPR e-learning	Limited
	Percentage of connected employees present at 31 December 2023 who have completed at least one training course related to ethics and compliance over the last two years	Limited
	Number of suppliers assessed according to the risk analysis matrix	Limited
	Percentage of suppliers located within 500 kilometres of an assembly site	Limited

Photo credit: Anthony Micallef



Designed & published by  **LABRADOR** +33 (0)1 53 06 30 80



SOMFY SA

50 AVENUE DU NOUVEAU-MONDE - BP 152

74307 CLUSES CEDEX - FRANCE

TEL.: +33 (0) 4 50 96 70 00

www.somfy-group.com