

THE COVER OF THIS DOCUMENT
is designed to illustrate some of our current
challenges.

The globe symbolises our desire to expand
internationally, while reminding us of the
importance of limiting our impact on the
planet.

FGinox's automated warehouse highlights
our investments to improve our employees'
working conditions, optimise our logistics
platforms and enhance operational efficiency.

The photo of the paperboard was taken
during a seminar organised by the
Information Systems department to
accelerate our digital transformation.

Finally, images of a rainwater harvesting tank,
a pump being repaired in our workshops
and a future eco-designed ball valve
illustrate some of our concrete sustainable
development commitments.





Our teams are set to manage identified risks and deal with unforeseen events.

BUSINESS AND RESULTS

2023 saw turnover fall by 1.8% to constant scope and a 5.9% average price increase passed on to our customers. This decline in volumes can be explained by a number of clearly identified factors: the tightening of the French housing improvement agency (ANAH) funding for energy renovation, which has slowed the business trajectories of virtually all players in the sector; the 22% fall in new housing starts in France; a steep decline in the swimming pool market; and poor sales by DIY stores of some of our traditional product families. Fortunately, we performed well in the industrial, HVAC and water cycle markets. This slowdown also needs to be put into context by remembering that constant scope turnover grew 21.1% in 2021 and 12% in 2022. This degree of growth is not sustainable in our businesses.

DPI, acquired on October 31, 2022, had a particularly difficult year in terms of sales due to the fall in raw material prices and the non-renewal of very large projects delivered in 2022. However, their profitability stayed steady, meaning that we will pay the €5.16m earn-out in line with our agreements.

On November 24, 2023, we announced our discussions with the shareholders of Compteur-energie.com, the leader of a group of three companies with eight employees and turnover of €2.8 million. They combine expertise in the design and marketing of remote reading systems (IoT) and electricity, water, gas, fuel oil and energy meters for professionals. We will do our utmost to complete this acquisition in the first half of 2024. Finally, our consolidated turnover was €581 million, operating profit margin 13.7% and net profit margin 9.9%.

FINANCIAL STRUCTURE AND PROSPECTS

Our inventory levels fell to 187 days of purchases, compared to 192 days at the end of December 2022. Our consolidated working capital requirement ended the year at 40% of turnover.

At December 31, 2023, we had €35.2 million in cash, €38.7 million in bank debt and €340 million in equity after distribution of profit. Our financial structure remains solid.

We maintain our rolling 10-year targets, based on average annual turnover growth of 7%, while respecting the environment and our stakeholders (pages 10, 11 and 21 of our Universal Registration Document). For further details, please refer to our extra-financial performance statement on page 62 of our Universal Registration Document.

Our initial estimate of the price impact in 2024 is less than 3%. This information will be shared with you each time we publish our sales figures.

Since September 2023, we have seen the decline in the number of building permit applications has come to a halt. If this trend continues in the coming months, the number of new housing starts may well bottom-out in the first half of 2024. An uptick in the new housing market could ensue in the first half of 2025. It should be noted, however, that this market only directly concerns 10% of our consolidated turnover.

The change in the rules from January 1, 2024 regarding the allocation of MaPrimeRénov state aid for energy retrofit projects is likely to disrupt this market for a few more months to come, and by contagion, the business of our largest subsidiary, Thermador. This phenomenon, on the back of the very buoyant figures for Q1 2023 (+10.3%), leads us to believe that the first half of 2024 will see a decrease in turnover. We expect a more favourable environment in the second half of the year to make up some or all of the ground lost.

DIVIDEND AND AGM

In December 2023, institutional investors held 48.6% of capital, individual shareholders 41.1% and our existing and retired employees combined, 6.7%. In line with our commitment to pay dividends to our shareholders on a regular basis, we propose to maintain the dividend at €2.08, or 32.8% of net earnings per share.

Our Annual General Meeting will be held at Musée des Confluences in Lyon on April 2, at 5 pm. We hope you will be able to attend, and that we will once again see votes cast exceed 75%. We will also be holding an information meeting **in Paris on April 4, at 4 pm at Salons Hoche.**

We would particularly like to draw your attention to resolutions 17 and 18 (page 195 and 196), which propose a free share plan reserved for employees and senior executives of the Group.

Yours faithfully,

Guillaume Robin

CONTENTS



EXTRACTS OF THE INTEGRATED ANNUAL REPORT

| | | |
|------|---------------------------------|----|
| 1.1 | Chairman's statement | 1 |
| 1.2 | Our markets | 4 |
| 1.3 | Our businesses | 6 |
| 1.4 | Our company history | 8 |
| 1.5 | Our objectives and our strategy | 10 |
| 1.6 | Our sales activity | 12 |
| 1.7 | Our logistics | 14 |
| 1.8 | Our suppliers | 15 |
| 1.9 | Our French customers | 16 |
| 1.10 | Our international customers | 17 |
| 1.11 | Our key financial figures | 18 |
| 1.12 | Our key extra-financial figures | 20 |
| 1.13 | Our real estate | 22 |
| 1.14 | Our Board of Directors | 24 |
| 1.15 | Our Executive Committee | 25 |
| 1.16 | Governance organisation chart | 26 |



REPORT ON CORPORATE GOVERNANCE

| | | |
|------|-------------------------------------|----|
| 2.1 | Organisation chart | 28 |
| 2.2 | Executive Committee | 29 |
| 2.3 | Board of Directors | 32 |
| 2.4 | Audit Committee | 37 |
| 2.5 | Sustainable development committee | 38 |
| 2.6 | Earnings and appointments committee | 39 |
| 2.7 | Executives' earnings | 40 |
| 2.8 | Share performance | 52 |
| 2.9 | Structure of capital | 54 |
| 2.10 | Looking forward to 2024 | 56 |
| 2.11 | 2023 Annual General Meeting | 57 |
| 2.12 | Shareholders' relations | 58 |
| 2.13 | Shareholders' emails and chat | 60 |



EXTRA-FINANCIAL PERFORMANCE STATEMENT

| | | |
|-----|---|-----|
| 3.1 | Our CSR strategy | 62 |
| 3.2 | Our challenges | 75 |
| 3.3 | Summary of indicators and cross-reference table | 107 |
| 3.4 | Report from the inspection agency | 111 |



RISK MANAGEMENT

| | | |
|-----|------------------|-----|
| 4.1 | Risk factors | 114 |
| 4.2 | Insurance | 119 |
| 4.3 | Internal control | 120 |



OUR SUBSIDIARIES

| | | |
|-----|------------------|-----|
| 5.1 | General overview | 123 |
| 5.2 | Our subsidiaries | 124 |



ANNUAL CONSOLIDATED FIGURES

| | | |
|-----|---|-----|
| 6.1 | Main financial indicators | 142 |
| 6.2 | Consolidated accounts 2023 | 146 |
| 6.3 | Notes to the consolidated financial statements | 149 |
| 6.4 | Statutory Auditors' report on the consolidated financial statements | 170 |



COMPANY ACCOUNTS AND LEGAL INFORMATION REGARDING THE PARENT COMPANY

| | | |
|-----|--|-----|
| 7.1 | Parent company financial statements | 175 |
| 7.2 | Statutory Auditors' report on the financial statements | 183 |
| 7.3 | Statutory Auditors' special report on regulated agreements | 185 |
| 7.4 | Statutory Auditors | 186 |



ADDITIONAL INFORMATION FOR THE UNIVERSAL REGISTRATION DOCUMENT

| | | |
|-----|--|-----|
| 8.1 | Cross-reference table | 188 |
| 8.2 | Component elements of annual financial report, management report and report on the governance of the company | 191 |
| 8.3 | Statement of the person responsible for the document | 191 |



DRAFT RESOLUTIONS

193



This English version of Thermador Groupe's universal registration document contains almost the same information as the French version, but it should not be considered as completely accurate as the French version is the official one, approved by AMF.



EXTRACTS OF THE INTEGRATED ANNUAL REPORT

| | | |
|------|---------------------------------|----|
| 1.1 | Chairman's statement | 1 |
| 1.2 | Our markets | 4 |
| 1.3 | Our businesses | 6 |
| 1.4 | Our company history | 8 |
| 1.5 | Our objectives and our strategy | 10 |
| 1.6 | Our sales activity | 12 |
| 1.7 | Our logistics | 14 |
| 1.8 | Our suppliers | 15 |
| 1.9 | Our French customers | 16 |
| 1.10 | Our customers abroad | 17 |
| 1.11 | Our key financial figures | 18 |
| 1.12 | Our key extra-financial figures | 20 |
| 1.13 | Our real estate | 22 |
| 1.14 | Our Board of Directors | 24 |
| 1.15 | Our Executive Committee | 25 |
| 1.16 | Governance organisation chart | 26 |

1. Extracts of the integrated annual report

1.2 OUR MARKETS

Although the business lines of the different subsidiaries are quite similar, our market organisation spreads risk well. Most of the markets in which we operate cover primary needs. For example: protection from cold and heat (heating and air conditioning), washing (hot water, sanitation), hydration (drinking water supply), food (food industry) and healthcare (pharmaceutical industry). Also, our products mainly target maintenance and renovation.

This affords us natural resilience in times of crisis and protects us from cyclical risks. In the four years ahead, energy renovation schemes should favour our construction-oriented activities in France. In the longer term, the Group has a great card to play in Europe in the industrial valves market, which is still quite fragmented. In 2022, the acquisition of DPI opened a pathway to us becoming a supplier to the major players in the French public works sector. Entry into this new market further spreads our risks.

Fluid circuits
in construction = 45.9% of our
turnover



80% of our sales
in maintenance and renovation



37.8 million
housing units in France, of which
4.8m are poorly insulated



€2.7 billion
distributed in 2023



620,000
energy optimisations
in 2023 using state aid



We offer the private housing, collective housing and tertiary sector building markets all the accessories and equipment they need for effective water circulation in heating and sanitation facilities. We also offer comprehensive ranges to control inside air quality and temperature. Our subsidiaries serve wholesalers, DIY superstores, web platforms and certain manufacturers.

Changes to the regulations (RE2020) which target water and energy savings, whilst ensuring comfort and security of housing and users are stimulating innovation and have led us to propose higher value-added solutions.

MaPrimeRénov', financed by the public authorities, and the Energy Saving Certificates, financed by the energy suppliers, financed by energy companies, represent a theoretical sum of around €10bn for 2024. Energy use is the main source of greenhouse gas emissions in France, accounting for 297 Mt CO₂ in 2019, or 68.1% of the national total. Residential and tertiary buildings emit 23 Mt, making energy renovation a national priority for many years to come.

Most of our business is in maintenance and renovation; these are resilient 'needs' markets on which we are very well placed and highly reactive.



See p. 125



See p. 126



See p. 131



See p. 130



See p. 132-133



See p. 134



See p. 136



See p. 138

Fluid circuits
in industry = 22.9% of our
turnover



Chemical and
petrochemical industry



Food
industry



Pharmaceutical
industry

Fluids circulate on most industrial sites in liquid or gas form. Six of our subsidiaries distribute manual and motorised valves, check valves, filters, connectors and regulation and control accessories for maintenance work or new installations.

We are present with almost all the specialised retailers, wholesalers in industrial valves and industrial supplies, and we are progressively building our product range. We also carry out specifier campaigns in factories to raise awareness about our ranges and establish our brands.

Sodeco Valves, based in Belgium, primarily targets major industrial sites. This market should remain dynamic in the medium term due to Europe's desire to regain independence in strategic sectors and make the necessary investments in energy renovation.



See p. 134



See p. 135



See p. 136



See p. 137



See p. 138



See p. 139

1. Extracts of the integrated annual report

Domestic pumps
(watering, swimming pool,
lifting, rainwater harvesting) **= 16.3%** of our
turnover



13 million
gardens in France, one or more
pumps per garden



1.3 million
inground pools
in France



Domestic waste water lifting:
5 million housing units in non-collective
sanitation, 2 million of which to be made compliant

We are a major player on the French market for domestic pumps for professional distribution circuits and in DIY superstores. Whether it be watering, irrigation, water supply to private houses, transfer and lifting of fresh and waste water or swimming pools, the pump market is, and will remain, important to us.

Successive heatwaves and floods over recent years have contributed to increasing needs, although they do remain subservient to the vagaries of the weather.

Our return to the swimming pool market has seen us bring a very wide range of equipment to professionals who build and refurbish pools.



See p. 125



See p. 127



See p. 129



See p. 138

**Pipe for
public works** **= 7.2%** of our
turnover



200,000 tonnes
of plastic piping for wet and dry networks sold
on the French market

Renovation of existing wet networks in France following the 2019 water conference more than 1,000,000km of drinking water pipework and 380,000km of wastewater pipework. Our plastic pipes (ducts, pipes and tubes, sheaths, drains, fittings, etc.) are used for drinking water, wastewater, irrigation, watering, drainage, dredging, gas and biogas, as well as telecommunications, electricity and fibre optic networks. Our customers are specialist wholesalers and major players in markets such as construction, public works, network design and construction and irrigation.



See p. 128

**Heavy tooling for public,
professional and industrial customers** **= 7.7%** of our
turnover



€92m
The DIY superstore market for compressors,
generators and welding units



€100m
The market for high-pressure
cleaners in DIY superstores



€140m or 110,000 compressors
The air compressor market
via the pro channel

We sell air compressors, generators, welding units, chargers and high-pressure cleaners to major retail and via the Web to well-informed DIYers.

To differentiate the product offering targeting the different actors of the DIY sector, we use our own brands (Mecafer), those of our customers, and also brands used under licence by our suppliers (Michelin, Stanley).

Under the Nuair and Fini brands, we also sell our piston and screw compressors to professionals in industry, which complete the reservoir and valve ranges already distributed to wholesalers of industrial supplies, compressed air specialists and distributors of supplies for the automotive industry.



See p. 124



See p. 135

1.3 OUR BUSINESSES

Our subsidiaries are useful and efficient interfaces between a large number of manufacturers scattered throughout the world, and increasingly demanding wholesalers, superstores, factories, swimming pool professionals, commercial websites and market places.



OUR SUPPLIERS

789 manufacturer-partner factories deliver product to us.

We guarantee the distribution of their products in Europe via a highly efficient sales and logistics organisation.

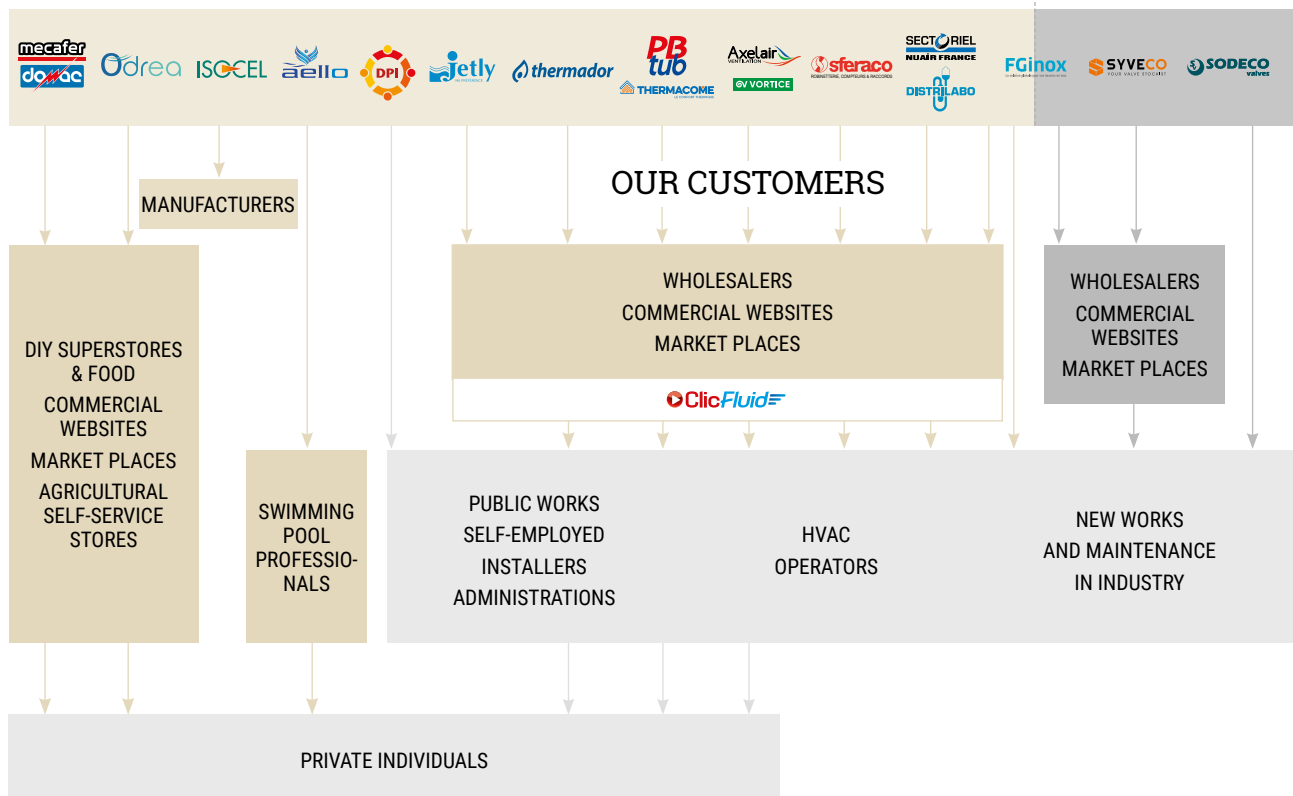
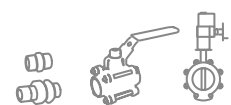
OUR SUBSIDIARIES



Distribution
in France



Distribution
internationally



1. Extracts of the integrated annual report

EXPECTATIONS OF OUR SUPPLIERS

- ❖ Market share in our trading areas
- ❖ Transparency
- ❖ Security of payment
- ❖ Regularity and scheduling of orders
- ❖ Qualitative feedback on market expectations
- ❖ Product co-development
- ❖ Brand reputation
- ❖ Simplicity in business relationships

OUR STRENGTHS

- ❖ A wide range of appropriate products
- ❖ Very highly-skilled commercial teams who are omnipresent in the field
- ❖ Marketing adapted to each market
- ❖ Immediately-available stock
- ❖ Extremely efficient logistics
- ❖ Delivery in 24-72 hours in France, 2-6 days anywhere in Europe
- ❖ Strong brands, whether they belong to the manufacturers or to Thermador Groupe

OUR COMPETITION

Each of our commercial subsidiaries can name dozens of competitors, primarily importers or commercial subsidiaries of manufacturers. Some of these competitors are common to several of our subsidiaries, but none covers all our ranges.

Amongst the best known are Watts Industry and Aalberts who both have an industrial activity and supply French wholesalers, and Eriks Econosto internationally. The very large number and great diversity of competitors who compete only with a very small portion of our products reduces our risk.

The e-commerce-only players are potential competitors of our customers. Some of our products are present on their platforms (Leroy Merlin, Amazon, Cdiscount, ManoMano, etc.). It is up to us to act and increase our skills to master and utilise this digital channel with discernment and intelligence.

Furthermore, a lot of our products are niches and sell thanks to the technical expertise of our sales people and after-sales service. The giants of the Web do not have this type of skill and know-how.

CUSTOMER EXPECTATIONS

The basics

- ❖ A clear commercial policy
- ❖ A clear, coherent pricing policy
- ❖ Competitive pricing
- ❖ High-quality products
- ❖ Very broad product ranges
- ❖ Innovation
- ❖ Short, reliable deadlines
- ❖ Complete orders

The relationship - the service

- ❖ Stability of commercial teams in the field and in the offices
- ❖ Presence in the field and at regional trade shows
- ❖ Technical advice over the phone, referencing, installation
- ❖ Simple, data-rich websites
- ❖ After-sales and spare parts service

Aid to sales

- ❖ Distributor brands
- ❖ Referencing
- ❖ Good packaging
- ❖ Promotions
- ❖ Joint sales actions by phone
- ❖ Sales pitch

1. Extracts of the integrated annual report

1.4 OUR COMPANY HISTORY

THE STAGES OF OUR DEVELOPMENT



> 1968

1973

1977

1978

1986

Thermador founded:

Starting capital:
FRF300,000 (€45,735).
Importing and distributing central heating accessories.
Founders: Guy Vincent, Jacques Borde, Hubert Fournier, Geneviève Boreil et Marc de Sereys.

Creation of Thely.
Real estate company.

Creation of Jetly.
Sale of domestic pumps and pump accessories.

Creation of Sferaco.
Sale of valves to the construction business and industry.

Creation of Dipra.
Sale to DIY superstores: pumps, household valves, plumbing.
Merger of Dipra and Edouard Rousseau.
Name changed to **Odre**a in 2022.



2002

2006

2013

2013

2015

Creation of Opaline.
Communications agency.

Creation of Thermador International.
Distribution of the Group's products on international markets.
Name changed to **Syveco** in 2019.



Creation of Axelair.
Specialised distribution of ventilation equipment and accessories.

Creation of a Thewa.
Taps business within the Thermador subsidiary.

Creation of Aello.
Specialised distribution of swimming pool equipment and accessories.

EXTERNAL GROWTH



2017

2017

2018

2019

Acquisition by Mecafer of Domac.
Sale of air compressors, generators, welding stations and battery chargers.

Acquisition of Valfit group by Sferaco.
Sale to specialised wholesalers of a targeted range of connectors, meters and valves.

Acquisition of Ets. Edouard Rousseau by Thermador Groupe.
Sales to DIY superstores and supermarket retail in France and Spain of a range of taps for bathrooms and kitchens.
Merger of Dipra and Edouard Rousseau.
Name changed to **Odre**a in 2022.

Acquisition of DISTRILABO by Thermador Groupe.
Distribution of technical materials for pressure, temperature, level and flow measurement and control for industrial processes and air-treatment engineering.

1. Extracts of the integrated annual report



1986

Creation of Thermador Groupe.
Capital: FRF66,320,000 (€10,110,418).



1987

Thermador Groupe listed on the stock exchange.



1989

Creation of Sectoriel.
Motorised valves.



1989

Creation of PBtub.
Distribution of pipes in synthetic materials, underfloor heating and domestic water.



1992

Creation of Isocel.
Sale of parts to boiler manufacturers.

2015

THE BEGINNING OF OUR EXTERNAL GROWTH POLICY



2015

Acquisition of Nuair France by Sectoriel.
Distribution of screw and reciprocating compressors for professionals and for industry.



2015

Acquisition of Mecafer by Thermador Groupe.
Sale of air compressors, pneumatic tools, generators, welding stations and chargers to DIY stores.



2017

Acquisition of Sodeco Valves by Thermador Groupe.
Industrial valves in Belgium, Holland, Germany, France and Switzerland.



2017

Acquisition of FGinox by Thermador Groupe.
Sale of stainless steel connectors, flanges, valves and accessories.



2017

Acquisition by Axelair of the Vortice France business.



2020

Acquisition of Thermacome by Thermador Groupe.
Radiant surface and hydrodistribution systems for housing and buildings.



2022

Acquisition by Sferaco of the AFY France business.
Sales to specialised wholesalers of industrial supplies.



2022

Acquisition of DPI by Thermador Groupe.
Sales to specialised wholesalers and installers of plastic solutions for water, construction and public works.



2022

Merger of Dipra and Edouard Rousseau.
Name changed to Odrea in 2022.

Challenges 2024-2029

| | |
|--------------------------------|--|
| Human resources | Attract and retain talent at all levels of the Group. Promote parity in all governance bodies and diversity in all organisations. Welcome and helping people with disabilities. |
| Sustainable development | Meet our commitments as set out on page 21 of this document. Encourage and support internal initiatives for the protection of the environment. |
| Business | Better understand and meet the expectations of our customers' customers. Increase international activity in a proportionate manner. Continue the integration process of recently-acquired companies. |
| Digital transformation | Develop our skills and digital tools to gain in operational efficiency. Ensure the integrity of our information systems. |
| Logistics | Constantly improve the working conditions of our employees. Optimise our logistics platforms (flows, resources, environmental impact). Increase our operational efficiency. |
| Geopolitics | Diversify sources of supply and opting for local suppliers. |

THERMADOR GROUPE OWNS, CONTROLS, BRINGS TOGETHER, FEDERATES AND SUPPORTS DISTRIBUTION COMPANIES:

- ✦ equipment and accessories for the circulation of fluids in construction, public works and industry,
- ✦ large tools for domestic and professional use.

OBJECTIVES

Our 10-year objective is to maintain an average annual growth rate of over 7% while respecting our teams, shareholders, customers, suppliers, other stakeholders and the environment.

WHO ARE WE, AND WHAT ARE OUR VALUES?

We always seek to nurture trust, transparency, simplicity, sobriety and conviviality in human relations, but are also highly demanding and aspire to efficiencies. We ask everyone to work well and to get things right first time, so as not to have to do them again.

We want to provide our teams with excellent working conditions and a steady fixed salary. A share of the profits works its way down to subsidiary level, with Thermador's mutual fund (FCPE) being the Group's acting as a lever to motivate the staff.

We expect our leaders to be efficient, exemplary, communicative and primarily driven by the collective interest.

Our choice to open up the capital very widely means we have to satisfy our shareholders through communication, management and exemplary behaviour, the proper allocation of invested capital, regular results and dividends, great transparency and seamless availability. We have a proactive policy to ensure that our employees and managers hold a significant share of the capital.

Our model implies an efficient information system, substantial stock and suitable buildings which we can afford thanks to our very solid financial structure. The plan is to keep it that way.

1. Extracts of the integrated annual report

A DEVOLVED ORGANISATION AND ELEMENTS OF DIFFERENTIATION

Our model is based on specialised sales subsidiaries that handle sales, marketing and logistics for the geographical areas, customers and distribution channels agreed with their manufacturing partners. Their purchase prices and cost control ensure profitability and competitiveness.

They are differentiated by:

- ✦ the stability, quality and involvement of members of staff,
- ✦ a permanent focus on customer satisfaction,
- ✦ a proactive approach to sustainable development,
- ✦ the width, depth and continuous adaptation of product ranges,
- ✦ permanent and efficient sourcing,
- ✦ product expertise in the pre-sales department,
- ✦ an efficient, consistent after-sales service,
- ✦ excellence in logistics and operational processes,
- ✦ command of the digital tools available to them,
- ✦ the relevance of the information transmitted to the market to effectively feed the digital channels,
- ✦ the ability to adapt and innovate.

Their managers have extensive autonomy over the management of staff and the conduct of their business.

DEVELOPMENT STRATEGY

We can act on several levers to secure growth.

Organic growth:

Each subsidiary acts on three levers to develop its sales by:

- ✦ the development of market shares for ranges where they are below 30%,
- ✦ price increases when market conditions make them possible or necessary,
- ✦ product range extensions without ever competing with the Group's other subsidiaries.

International:

From France, we focus on markets within reach of our logistics organisation and for product ranges where we have a competitive advantage. Our foreign subsidiaries apply the classic levers of organic growth.

Subsidiary creation:

This can be done if the business is close to our universe, as long as we find the right people to lead the project and the industrial partners to put together the basic product offering.

External growth:

We are studying opportunities, with a preference for companies located in Europe and outside France in order to better balance our domestic and export sales, with a few prerequisites: distribution companies that are close to our business model and market, a proven strategic interest, a reasonable acquisition price that is acceptable to our shareholders, honesty, professionalism and commitment of the managers and management teams, eventual control of 100% of the capital, and the upholding of operational excellence in the medium term.

Sustainable development

We want to make progress on sustainable development by:

- ✦ expertise and training in all governance bodies,
- ✦ the co-option of ambitious consolidated Group objectives,
- ✦ the fulfilment of commitments made,
- ✦ accurate, honest and regular communication with all stakeholders.





COMMERCIAL AND LOGISTICS EFFICIENCY

We aim to increase our commercial and logistics efficiency through:

- ✦ continued improvement of our information systems by increasing our level of autonomy and our development capacity,
- ✦ the collection, storage, analysis and exploitation of data that serve our businesses by adding appropriate algorithmic models to our information systems,
- ✦ the gradual introduction of mechanised storage systems.

1.6 OUR SALES ACTIVITY

Thermador Groupe in figures

| | | | |
|---|--|----------------|----------------|
| Visits to customers | 54,303  2023 | 52,435 2022 | 47,059 2021 |
| Customer accounts | 32,332  2023 | 32,081 2022 | 31,943 2021 |
| Customers having visited our Group | 255  2023 | 668 2022 | 174 2021 |
| Commercial websites and internal activity | 12  2023 | 8 2022 | 5 2021 |

In number of units.

48%
of staff in permanent contact with our customers in the field or on the phone

CEOs, sales managers, itinerant and office-based technical sales personnel have permanent contact with our customers, both in the field and on the phone. Some of our wholesaler customers can receive representatives from several of the Group's subsidiaries on the same day, without ever complaining that they are wasting their time.

Each week, training actions are led in the field or in our offices with our customers' staff members.

Our office-based technical sales teams are also contributing by telephone to process all types of requests very quickly: price, availability, after-sales, technical information, etc.

Some of our wholesale customers have developed web-based activities. At the same time, e-commerce-only players and marketplaces have emerged on our fields. We welcome this new distribution channel as an opportunity and are investing so that our technical resources and our teams' know-how are up to the task: modern websites, enrichment and dissemination of product data, referencing of our brands, adjustment of our pricing policies, digital marketing, online video, social networks, influencers, etc.



1. Extracts of the integrated annual report

| | | | |
|--|----------------------------|--------------------------|--------------------------|
| Calls received | 546,371 ↘ 2023 | 581,994 2022 | 508,267 2021 |
| Pages consulted on our websites | 3,785,780 ↘ 2023 | 6,172,080 2022 | 5,246,669 2021 |
| Catalogue pages consulted | 4,770 ↗ 2023 | 4,623 2022 | 4,331 2021 |
| Customers replying to a satisfaction survey | 1,127 ↗ 2023 | 262 2022 | 1,576 2021 |

In number of units.

VIRTUAL REALITY

Begun in 2021, the virtual buildings and industries projects led by Opaline's 3D studio, continue their deployment. In 2023, at the Artibat trade fair in Rennes for construction professionals, visitors had the opportunity to try out virtual reality on the stands of our six building wholesale subsidiaries. With a simple headset in place, they experienced a completely immersive tour of our private home solutions. This original experience was also available on the Thermador Groupe stand at the Investir Day show, a meeting for investors in Paris held on November 28, 2023.

The 'virtual house' interactive tours are available on the Thermador Groupe website. Four subsidiaries specialising in industry are exhibiting virtual showrooms of their products online.

In 2024, further immersive projects are on the agenda....



1. Extracts of the integrated annual report

1.7 OUR LOGISTICS

Purchased goods are delivered to our warehouses by truck (36% in containers). The total volume is equivalent to 1,931 containers of 20 feet in length. The initiative launched in 2022 to green the post-carriage of our imports from Asia (containers) has enabled us to convert 164 containers to other modes of transport (156 by train from the port of Marseille and 8 by barge). We have 128,969m² of warehouse space with a capacity of 125,830 pallets and 310 pieces of handling equipment from 3 carefully-selected manufacturers. We have 66,636 items in stock. Our 197 warehouse staff prepared and dispatched 533,804 orders comprising 3,018,246 product lines. Our customers' purchasing processes are computerised: 47% of the orders entered in their systems come via EDI (Electronic Data Interchange), character recognition and/or directly on our websites, resulting in a significant reduction in manual data entry by our teams. The average value of an order is €1,214.

❖ Our subsidiaries may have one or more warehouses from which they ship orders to customers in France, Europe and Africa. They guarantee delivery times to customers:

❖ **24/72 hours for France.**

❖ **2-6 days for overseas depending on the destination.**

❖ **Sodeco Valves, based in Belgium, can deliver in four hours in its trading area.**

This implies:

❖ Stock management ensuring 'zero stock-out', a crucial requirement for our purchasing departments.

❖ Agreements with reliable transport companies.

SUPPLY CHAIN MANAGEMENT

Major technological advances in the supply chain and the context of recent years mean that monitoring is always at the heart of our concerns. That's why, in 2023, we renewed our membership of the Agora du Supply Chain Management club and took part in a number of conferences. This gives us a permanent and regular link with multiple companies of all sizes, enabling us to exchange and share our experiences and thus enrich our own approach.

2023 was also a year of projects:

❖ **ThermAppro** - This decision-aid tool, which uses machine learning algorithms, was bespoke developed to enable our purchasing/supply teams to optimise their supplies. In 2023, as part of a progressive maintenance programme, we accelerated calculation times, overhauled the application base and implemented a new high-performance forecasting algorithm. 2023 also saw the introduction of a number of new functionalities at our subsidiary Odra (3 sites).

❖ **Launch of the Sferaco platform optimisation project** - In June 2023, an internal project team was set up and supported by an intralogistics consultancy. We started by modelling our current platform (flows, processes, space, people, labour, productivity, equipment) and then dimensioned the future platform for the next 5-10 years, while identifying the applicable technologies. This optimisation should enable us to support Sferaco's growth and deliver better and better service to our customers, while respecting environmental and social parameters. In 2024, we will launch a call to tender for integrators, and select and plan the most appropriate scenario with all stakeholders.

66,636 items in stock

85.6 million products
sold in 2023!

164 tonnes of products
sold per day in 2023

24/72h
for delivery in France,
2-6 days everywhere else in Europe

47% of orders are paperless

128,969m²
of warehouse space

OUR TRANSPORT COMPANY PARTNERS

Customers also judge us by the quality of the service provided by the carriers who deliver our goods. And even if they are not our drivers or trucks, we seek to satisfy their demands perfectly while controlling costs. Anaïs Der Hagopian-Virieux heads the Group which handles annual negotiations on operating terms with our transport partners (couriers and express carriers) and we expect of them a high level of service and the best possible commercial conditions. In 2023, 9 companies handled express deliveries for us, 8 courier deliveries and 31 chartering. Some of the leading projects in 2023 sought to further improve service and traceability:

❖ Launching and managing a global express delivery tender.

❖ Launching and managing a courier service tender in France for our subsidiaries in Saint-Quentin-Fallavier.

❖ Reviewing the organisation of our shuttle service between the Saint-Quentin-Fallavier sites.

1. Extracts of the integrated annual report

1.8 OUR SUPPLIERS

It is the responsibility of the CEO of each of our subsidiaries to choose their suppliers and to maintain a relationship of trust with them.

Although some suppliers are common to several subsidiaries, we do not consider it useful to have a centralised purchasing platform for the Group. We prefer each subsidiary to focus on its own priorities, linked to its market, and ask each one to share information about its 'Group' partners. Our suppliers are manufacturers selected from amongst the best in their respective professions. Our suppliers are best-in-class manufacturers and we work with them very closely and on a long-term basis, ensuring that their products meet all applicable technical and safety standards.

The challenges of sustainable development and the forthcoming European CS3D Directive (Corporate Sustainability Due Diligence Directive), led us to develop a standard formalism for all of the Group's subsidiaries: our responsible purchasing charter and supplier scoring system are currently being deployed. In 2024, we will determine a standard audit approach.

We are also working to assess the geopolitical and climatic risks associated with the industrial sites from which our products originate. Generally speaking, our supplier site visits are very thorough: we are particularly concerned about the working conditions of employees and ensure that no children are present in our partners' workshops and factories (cf: our EFPS in section 3.2.4.1 of this reference document).

From the outset, the Group's development was based on the use of Italian manufacturers, and their fine reputation for their know-how in valves and pumps. Today, they represent 39% of our supplies. Caleffi and DAB consolidated their rankings as number 1, number 2 and number 3 suppliers in 2023. Over the past 15 years, we have also established relationships with Chinese and Taiwanese manufacturers.

Today, 29% of our purchases are made in China and Taiwan, where we have around a hundred regular, good-quality suppliers. With the exception of the health crisis years, our teams make around 20 to 30 trips to China every year, often accompanied by a Chinese employee living in France. She is also responsible for assisting and advising the subsidiaries in order to develop and facilitate the relationships we have with our industrial partners and their managers.

Odrea has had a sales office in Shanghai for several years now, where a team that is very loyal to the company carries out checks in the factories and organises logistics to optimise container filling.

40 years of partnerships
for 21% of our suppliers

>789 manufacturer partners
throughout the world

67% of our purchases
come from European
manufacturers

Our biggest supplier: 8.7%
of our merchandise purchases
The top 5 account for 27.6%
The top 10 account for 37.4%

GOODS PURCHASED

| | | |
|-------|-------|-------|
| €374m | €361m | €311m |
| 2023 | 2022 | 2021 |

PURCHASES OF THE GROUP

Distribution by country

| | | | |
|-----------------|-------------|-------------|-------------|
| Italy | 39% 2023 | 35% 2022 | 35% 2021 |
| China + Taiwan | 39% 2023 | 36% 2022 | 35% 2021 |
| France | 11% 2023 | 12% 2022 | 13% 2021 |
| Spain | 9% 2023 | 6% 2022 | 6% 2021 |
| Germany | 4% 2023 | 3% 2022 | 5% 2021 |
| Other countries | 8% 2023 | 8% 2022 | 6% 2021 |

DISTRIBUTION BY CURRENCY

| | | | |
|-----------|-------------|-------------|-------------|
| Euro | 70% 2023 | 61% 2022 | 64% 2021 |
| US Dollar | 29% 2023 | 37% 2022 | 34% 2021 |
| Other | 1% 2023 | 2% 2022 | 2% 2021 |

1.9 OUR FRENCH CUSTOMERS

Our customers are wholesalers of heating and sanitary equipment, pumps, valves and fittings, industrial supplies, OEMs, swimming pool professionals, industrialists, public works companies and all those involved in DIY.

Some of our customers have developed through external growth operations, others organically. In any case, they are very diverse:

- ✦ Independent or affiliated with listed or family groups.
- ✦ International, national or regional for their organisation and logistics.
- ✦ Members of purchasing, marketing and communication syndicates or operating independently.

They include:

Saint-Gobain Distribution, Adeo, Pompac Développement, Les Mousquetaires, Mr Bricolage, Qérays, Rexel, Descours et Cabaud, Frans Bonhomme, Richardson, Algorel and Socoda subscribers.

Commercially, we are very active with national decisionmaking centres and points of sale (sales promotions, training, etc.).

Our sales force with small teams of very professional salespeople working on the ground or on the phone delivers optimal efficiency.

Our CSR approach is of increasing interest to our customers, especially those who are at the forefront of sustainable development.

28,716

customers in France

Our biggest customer accounts for 5.7% of our turnover.

The top 5 account for 22.6%, the top 10 34.3%.



Solar panel on a distributor's site



Aello products in a swimming pool company



Mecafer products in DIY superstores

1. Extracts of the integrated annual report

1.10 OUR CUSTOMERS ABROAD

61 countries visited since 2019

16.7% in export business

3,616 customers

MORE OF 20 LANGUAGES SPOKEN BY OUR TEAMS

In 2023, the share of our business from exports is stable compared to 2022, reaching 16.7%. We were able to maintain these figures thanks once again to large projects in the industrial sector won and delivered by Sodeco Valves, and to the ongoing efforts made in Europe and Africa by Syveco and FGinox with our distributor customers. In Spain, Odra confirmed the good progress made with DIY superstore customers.

The French overseas territories (DROM-COM) account for 2.1% of the Group's turnover, and are serviced by several of our subsidiaries. International business now accounts for 14.6% of Group turnover.

In the late 1960s and until the mid-2000s, the Group's subsidiaries were buying in Europe and selling in France. Today, they buy worldwide to sell in Europe, Africa and the Middle East via our subsidiaries Syveco, Sodeco Valves, FGinox and Rousseau. Syveco, created in 2006, accounted for 39.9% of our international sales in 2023. Sodeco Valves, FGinox and Rousseau contributed 53.1%, with the remainder coming from our other subsidiaries.

Syveco supplies wholesalers from our main warehouse in Saint-Quentin-Fallavier with a wide range of in-demand products they are able to deliver within a short timeframe. Advances in logistics and shorter delivery times have simply



pushed our boundaries, as we are now able to deliver all over Europe between D+2 and D+6. For our customers outside Europe, orders are handed over in full and from the outset to forwarding agents who deliver to the relevant markets within two or three weeks. Sodeco Valves, which is based in Belgium, delivers on D+1 and D+2 to its industrial customers, mainly in Belgium, the Netherlands and Germany (with a sales office for each country and sales representatives based locally). FGinox has an export department and markets its range of stainless steel fittings to industrial customers and specialist wholesalers in Europe and Africa. Rousseau, Odra's commercial subsidiary in Spain, which stocks and distributes various ranges of sanitary fittings directed at DIY stores in those countries. But there is still a lot to achieve, according to the current and future needs of countries with strong development potential and the commercial synergies gradually being put in place between the various subsidiaries concerned.

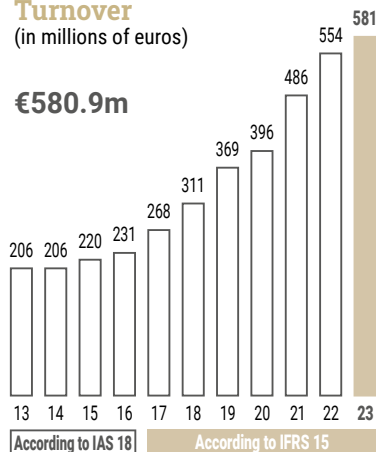


1.11 OUR KEY FINANCIAL FIGURES

GROWTH BASED ON ESSENTIAL NEEDS

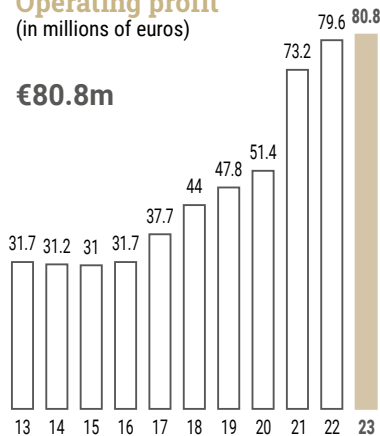
Consolidated Turnover (in millions of euros)

€580.9m



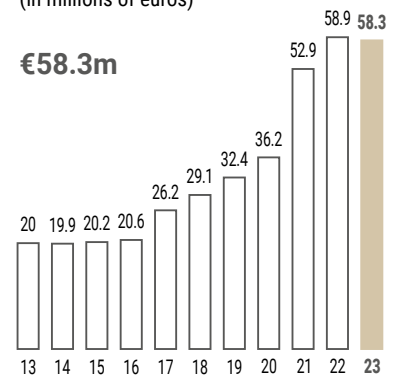
Operating profit (in millions of euros)

€80.8m



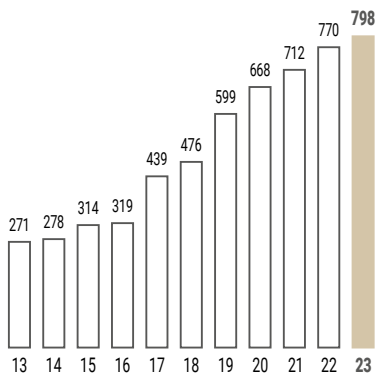
Consolidated net profit As a portion of the Group (in millions of euros)

€58.3m



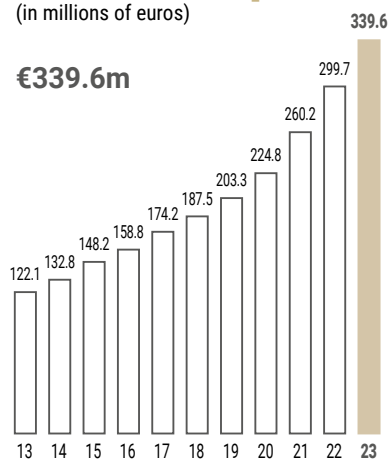
Employees

798 people



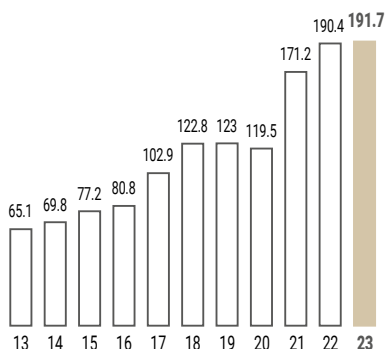
Shareholders' equity after distribution of net profit (in millions of euros)

€339.6m



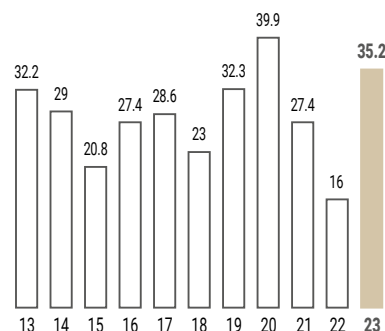
Stock (in millions of euros)

€191.7m



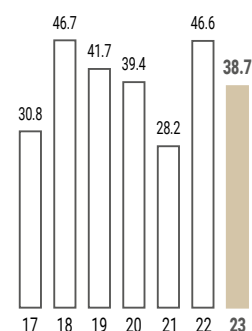
Cash (in millions of euros)

€35.2m



Loans and financial debt (in millions of euros)

€38.7m



2016 and previous years:
no loans or debts.

1. Extracts of the integrated annual report

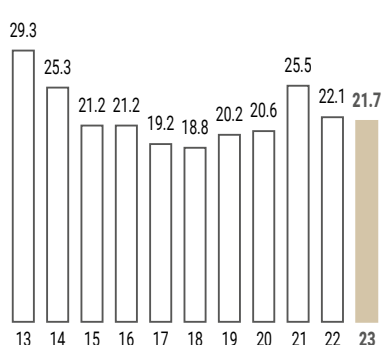
OUR PROFITABILITY RATIOS

Since the key financial figures are for a 10-year period, we worked out the ratios based on a **turnover level calculated according to IAS 18 (ie: before reprocessing the IFRS 15 impact)**.

Return on capital employed before taxes (ROCE)

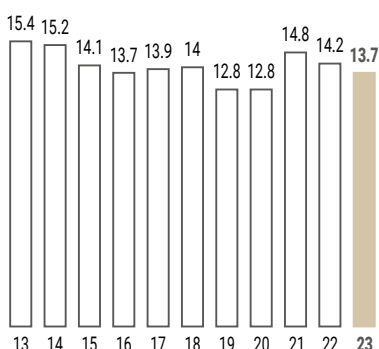
(with goodwill) (excluding IFRS 16) (in %)

21.7%



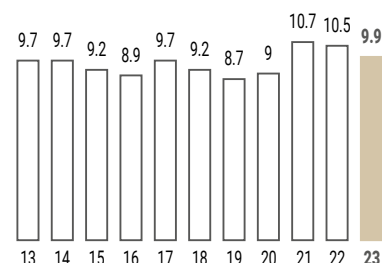
Operating profit / turnover (in %)

13.7%



Net profit as a portion of Group turnover (in %)

9.9%



ROCE means Return On Capital Employed. The latter being the aggregate of non-current **assets including goodwill** and working capital. We have not taken the impact of IFRS 16 restatements into account in these aggregates.

| PROFITABILITY RATIOS (IN %) | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|--------------------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Operating profit / Turnover | 13.7 | 14.2 | 14.8 | 12.8 | 12.8 | 14.0 | 13.9 | 13.7 | 14.1 | 15.2 | 15.4 |
| Pre-tax return on equity (ROE) | 17.2 | 19.7 | 20.3 | 16.1 | 15.9 | 15.5 | 15.1 | 13.0 | 13.6 | 14.9 | 16.4 |
| Cash flow from operations / Turnover | 11.8 | 12.0 | 12.2 | 10.7 | 10.2 | 10.4 | 11.0 | 9.9 | 10.2 | 11.0 | 11.1 |

| PRODUCTIVITY RATIOS (IN THOUSANDS OF EUROS) | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|------|------|------|------|------|------|------|------|------|------|------|
| Turnover per employee | 739 | 730 | 693 | 599 | 623 | 662 | 729 | 725 | 727 | 740 | 759 |

| FINANCIAL RATIOS AFTER DISTRIBUTION (IN %) | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|------|------|------|------|------|------|------|------|------|------|------|
| Cash flow from operations / Equity | 20 | 22 | 23 | 19 | 18.7 | 17 | 17 | 14 | 15 | 17 | 19 |
| Non-current assets + stock / Equity | 111 | 125 | 120 | 113 | 121 | 125 | 117 | 96 | 101 | 93 | 92 |
| Long-term capital / Non-current assets | 184 | 162 | 183 | 167 | 165 | 168 | 172 | 219 | 206 | 249 | 261 |
| Long-term capital / Stocks | 177 | 157 | 152 | 188 | 165 | 153 | 169 | 197 | 192 | 190 | 188 |

We have chosen 19 mid- and long-term priorities



GOVERNANCE



PEOPLE



ENVIRONMENT



SOCIÉTAL

Corporate Social Responsibility (CSR) has always been at the heart of our values and concerns, and has been since 1968. In 2012, for the first time, we talked about our CSR approach in our annual report and began to describe the initiatives and achievements of our employees and management teams in the areas of governance, the environment and social responsibility. In 2021, the Executive Committee selected 19 key indicators that reflect our commitments and the Group's desire to be part of the long term by structuring its continuous improvement approach around priority issues. The indicators are based on four key areas: governance, people, the environment and society. The 2025 and 2030 horizons chosen reflect the commitment of the current management of Thermador Groupe through to the retirement of most of its members. These objectives have been discussed and challenged by the Sustainable Development committee and presented to our Board of Directors.

Each priority is translated into a quantified objective and tracked in our consolidated indicators, enabling everyone to monitor changes in our extra-financial performance.

The variable earnings of our corporate officers and subsidiary and group managers will now depend on the results achieved on each priority.

✦ 2021 to 2023 were rich in progress on our extra-financial achievements.

✦ In 2021, at the same time as setting our 19 key priorities, we completed our carbon footprint for all 3 Scopes and signed up to the Global Compact. By deploying our responsible

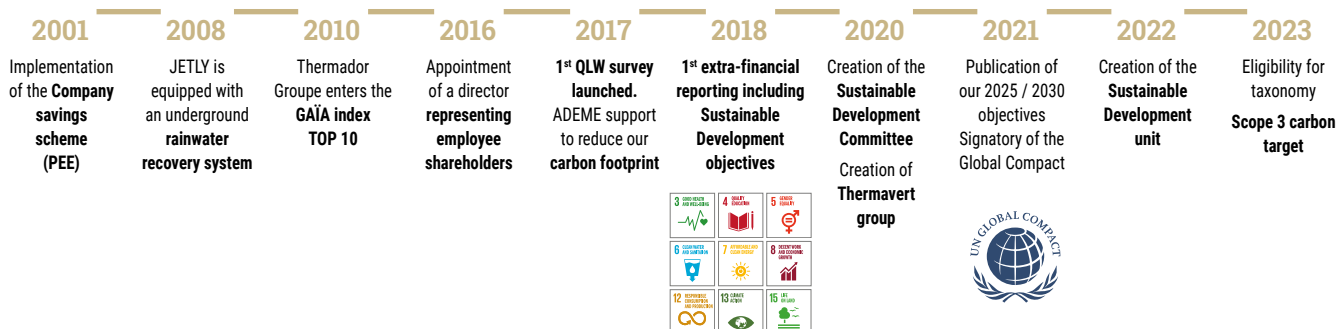
purchasing charter, we are encouraging our stakeholders to get onboard with our sustainable development objectives.

✦ In 2022, we created a Sustainable development department at Executive Committee level and published our first sustainable sales figures. Our retail business was not eligible under the delegated acts on taxonomy which came into force on June 4, 2021, resulting in 0% eligible turnover for the period. However, as some of the products we sell validate the substantial contribution criteria of other eligible sectors, we have undertaken to evaluate them, constituting an alternative taxonomy performance indicator.

✦ Thermador Groupe falls within the scope of the European Green Taxonomy (Regulation (EU) 2020/852). In 2023, we published our first eligible sales figures aligned with the new regulation, meaning we have our first contribution to the transition to a circular economy targets, through the sale of spare parts, repair and retrofit. We are also publishing our eligible and aligned capital and operating expenditure for our building acquisition and ownership activities, through our subsidiary Thely.

Another important step was the new target we have set for reducing our Scope 3 carbon emissions and mapping our exposure to physical climate risks.





The resources committed to implementing the transition plans for the Group and its subsidiaries, ensuring its extra-financial performance and, ultimately, the company's long-term viability, are of various kinds: training at all levels, which is essential to a successful fulfilment of the exercise, earnings of dedicated teams, external support and tools. They are presented in the Extra-Financial Performance Statement.



1. Extracts of the integrated annual report

PRIORITIES & OBJECTIVES

OUR 19 KEY INDICATORS

| | 2022 ACTUAL | 2023 ACTUAL | ACHIEVEMENT | TARGETS 2025 | TARGETS 2030 |
|--|----------------|----------------|-------------|-----------------|-----------------|
|  GOVERNANCE | | | | | |
| 1 Attendance rate at the Board of Directors. | 98.8% | 95.2% | ● ● ● | ≥95% | ≥95% |
| 2 Participation rate in the AGM. | 74.1% | 76.3% | ● ● ● | ≥68% | ≥73% |
| 3 Percentage of capital held by employees and former employees. | 7.0% | 6.7% | ● ○ ○ | ≥8.0% | ≥8.5% |
| 4 Percentage of exposed employees trained in anti-corruption over the last 3 years. | 96.9% | 98.7% | ● ● ● | ≥95% | ≥ 95% |
|  HUMAN | | | | | |
| 5 Gender equality index (x/100). | 86 | 89 | ● ● ○ | ≥90 | ≥90 |
| 6 Women in management positions. | 41.5% | 42.9% | ● ● ● | ≥40% | ≥40% |
| 7 Average seniority (years). | 9.7 | 9.6 | ● ● ● | ≥8 | ≥8 |
| 8 Percentage of permanent employees trained per year (including internal training). | 80.8% | 96.4% | ● ● ● | ≥95% | ≥95% |
| 9 Absenteeism (including long-term sickness). | 3.5% | 5.5% | ● ○ ○ | <4% | <4% |
|  ENVIRONMENT | | | | | |
| 10 Scope 1 - Direct emissions - vehicle fleet (Teq CO ₂ per vehicle). | 2.69 | 2.58 | ● ○ ○ | <2.19 | <1.36 |
| 11 Scope 1 - Direct emissions - heating and cooling of buildings (Teq CO ₂ per km ²). | 5.01 | 3.95 | ● ● ● | <4.56 | <3.82 |
| 12 Scope 2 - Indirect emissions from energy consumption in buildings (Teq CO ₂ per km ²). | 1.03 | 0.75 | ● ● ● | <0.81 | <0.44 |
| 13 Scope 3 - Indirect emissions from our products and activities (Teq CO ₂). | 6.08 | 6.12 | ● ○ ○ | -2% | -17% |
| 14 Waste from our activities (kg/tonnage received). | 22.83 | 22.97 | ● ● ○ | <20.71 | <18.72 |
| 15 % of waste sent for recycling. | 95.7% | 99.4% | ● ● ● | ≥90% | ≥ 95% |
|  SOCIETAL | | | | | |
| 16 Percentage of turnover from rated suppliers. | 74.1% | 89.9% | ● ● ● | ≥80% | ≥85% |
| 17 Percentage of turnover from ISO 9001 or 14001 certified subsidiaries. | 87.4% | 90.2% | ● ● ● | ≥85% | ≥90% |
| 18 Percentage of turnover achieved by ISO 9001 or 14001 subsidiaries. | 34.1% | 65.1% | ● ● ○ | ≥70% | ≥90% |
| 19 Percentage of turnover from suppliers who have signed our Responsible Purchasing Charter or equivalent charter. | 85.5% | 92.1% | ● ● ● | ≥85% | ≥90% |

● ● ● : Targets met ● ● ○ : Targets in progress ● ○ ○ : Behind targets
 Teq CO₂: tonnes of CO₂ equivalent

1.13 OUR REAL ESTATE

| | | | |
|-----------|-------------------------------|-------------------------------|-------------------------------|
| Land | 310,002m ² 2023 | 310,002m ² 2022 | 303,052m ² 2021 |
| Buildings | 124,397m ² 2023 | 123,114m ² 2022 | 121,146m ² 2021 |

The key climate change challenge of the years to come is pushing us to upgrade our real estate portfolio in search of greater energy efficiency and a reduced carbon footprint.

The Group's strategy to own the properties it uses means it can invest in practical, innovative solutions to achieve ambitious goals.

SCI THELY, a Thermador Groupe subsidiary, owns 84% of the real estate portfolio. Our real estate is mainly located 25km east of Lyon in Chesnes Tharabie business park, Saint-Quentin-Fallavier (Isère 38). This business park is the largest land-based logistics platform in France and the third largest in Europe.

Our real estate holdings have grown with the acquisition of Domac (3,857m²), Sodeco Valves (5,340m²) and Etablissements Edouard Rousseau now called 'Odreu' (9,345m²).

In 2022, SCI THELY acquired a building with a footprint of 2,927m² in Saint-Quentin-Fallavier, increasing the Group's real estate portfolio to 124,397m² of freehold operating space, mainly dedicated to our business.

Since 1973, the Group's aim has been to own the properties it uses, providing all our subsidiaries with buildings that meet their needs, whilst being adaptable and efficient.

This strategy means we can react quickly to all the investments needed to adapt our property portfolio, upgrade and maintain it, and meet the major challenge of energy efficiency retrofits.

Through complex construction, extension and refurbishment projects, SCI THELY supports the development of the Group's entities by paying particular attention to the thermal and acoustic insulation of buildings, the deployment of high-performance climate-control equipment combining energy savings and thermal comfort, and the installation of monitoring tools to control and regulate facilities. Because we are keen to safeguard the quality of life at work, THELY provides a pleasant working environment for all employees, with well-lit, friendly, functional spaces.

SCI THELY is also sensitive to the need to protect the environment by limiting its carbon footprint and making its buildings energy efficient. Hence, our active commitment to achieving the objectives of the Decree on the tertiary sector, which requires us to reduce our energy consumption by 40% by 2030 across our entire portfolio.

As a result, since 2022 we have worked on the mass deployment of photovoltaic solutions on shading apparatuses and roofs, and the installation of trackers.

Modernising buildings and managing equipment through monitoring is also a prerequisite for energy performance. We are studying the implementation of building management systems on each of our sites to optimise their operation.

Lastly, we systematically include thermal performance targets in all our property developments, mainly based on RT 2012 or the 7 energy audits carried out in 2022 and 2023 on almost 50% of our real estate portfolio, including leased space.

From here on in, specifications for all new construction will take our environmental approach into account: connected sub-metering, technical management of buildings, photovoltaic solutions, rainwater harvesting, a pétanque strip, rest rooms, application of our biodiversity charter, and so on.



**A real estate company
founded in 1973 to manage
the Group's real estate assets**

- ❖ Capital of €3.1m, wholly owned by Thermador Groupe.
- ❖ Total equity at December 31, 2023: €36,901k.
- ❖ Borrowings from Thermador Groupe at December 31, 2023: €22,236k.
- ❖ Estimated value of the property complex: €86,3m, of which, €78,4m for Thely (see Note 14 of Chapter 6.3 Notes to the consolidated financial statements, p. 162).
- ❖ Net book value of real estate assets excluding fixed assets in price: €57,604k.
- ❖ 2023 result: €1,576k (€2,433k in 2022).

1. Extracts of the integrated annual report



- | | | | |
|-------------|---------------------|----------------------|-------------------|
| 1 Jetly | 5 Syveco and Isocel | 9 Odra | 13 Tertiary |
| 2 Sectoriel | 6 PBtub | 10 Aello and Axelair | 14 Tertiary |
| 3 Thermador | 7 Thermador Groupe | 11 Outside tenant | 15 Outside tenant |
| 4 Sferaco | 8 Opaline | 12 FGinox warehouse | |

Land Reserve

- A** Land on rue du Ruisseau, near Sectoriel
- B** Land on rue du Ruisseau, opposite Thermador



1. Extracts of the integrated annual report

1.14 OUR BOARD OF DIRECTORS

Our Board members are chosen for their personalities (straightforward, not self-serving, engaged) and their knowledge of distribution, e-commerce, social networks, innovation triggers and the decision-making processes of institutional and private investors. The diversity of ages, origins and careers guarantees an open-minded approach and protects us from one-track thinking. Of our 12 Board members, five are women, five are independent and two represent our employees.

BOARD MEMBER NOT FREE OF INTERESTS

**Guillaume Robin**

Chairman & CEO since June 30, 2011.
Board member since April 12, 2010.
End of current mandate: April 2026.

**Lionel Monroe**

Deputy CEO since April 1, 2021.
Board member since April 6, 2021.
End of current mandate: April 2025.
CEO of Syvaco since 2008.
Permanent guest of the Audit committee.

SECRETARY OF THE BOARD SINCE 2016.

**Patricia Mavigner**

Deputy CEO since May 1, 2016.
Permanent Guest of the Sustainable development committee.

**Philippe Bories**

CEO of Mecafer since 2016.
CEO of Domac since 2017.
Board member since April 4, 2022.
End of current mandate: April 2024.

**Jérôme Chabaudie**

CEO of Aello since 2016.
Board member since April 4, 2022.
End of current mandate: April 2024.

**Janis Rentrop**

Board member not free of interests since April 10, 2017.
End of current mandate: April 2025.
Member of the Earnings and appointments committee.

EMPLOYEE REPRESENTATIVES

**Bertrand Chevalier**

Employee board member since April 4, 2022.
End of current mandate: April 2026.
Member of the Sustainable Development Committee.

**Marion Granger**

Employee board member since April 4, 2022.
End of current mandate: April 2026.
Member of the Earnings and appointments committee.

INDEPENDENT BOARD MEMBER

**Olivier Villemonte de la Clergerie**

Independent board member since April 5, 2016.
End of current mandate: April 2027.
Independent Chairman of the Audit Committee.
Independent member of the Sustainable development committee.

**Caroline Meignen**

Independent board member since April 10, 2017.
End of current mandate: April 2025.
Independent member of the Earnings and appointments committee.

**Véronique Bouscayrol**

Independent board member since April 3, 2023.
End of current mandate: April 2027.
Independent member of the Sustainable development committee.

**Laurence Paganini**

Independent board member since April 10, 2017.
End of current mandate: April 2025.
Lead Director.
Chairwoman and independent member of the Earnings and appointments committee.
Independent member of the Sustainable development committee.

**Mathilde Yagoubi**

Independent board member since April 8, 2019.
End of current mandate: April 2027.
Chairwoman and independent member of the Sustainable development committee.

1.15 OUR EXECUTIVE COMMITTEE

5.9%

of the company's capital in all, the members of the executive committee own 545,273 shares.



Christophe Arquillière
CEO of Sferaco since 2016.



Arlette Berliocchi
CEO of Opaline since 2002.



Fabienne Bochet
CEO of Isocel since 2008.



Philippe Bories
CEO of Mecafer since 2016.
CEO of Domac since 2017.

Board member.



Frank Bourgois
CEO of Jetly since 2020.



Jérôme Chabaudie
CEO of Aello since 2016.
Board member.



Caroline Desplats
Director of sustainable development since 2022.



Laure Empereur
CEO of Odrea since 2020.



Lionel Grès
CEO of Axelair since 2015.



Xavier Isaac
Chairman of Distrilabo since 2020.
CEO of Sectoriel since 2008.



Éric Mantione
Chairman of Thermacome since 2020.
CEO of PBtub since 1995.



Patricia Mavigner
Deputy CEO of Thermador Groupe since 2016.
Secretary of the Board of Directors.



Lionel Monroe
Deputy CEO of Thermador Groupe since 2021.
CEO of Syveco since 2006.
Board member.



Guillaume Robin
Chairman & CEO of Thermador Groupe since 2011.
Board member.



Yves Ruget
CEO of Thermador since 2014.



Peter Wartel
CEO of Sodeco Valves since 2019.

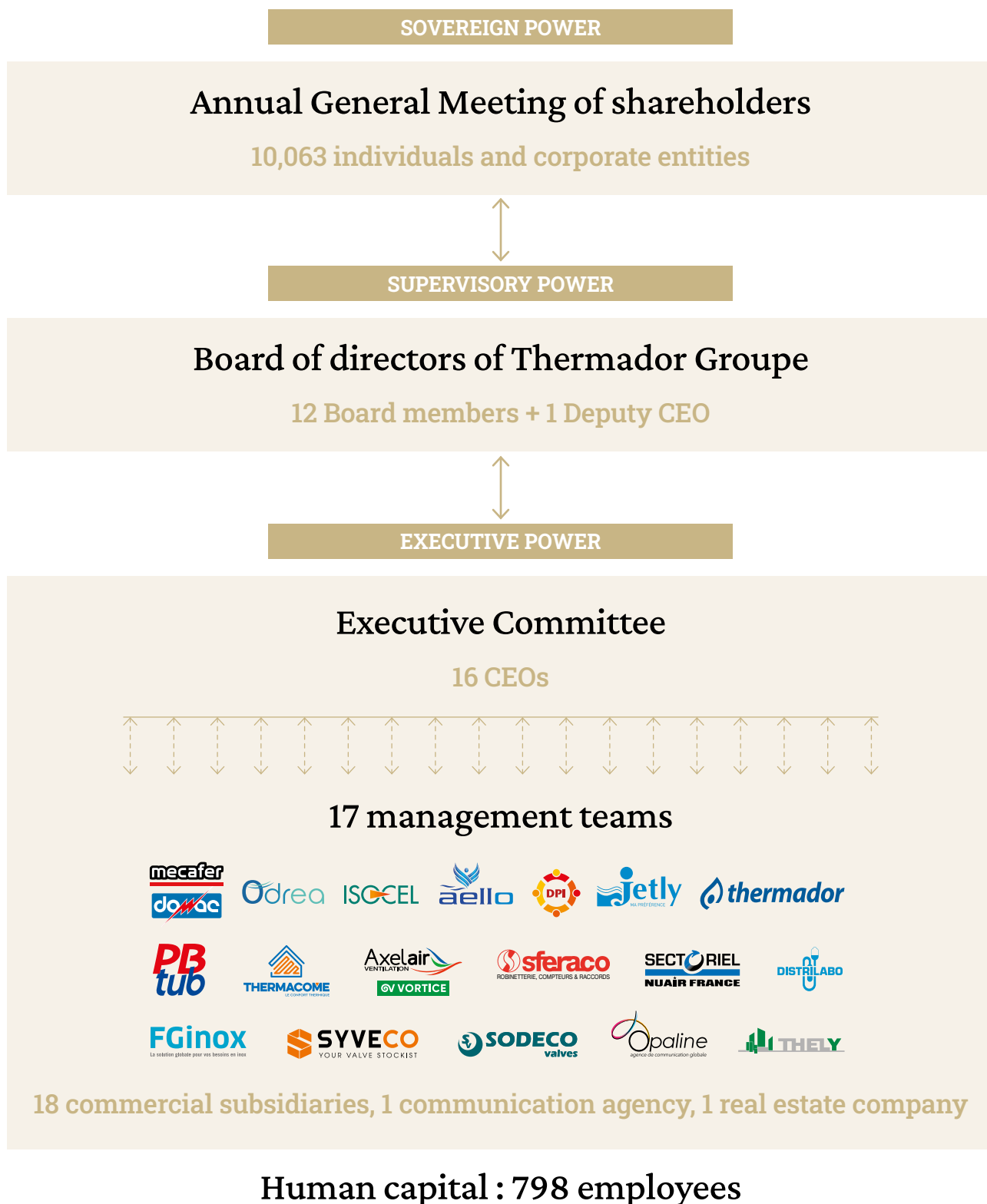


1. Extracts of the integrated annual report

1.16

GOVERNANCE ORGANISATION CHART

In Thermador Groupe, each and every one of us takes ownership of our rights, duties and responsibilities. Shareholders invest and vote, Board members supervise and challenge, executives create, organise and execute. A key thing about our organisation is that the subsidiary management teams take responsibility for their staff, customers, suppliers, objectives and strategies. This devolved set-up allows space for initiative and gives everyone the chance to grow in their work whilst developing their skills and their expertise.





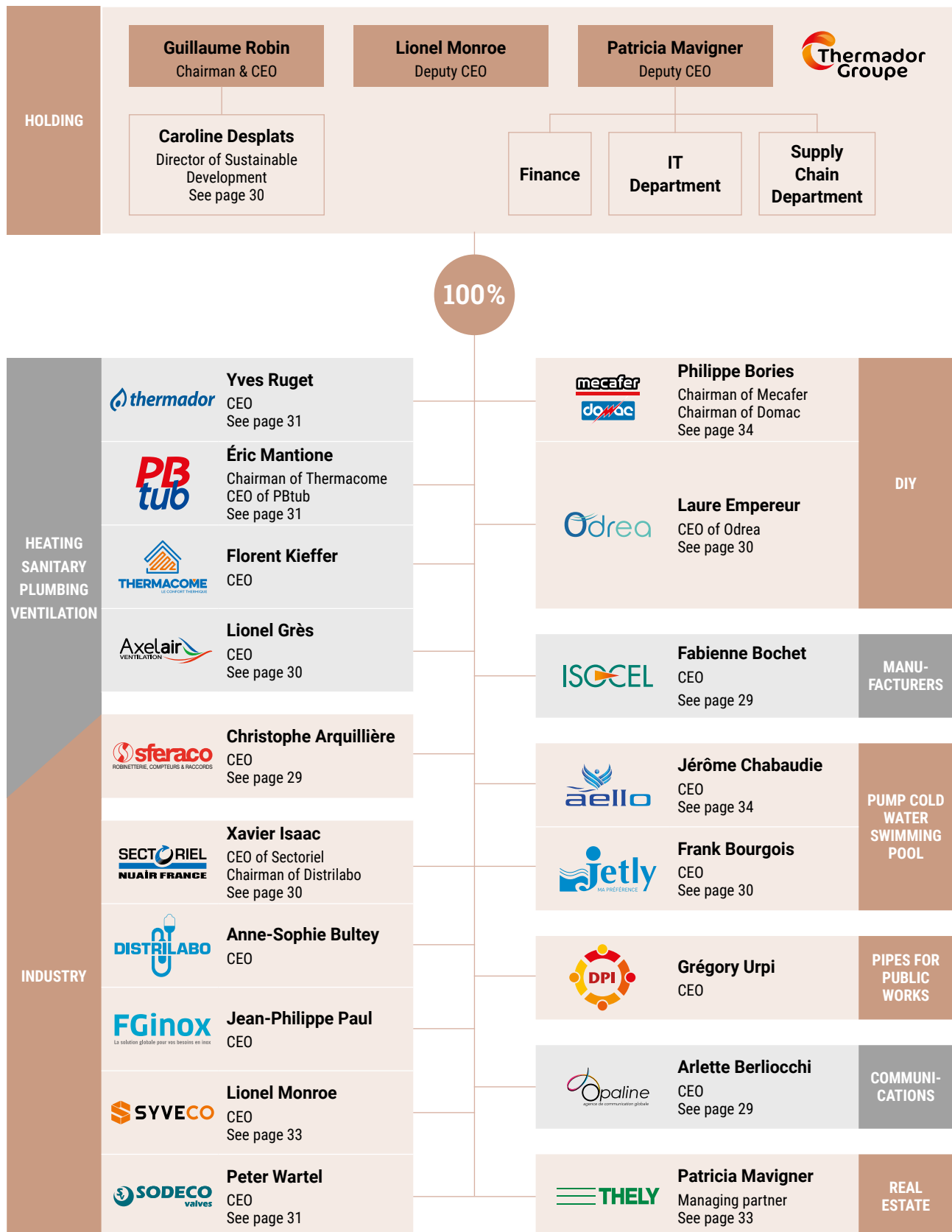
REPORT ON CORPORATE GOVERNANCE

| | | |
|------|-------------------------------------|----|
| 2.1 | Organisation chart | 28 |
| 2.2 | Executive Committee | 29 |
| 2.3 | Board of Directors | 32 |
| 2.4 | Audit Committee | 37 |
| 2.5 | Sustainable development committee | 38 |
| 2.6 | Earnings and appointments committee | 39 |
| 2.7 | Executives' earnings | 40 |
| 2.8 | Share performance | 52 |
| 2.9 | Structure of capital | 54 |
| 2.10 | Looking forward to 2024 | 56 |
| 2.11 | 2023 Annual General Meeting | 57 |
| 2.12 | Shareholders' relations | 58 |
| 2.13 | Shareholders' emails and chat | 60 |

2. Report on corporate governance

2.1 ORGANISATION CHART

✦ All Thermador Groupe subsidiaries are 100%-owned.



2. Report on corporate governance

2.2 EXECUTIVE COMMITTEE

People sometimes ask us about the suitability of our organisation chart, which depicts as many management teams as subsidiaries.
Is this not overly expensive, they ask?

We believe, on the contrary, that the proven efficiency of small, specialised and highly-motivated groups is a source of productivity and savings.

The 18 CEOs, management teams and managers of subsidiaries do indeed have maximum freedom to develop their companies, benefiting from the support of Thermador Groupe which provides them with the financial, real estate and IT resources they need. They are in very close touch with the market, have numerous years of experience in the Group and in-depth knowledge of their professions.

Day-to-day, Guillaume Robin relies on Lionel Monroe and Patricia Mavigner to manage the Group. Twice per month, 16 managers get together during Executive Committee via video call to discuss Group news. Recently arrived or appointed CEOs of subsidiaries (Anne-Sophie Bultey, Florent Kieffer, Jean-Philippe Paul et Grégory Urpi) or future subsidiary CEO (Marylène Pattard) were very often invited to take part in this wider ExCom platform, which currently has 21 members.

Twice per year, they spend one or two days together offsite to reflect on and discuss our objectives, strategy, implementation, environment, issues and organisation.

The strategy and possible options are written in collaborative mode so as to obtain total buy-in and heightened operational efficiency when decisions are taken.

In end of January 2023, we invited 47 women and 87 men, managers and supervisors of the Group, to each subsidiary's presentation of the 'Subsidiaries' Objectives, Strategies, Projects and Challenges'. The audience was then invited to question the subsidiary bosses on their visions, analyses, decisions and forecasts. The directors and our auditors also attended the event.

Finally, the ExCom members run transversal groups per market (construction, industry and DIY) and per function, in which managers and supervisors from all the group's companies can intervene.



**Christophe
Arquillière**



- CEO of Sferaco since 2016.
- Joined in 2007.
- Born in 1968.
- French nationality.
- **Number shares held: 8,931.**

Education and career:

- 1992: Graduated from EM Lyon.
- 1994-2005: Site Manager, Darty.
- 2005-2007: Site Manager, Lapeyre Saint-Gobain.
- 2007-2016 : Commercial Director at Sferaco.



**Arlette
Berliocchi**



- CEO of Opaline since 2002.
- Joined in 2002.
- Born in 1970.
- French nationality.
- **Number shares held: 9,901.**

Education and career:

- 1993: Graduated from H.E.C.
- 1994-1996: Product Manager, Henkel France.
- 1997-2001: Marketing Manager for Joker fruit juices.



**Fabienne
Bochet**



- CEO of Isocel since 2008.
- Joined in 2001.
- Born in 1974.
- French nationality.
- **Number shares held: 85,065*.**

Education and career:

- 1996: Graduated from Ecole Supérieure de Commerce de Toulouse.
- 1997-1999: Caritas Lebanon.
- 1999-2001: Sales administration mid-sized distribution company.



**Philippe
Bories**



- Chairman of Mecafer since 2016.
- Chairman of Domac since 2017.
- Board member.
- Joined in 2015.
- Born in 1961.
- French nationality.
- **Number shares held: 45,792.**

Education and career:

- See page 34

* Beneficiaries of the 2010-2020 free share plan.

2. Report on corporate governance

2.2 EXECUTIVE COMMITTEE



**Frank
Bourgois**


- CEO of Jetly since 2020.
- Joined in 2002.
- Born in 1968.
- French nationality.
- 5,537 shares held.

Education and professional background:

- 1993: Graduate from Institut Commercial of Nancy.
- 1998-2000: Regional Director Paris Ouest chez Kraft Foods.
- 2002-2019: Sales Director at Jetly.



**Jérôme
Chabaudie**


- CEO of Aello since 2016.
- Board member.
- Joined in 2015.
- Born in 1965.
- French nationality.
- 9,409 shares held.

Education and professional background:

- See page 34.



**Caroline
Desplats**


- Director of Sustainable Development.
- Joined in 2022.
- Born in 1974.
- French nationality.
- 25 shares held.

Education and professional background:

- 1996: Graduated from ESSCA.
- 1997-2012: Different operational functions in large groups.
- 2009: Master 2 in Sustainable Development and Organisations - Université Paris Dauphine.
- 2013-2023: CSR Consulting & Audit (independent then Mazars).



**Laure
Empereur**


- CEO of Odreia since 2020.
- Joined in 2019.
- Born in 1981.
- French nationality.
- 200 shares held.

Education and professional background:

- 2004: Graduate of Grenoble School of business.
- 2005-2011: Various commercial functions at Microsoft France.
- 2011-2014: Procurement and Supply Chain Director at Spigraph.
- 2015-2019: Sales and Operations Director at Addev Materials



**Lionel
Grès**


- CEO of Axelair since 2015.
- Joined in 2013.
- Born in 1967.
- French nationality.
- 7,377 shares held.

Education and professional background:

- 1990: Graduate Engineer Arts & Métiers Paris Tech.
- 2003 : Graduated with an MBA from EM Lyon.
- 1995-2001 : Product Manager Europe JCI.
- 1998-2001 : Product Marketing Director Europe Johnson Controls (Milan - Italy).
- 2001-2005 : Director Rhône-Alpes Johnson Controls.
- 2005-2013 : Executive Manager Emat France.



**Xavier
Isaac**


- CEO of Sectoriel since 2008.
- Chairman of Distrilabo since 2020.
- Joined in 2000.
- Born in 1969.
- French nationality.
- 56,000* shares held.

Education and professional background:

- 1992: Graduate of the National Polytechnic Institute in Grenoble.
- 2006: ICG Diploma.
- 1993-1996: Export Sales Engineer for Heidelberger Zement (HeidelbergCement) in Germany.
- 1996-2000: Valves Product Manager at Spirax Sarco.

* Beneficiaries of the 2010-2020 free share plan.

2. Report on corporate governance



**Éric
Mantione**



- Chairman of Thermacome since May 1, 2020.
- CEO of PBtub since 1995.
- Joined in 1990.
- Born in 1959.
- French nationality.
- **142,409* shares held.**

Education and professional background:

- 1982: Graduated from EM Lyon business school.
- 1982-1987: Sales Manager of a subsidiary of the Descours and Cabaud group.
- 1987-1990: Regional IDF Director, Hachette Groupe livre.



**Patricia
Mavigner**



- Deputy CEO of Thermador Groupe since 2016.
- Secretary of Thermador Groupe's Board.
- Joined in 2000.
- Born in 1968.
- French nationality.
- **18,489 shares held.**

Education and professional background:

- See page 33.



**Lionel
Monroe**



- Deputy CEO of Thermador Groupe since 2021.
- CEO of Syveco since 2006.
- Board member.
- Joined in 2006.
- Born in 1967.
- French nationality.
- **82,192* shares held.**

Education and professional background:

- See page 33.



**Guillaume
Robin**



- Chairman & CEO of Thermador Groupe since 2011.
- Board member.
- Joined in 1999.
- Born in 1965.
- French nationality.
- **69,173* shares held.**

Education and professional background:

- See page 33.



**Yves
Ruget**



- CEO of Thermador since 2014.
- Joined in 2012.
- Born in 1971.
- French nationality.
- **4,337 shares held.**

Education and professional background:

- 1995: Graduate Engineer U.T.C.
- 1997: Graduate MBA of EM Lyon.
- 1998-2005: Development department Groupe Forsym.
- 2005-2012: Commercial Direction Groupe JBT.
- 2012-2014: Director of Trade and Development of Thermador.
- Permanent guest of the Sustainable Development committee.



**Peter
Wartel**



- CEO of Sodeco Valves since 2019.
- Joined in 2017.
- Born in 1968.
- Belgian nationality.
- **436 shares held.**

Education and professional background:

- 1989: Bachelor in Marketing, Honim, Brussels.
- 1993: Masters in Industrial Psychology, VUB, Brussels.
- 1993-2012: Career in various sales sectors.
- 2012-2019: Commercial Director at Sodeco Valves.

* Beneficiaries of the 2010-2020 free share plan.

2. Report on corporate governance

2.3 BOARD OF DIRECTORS

2.3.1 - PRINCIPLE OF GOVERNANCE AND CONSTITUTION

In writing this report, the Chairman referred to the Middennext corporate governance code. All Board members are aware of the vigilance points appearing in this code, which was updated in 2021.

The Rules of Procedure of the Board of Directors and of the conclave are available on the Group's website.

To date, conclave is the process used to designate a person able to immediately replace the chairman & CEO.

From the outset, towards the end of the 1960s, the five founders (G. Vincent, J. Borde, H. Fournier, M. de Sereys and G. Boreil) decided that their children would not have positions of responsibility within the company. The Group was founded in 1986 with a view to a listing on the Stock Exchange in 1987 on Lyon's second market. The main objectives going public were to:

- ❖ ensure the durability and development of the Group's companies,
- ❖ facilitate the liquidity of the founders' equity for the present and moving forward,
- ❖ satisfy and incentivize a large number of outside shareholders to allow a suitable degree of independence to the minority executive directors.

Today, according to Euronext, our float represents 65% of the Group's capital. ExCom members own 5.9% of the Group's capital. Excepting unusual circumstances, we expect that this share will continue to fall with the departure of the old guard and the arrival of younger CEOs.

Employees own 4.2% of the capital directly and via the Thermador Groupe FCPE (mutual fund), investors 48.6%, and individual shareholders 41.1%.

This distribution of capital and the rapid development of our professions encouraged us to change our Board of Directors in 2016 and 2017.

The Board members who arrived during the period under review have been chosen for their personalities (straightforward, not self-serving, committed) and for their knowledge of the distribution, e-commerce, social media, innovation catalysts and decision processes in institutional and individual investment fields. Their diversity of ages, origins and careers guarantee greater openness and protect us from the dangers of one-track thinking on the Board of Directors. Amongst the 12 Board members, 5 are women and 5 are independent.

Seats on the Board are distributed as follows:

- ❖ One Board member, Chairman and CEO of Thermador Groupe.
- ❖ A director and Deputy CEO of Thermador Groupe, potential successor to the chairman & CEO in the event of accident or sudden unavailability.
- ❖ Lead Director whose role is defined in the internal regulations.
- ❖ One Board member not free of interest, put forward by our biggest shareholder and representing institutional investors more generally.
- ❖ Two Board members not free of interest, operational managers of two of the Group's trading subsidiaries.
- ❖ One board member (woman) not free of interests representing the employees.
- ❖ One board member not free of interests representing the employees.
- ❖ Two independent directors and one independent director.
- ❖ One independent Board member (woman) representing individual shareholders.

The Secretary of the Board is not a director. This position is held by the Deputy CEO in charge of Finance and Organisation and Deputy CEO of Thermador Groupe.

This balance will give all shareholders the assurance of permanent surveillance of orientations and strategic decisions proposed by the operational managers and the proper functioning of the Board of Directors.

The appointment of a Lead Director in 2023 will provide a simple and effective counterweight to the chairman & CEO. The Lead Director will steer the Board's self-assessment, participate in the drafting of agendas, be able to request that a Board meeting be called, and be free to discuss governance issues with shareholders.

So as to maintain permanent contact with the reality of business on the ground, Board members will be involved in the 'Objectives, Strategies, Projects and Challenges' day in February, during which the subsidiary CEOs outline their vision for the year ahead. Each month, they receive reports written by each subsidiary CEO and can question the management of the Group on their content. For the same reason, we organise direct meetings between Board members and members of the Executive Committee, concurrent with Board meetings.

Women members

41.7%

2. Report on corporate governance

2.3.2 - MAKE-UP OF OUR BOARD OF DIRECTORS



Born in 1968.

French nationality.

Number of shares held: 18,489.

Patricia Mavigner

- ❖ Deputy CEO of Thermador Groupe since May 1, 2016. End of current mandate: April 2024.
- ❖ **Secretary of the Board of Thermador Groupe since 2016.**
- ❖ Joined the Group in 2000 as Sferaco's Administrative Director.
- ❖ Managing partner of SCI Thely and Sodalys Investment COMM VA.
- ❖ Member of the Supervisory Board of Deco Holding BVBA and DPI.
- ❖ **Permanent guest of the Sustainable development committee.**
- ❖ No other mandate is exercised outside the Group.

Education and professional background:

1991: Graduate of EM Lyon Management School.

1996: DECF (chartered accountant).

1991-2000: Auditor and Senior Manager at PriceWaterhouseCoopers (including 2 years in the United Kingdom).

Board members not free of interests



Born in 1965.

French nationality.

Number of shares held: 69,173.

Guillaume Robin

- ❖ Chairman and CEO of Thermador Groupe since June 30, 2011. End of current mandate: April 2026.
- ❖ Board member since April 12, 2010. End of current mandate: April 2026.
- ❖ Joined the Group in 1999 as Sales Manager at PBtub.
- ❖ CEO of Thermador Groupe from April 13, 2010 to June 30, 2011.
- ❖ Permanent representative of Thermador Groupe on the Boards of Axelair and DPI.
- ❖ Chairman of Aello, Odrea, FGinox, Isocel, Jetly, Opaline, PBtub, Sectoriel, Sferaco, Syveco and Thermador.
- ❖ Representative of Thermador Groupe, sole Board member of Rousseau SA (Spain).
- ❖ General representative of Odrea's branch in Shanghai.
- ❖ Board member of Middlednext.
- ❖ Member of orientation committee of Lyon Place Financière association.
- ❖ No other mandate is exercised outside the Group.

Education and professional background:

1989: Graduate of the UTC Compiègne Engineering School, specialising in mechanical engineering.

1991: CESMA MBA graduate, EM Lyon.

1991-1998: Sales Manager for a subsidiary of the Descours and Cabaud group.



Born in 1967.

French nationality.

Number of shares held: 82,192.

Lionel Monroe

- ❖ Deputy CEO since April 1, 2021. End of current mandate: April 2025.
- ❖ Board member since April 6, 2021. End of current mandate: April 2025.
- ❖ Managing partner of Sodeco Valves BV (NL), Sodeco Armaturen GmbH (DE) and Sodeco Valves AG (CH). Board member of Sodeco Valves NV (BE) and of Sodalys Investment NV (BE). Representative of Thermador Groupe on Deco Holding NV (BE).
- ❖ CEO of Syveco since 2006.
- ❖ **Permanent guest of the Audit committee.**
- ❖ No other mandate is exercised outside the Group.

Education and professional background:

1990: Graduate of Business School of Paris.

1992-1996: Sales Manager of Regional on Mars.

1996-2006: Director of Zone Export Groupe Deveau textiles (of which 3 years in U.S.A.).

2. Report on corporate governance

2.3 BOARD OF DIRECTORS

Board members not free of interests



Philippe Bories

- ✦ Board member since April 4, 2022. End of current mandate: April 2024.
- ✦ Joined in 2015.
- ✦ Chairman of Mecafer since 2016. Chairman of Domac since 2017.

Education and professional background:

1984: Graduate of EM Lyon business school.
1985-1989: Regional Key Accounts Manager for Cogesal (Unilever).
1990-1996: Marketing and Key Account Management functions at Black & Decker.
1996-2015: Sales Director and M.D of Mecafer.

Born in 1961.

French nationality.

Number of shares held: 45,792.



Jérôme Chabaudie

- ✦ Board member since April 4, 2022. End of current mandate: April 2024.
- ✦ Joined in 2015.
- ✦ CEO of Aello since 2016.
- ✦ No other mandate is exercised outside the Group.

Education and professional background:

2001: Graduate, ICG business school.
1993-2015: Sales and Marketing Director of CEC Piscine.

Born in 1965.

French nationality.

Number of shares held: 9,409.



Janis Rentrop

- ✦ Board member since April 10, 2017. End of current mandate: April 2025.
- **Member of the Earnings and appointments committee.**
- ✦ Since 2024 : Lawyer at Luther Rechtsanwaltsgesellschaft in Cologne.
- ✦ 2012-2019 : Appointed representative of Investmentaktiengesellschaft für langfristige Investoren TGV at several European companies' AGMs.
- ✦ No other mandate is exercised outside the Group.

Education and professional background:

2010-2014: Masters in law from the University of Paris I Panth on-Sorbonne and LL.B from Cologne University.
2016: First State Exam for legal professions in Cologne.
2018-2020 : Preparation for the Second State Examination down a diversified career path (including: Permanent Representation of Germany to the EU in Brussels, business law firms Allen & Overy and DLA Piper).
2020: Second state examination for the legal profession in Düsseldorf.
2020-2023: Lawyer at DLA Piper and Herbert Smith Freehills.

Born in 1989.

German nationality.

Number of shares held: 650.

Salaried board members



Bertrand Chevalier

- ✦ Employee-director since April 4, 2022.
- ✦ **Member of the Sustainable development committee.**
- ✦ Travelling salesman for PBtub.
- ✦ Joined in 2014.
- ✦ End of current term: April 2026.

Education and professional background:

2001: BTS diploma from Institut Carrel.
2002: Sales, Stanley B&D.
2004: Sales rep, Bosch.
2007: Sales Manager, SOUDAL.

Born in 1977.

French nationality.

Number of shares held: 10.



Marion Granger

- ✦ Employee-director since April 4, 2022.
- ✦ **Member of the Earnings and appointments committee.**
- ✦ E-commerce project manager of Syveco.
- ✦ Joined in 2018.
- ✦ End of current term: April 2026.

Education and professional background:

2011: DUT diploma in Biological Engineering, dietetics option.
2014: Graduate engineer, ISARA, Lyon.
2015: Operational marketing assistant, Belchim Crop Protection.

Born in 1991.

French nationality.

Number of shares held: 10.

2. Report on corporate governance

Independent board members



Born in 1972.
French nationality.
Number of shares held: 2,400.

Olivier Villemonte de la Clergerie

- ✦ Board member since April 5, 2016. End of current mandate: April 2027.
 - **Independent Audit Committee member.**
 - **Responsible for self-evaluation of the board of directors.**
 - **Independent member of the Sustainable development committee.**
- ✦ Since 2001: CEO of Groupe LDLC.
- ✦ No other mandate is exercised outside the Group.

Education and professional background:

1994: Graduate, ECAM engineering school.
1996: Graduate, EM Lyon business school.



Born in 1966.
French nationality.
Number of shares held: 10.

Véronique Bouscayrol

- ✦ Board member since April 3, 2023. End of current mandate: April 2027.
 - **Independent member of the Audit committee.**
- ✦ Since 2019: Member of the Supervisory Board of Bayard Presse.
- ✦ Since 2018: Diocesan Treasurer in the Diocese of Lyon.

Education and professional background:

| | |
|--|--|
| 1985 - 1988: IEP Grenoble. | 1998 - 2000: Coflexip, consolidation manager. |
| 1988 - 1990: EM Lyon: Accounting and finances. | 2001 - 2018: Boiron, Accounts Director then Group CFO. |
| 1990 - 1992: PwC, auditor. | 2013 - 2015: EM Lyon business school. |
| 1992 - 1998 : GFF, financial controller. | 2017 - 2023: Chairwoman of the Valpré Lyon Board of Directors. |



Born in 1961.
French nationality.
Number of shares held: 444.

Caroline Meignen

- ✦ Board member since April 10, 2017. End of current mandate: April 2025.
 - **Independent member of the Earnings and appointments committee.**
- ✦ Since 2006: Active management of a stock exchange portfolio of around 100 lines, including Thermador Groupe and a member of private shareholders' consultative committees at Axa group, Engie and Wavestone.
- ✦ Attendance at thirty or so Annual General Meetings, private shareholder meetings and SFAF meetings.
- ✦ No other mandate is exercised outside the Group.

Education and professional background:

1983: Master's degree in Economic Sciences, University of Paris II Assas.
1983-2006: Banque de France, 24-year career in different departments (stock, accounting, over-indebtedness, etc.). Trainer in economics for the internal accounting secretary competitive exam.



Born in 1964.
French nationality.
Number of shares held: 870.

Laurence Paganini

- ✦ Board member since April 10, 2017. End of current mandate: April 2025.
 - **Lead Director.**
 - **Chair of the Earnings and appointments committee.**
 - **Independent member of the Sustainable development committee.**
- ✦ Since 2023: Senior advisor of Towerbrook Capital Partners.
- ✦ Member of the JJA Group strategic committee.

Education and professional background:

| | |
|---|---|
| 1985: Graduate of University Paris Dauphine, Masters degree in Finance and Strategy. | 2009-2012: CEO of 3 Suisses. |
| 1987: Graduate of ESSEC Business School. | 2013-2023: CEO of Kaporal. |
| 1997-2006: Career at Carrefour in different executive director positions, including group Marketing Director. | 2019: 'Woman Executive of the Year' trophy. |
| 2006-2008: CEO of Marionnaud. | 2020-2023: President of Procos (specialised retail federation). |
| | 2022: Knight of the Legion of Honour. |



Born in 1987.
French nationality.
Number of shares held: 110.

Mathilde Yagoubi

- ✦ Board member since April 8, 2019. End of current mandate: April 2027.
- ✦ **Chairwoman and independent member of the Sustainable development committee.**
- ✦ Since 2020: General Delegate of Game Only, an association of video game companies in Auvergne-Rhône-Alpes.
- ✦ Since 2017: Supervision of Entrepreneurship seminars - École supérieure de Publicité.
- ✦ No other mandate is exercised outside the Group.

Education and professional background:

2010: Graduate of Lyon's school of political science - Management of Institutions.
2011-2015: Expert consultant in private fund-raising - Aklea law firm.
2016-2019: Founder and Chairman of Fundy, a pioneering start-up in phygital sales of innovative products.
2023: Ecological transition and business transformation diploma, Sciences Po Paris.

2. Report on corporate governance

2.3 BOARD OF DIRECTORS

2.3.3 - WORK OF THE BOARD OF DIRECTORS IN 2023

During this financial year, the directors met formally 7 times, in particular to:

- ❖ Attend the 'Subsidiaries' Objectives, Strategies, Projects and Challenges' day on January 31, 2023, attended by the auditors and 135 Group employees.
- ❖ Hold 7 Board of Directors' meetings with the following agendas:
 - Discuss the relevance of certain development projects that could have a significant impact on assets (acquisitions, creation of companies, expansion of real estate possessions, etc.).
 - Authorise the operational implementation of certain projects, if necessary.
 - Approve quarterly sales figures and the annual and halfyearly corporate and consolidated accounts.
 - Authorise the negotiation and signature of bank loans and their conditions.
 - Validate the appointment of the members and the charter of the Ethics committee set up under the Sapin 2 law.
 - Highlight the 18 points of vigilance highlighted by the 2021 Middennext governance code and invite the directors to comment on their content.
 - Amend the internal rules of the Board of Directors. These internal rules are available on our website: www.thermador-groupe.fr
 - Identify and manage possible conflicts of interest and business links between the directors, Thermador Groupe and the shareholders. **None were identified** (the only business link identified represents a purchase totalling €651 from groupe LDLC).
 - Confirm the **succession process** in the event of an accident or sudden unavailability of the chairman & CEO. The principle of a conclave that could be held within the ExCom was validated by the directors. The rules of procedure for the **conclave** are available on the Group's website (see page 32).
 - Put forward the names of new directors for expiring mandates.

- Self-assess the functioning of the Board of Directors by means of a written questionnaire and produce a summary of the directors' responses. In 2023, this self-assessment was entrusted to an independent director, Olivier Villemonte de la Clergerie.
- Appoint a Lead Director, having considered the conclusions of the Earnings and appointments committee (cf: press release of January 4, 2024 on our website).
- After having taken note of the conclusions of the Earnings and appointments committee, modify the monthly salaries of Patricia Mavigner and Guillaume Robin, and establish the variable part of the earnings of Patricia Mavigner and Guillaume Robin (see page 40 to 46).
- After having taken note of the conclusions of the Earnings and appointments committee, define the amount of Lionel Monroe's earnings invoiced-on.
- Authorise earnings paid to Véronique Bouscayrol, Karine Gaudin, Caroline Meignen, Laurence Paganini, Janis Rentrop, Olivier Villemonte de la Clergerie, Mathilde Yagoubi.
- Increase individual Board meeting fees by 1.6% subject to members' presence and propose to increase the maximum fee package allocated to €220,000.
- Ratify the 7.99% increase in rent for all buildings owned by SCI Thely (whether leased to subsidiaries or others) with effect from January 1, 2023.
- In July 2022, the Board of Directors met as a Strategy committee to review the objectives and strategies of the subsidiaries. It is agreed that this strategy committee will meet every two years.

The physical attendance rate of the directors at the Board meetings was 95.2%.

We would warmly like to thank our Board members for their exemplary cooperation and the additional provided work within the committees.

Board members's
physical attendance
rate :

95.2%



Board of directors, January 30, 2024.

2. Report on corporate governance

2.4 AUDIT COMMITTEE

In compliance with the Mollenex Code's recommendation n°6, the Board voted to set up an Audit committee in 2018. It was created on July 25, 2018 at the time of closing the half-year accounts.

The Audit committee meets 2-4 times per year, upon announcement of its Chairman, or at the request of the Chairman of the Board of Directors, to address procedures for preparing financial information, efficiency of information systems, and periodic controls of accounting and financial information.

In 2023, the committee met three times, with 100% attendance and lasting for 2-3 hours. The Audit committee has two members who are deemed to be independent within the meaning of the Corporate Governance Code and have particular expertise in accounting, finance and/or communications in a listed company.

The Audit committee has two members, Véronique Bouscayrol (independent director) and Olivier Villemonte de la Clergerie (Chairman and independent director). Olivier Villemonte de la Clergerie took over as Chairman of the Audit committee from Karine Gaudin, whose directorship expired in April 2023. Lionel Monroe (non-affiliated director) is a permanent guest.

The Deputy CEO responsible for finance and information systems in her capacity as Financial Director, the Financial Controller, the Information Systems Security Officer and any other Group employee whose functions can contribute to internal control can be heard by the committee. Audit committee members receive the conclusions of the auditors' work on the interim and end-of-year accounts. To fulfil its mission, it has access to all forms of information and documents and can call upon any manager of the company. The Audit committee reports on its missions to the Board of Directors.

The committee met on February 20, 2023 to discuss the following topics:

- ❖ Review of the 2022 consolidated and annual accounts.
- ❖ Presentation by the Statutory Auditors of a summary of their work and their audit process.
- ❖ Review of the Independent Third Party's certification of the CSR report.
- ❖ Review of anti-corruption measures and alerts.
- ❖ Update on the quality of the accounts closing process.

The committee met on July 26, 2023 to discuss the following topics:

- ❖ Review of the half-yearly accounts at June 30, 2023.
- ❖ Presentation by the Statutory Auditors of a summary of their work.
- ❖ The main risk areas and the effectiveness of internal controls.
- ❖ Review of anti-corruption system and alerts.
- ❖ Subjects of procedure reviews to be carried out by our Statutory Auditors as part of their internal review.



The Audit committee of 10, October 2023

The committee met again on October 10, 2023 to discuss the following topics:

- ❖ The situation at September 30, 2023 presented by the finance department.
- ❖ Accounting options and closures for the year and regulatory developments.
- ❖ Review of the anti-corruption system with monitoring of employee training actions, assessment of third parties and follow-up of alerts.
- ❖ Main risk areas and the internal control system.

The accounts are presented to the Audit committee. They are drawn up by our accounting departments and supervised by the administrative directors, who often have several years' experience working in auditing or accounting firms.

All the subsidiaries' accounts are audited by an external auditor.

The accounts are then checked and consolidated by the deputy CEO in charge of the finances of Thermador Groupe and the financial controller. The Thermador Groupe accounts are audited by our two auditors: Deloitte et Cabinet Royet.

In addition, the financial markets authority (AMF) carries out its own controls. At this stage, we already have three levels of control, one of which (the auditors) is independent of the company. It is the Board of Directors who must, after the controls, vouch for the Annual General Meeting of Shareholders, which is the legally sovereign body.

100 %

attendance at Audit committee meeting

2. Report on corporate governance

2.5 SUSTAINABLE DEVELOPMENT COMMITTEE

90%

attendance at Sustainable development committee meetings

2.5.1 - COMMITTEE MEMBERS

BOARD MEMBERS

Mathilde Yagoubi - Chairwoman and independent director.

Laurence Paganini - Committee member, independent director and Chair of the Earnings and appointments committee.

Olivier Villemonte de la Clergerie - Committee member, independent director and member of the Audit committee.

Bertrand Chevalier - Committee member, director representing employees.

PERMANENTS GUEST

Patricia Mavigner - Deputy CEO, Thermador Groupe

Nicolas Klein - CSR Officer, Thermador Groupe.

Yves Ruget - CEO of the subsidiary Thermador.

Caroline Desplats - Sustainable Development Director, Thermador Groupe.

2.5.2 - COMMITTEE'S ROLE AND OBJECTIVES

The prevailing mission of the committee is to assist the Board of Directors in monitoring issues relating to Corporate Social Responsibility (CSR) so that Thermador Groupe can best anticipate the opportunities, risks and challenges associated with it. The work of the committee is intended to facilitate the decisions of the Board of Directors on issues relating to sustainable development. The decisions and responsibility lie with the directors, the committee and the executive officers.

The Committee focused in 2023 on monitoring the achievement of the numerical targets set out in the Group's CSR roadmap (presented in section 1.12 Our key extra-financial figures) and coordinating its work with the Earnings and appointments committee.

2.5.3 - OVERVIEW OF THE COMMITTEE'S WORK IN 2023

Meetings and training

MEETINGS OF THE SUSTAINABLE DEVELOPMENT COMMITTEE

The committee met four times in 2023 : on January 11, February 3, February 17, July 25, October 11 and December 1. Committee members' attendance rate was 98%.

In addition to the committee meetings, its Chairwoman also represented the Group at CSR working groups held by Middelnext in 2023. Patricia Mavigner, Caroline Desplats and Nicolas Klein took turns attending all the working group sessions. These technical meetings provide ongoing CSR training on regulatory issues (CSRD, SFDR, European Taxonomy, national laws, etc.) and forward-looking issues (biodiversity, social relations, disability, etc.), as well as sharing best practice with other listed companies.

TRAINING OF COMMITTEE MEMBERS

Mathilde Yagoubi obtained a CSR and Business Transformation Certificate from Sciences Po Paris in 2023.

The training course lasted 12 days. Mathilde Yagoubi also attended the AMF webinar entitled 'Presentation of the study on taxonomy reporting by non-financial listed companies' (November 30).

Laurence Paganini attended a Middelnext training course designed to deliver the minimum level of knowledge needed by listed companies' directors and executives in 2023. More than 80% of the programme was devoted to governance and CSR issues (March 6), and there are various webinars and conferences throughout the year on extra-financial reporting, CSRD and European taxonomy.

Olivier de la Clergerie attended a two-day training course on sustainable development on entitled 'Global issues and corporate sustainability strategy' with the Thermador Groupe Executive Committee. The training was delivered by NICOMAK on March 8 and 9.

Bertrand Chevalier was also on that course, as well as attending the 'Fresque du climat' at PBtub on March 27.

All Committee members will continue to receive regular training throughout 2024.

ACHIEVEMENTS

The committee spotlighted the crucial work carried out by all of the Group's operational teams on sustainable development issues and the real involvement of the Group's senior management in achieving the objectives of the roadmap defined in 2021.

As part of its ongoing work, the committee has endeavoured to monitor the implementation of action plans within the subsidiaries to ensure the effective implementation of the roadmap announced by the Group in 2021. The committee remains vigilant to ensure that the CSR roadmap is consistent with the Group's overall strategy. The performance of the Group's quantified objectives was challenged by the committee. As a result, some interim targets (notably 16 and 19) were revised upwards by the Executive Committee.

The committee closely monitored the results of the carbon audits carried out by certain subsidiaries, the actions taken to reduce emissions under Scopes 1 and 2, and the work carried out with the support of a specialist service provider to set a target for Scope 3.

In terms of governance and compliance, the committee was able to monitor the Group's compliance with the legislation and regulations applicable to it. The committee noted that the operational team had taken due account of the challenges posed by the transition from the EFPS to the upcoming CSRD (applicable in 2025 to 2024 activities). The extent to which the Group's sales are eligible for the European Taxonomy and its alignment were also discussed by the committee.

On the labour relations front, the committee was able to meet with the representatives of the works council of a subsidiary of the Group and discuss employee concerns. This exchange allowed the committee to better understand the perception of sustainable development issues by employees and to propose appropriate avenues of investigation. The committee paid special attention this year to the operation of the Ethics committee and to the monitoring of alerts under the whistleblower mechanism (DLA). The committee recommended a review and improvement of its operation. A table has also been set up to track alerts. In 2024, the committee will continue to coordinate its work with the Audit committee and the Earnings and appointments committee.

2. Report on corporate governance

2.6

EARNINGS AND APPOINTMENTS COMMITTEE

2.6.1 - COMMITTEE MEMBERS

Board members:

Laurence Paganini - Chairwoman of the Committee, Lead Director, member of the Sustainable development committee and independent director.

Marion Granger - Committee member and salaried director.

Caroline Meignen - Committee member and independent director.

Janis Rentrop - Committee member and outside director not free of interests.

2.6.2 - COMMITTEE'S ROLE AND OBJECTIVES

The committee's role is to prepare and facilitate the decisions of the Board of Directors with regard to:

- ❖ The various components of executive directors' earnings within Thermador Groupe.
- ❖ Directors' earnings: amount and distribution.
- ❖ General earnings practices and their compliance with current regulations and the Middledex Governance Code.
- ❖ The appointment or re-appointment of Board members, make-up of Board committees and the Lead Director.
- ❖ The appointment of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officers of Thermador Groupe.
- ❖ The ongoing management succession process.

Legal decisions are taken by the Board of Directors and the General Meeting of Shareholders.

The Earnings and appointments committee reports to the Board of Directors on its work.

2.6.3 - SUMMARY OF WORK CARRIED OUT IN 2023

Meetings and training

Committee meetings

In 2023, the Earnings and appointments committee met four times during the year: on January 13, July 24, September 22 and December 6, as well as prior to any meeting of the Board of Directors at which decisions were taken on executive directors' earnings, the allocation of the Directors' earnings package or changes in the make-up of the Board of Directors and its committees. The attendance rate of committee members was 100%. Committee members were provided with comprehensive and regularly updated information.

Committee member training

Committee members received training from Middledex on March 6 to update their knowledge of corporate governance. Committee members Caroline Meignen and Marion Granger attended a CSR training course on March 8 and 9, 2023.

100%

attendance at Earnings and appointments committee meetings

Achievements

❖ The committee addressed the following topics:

1. Corporate governance:

- ❖ Replacement of directors whose terms expire in April 2024.
- ❖ Rules for appointment and reappointment to the Board, committees and Deputy CEOs.
- ❖ Censorship and permanent guest roles with a view to increasing the proportion of independent directors to more than 50% of the total, excluding employee-directors.
- ❖ Possible separation of the roles of Chairman and CEO and consideration of an alternative involving the appointment of a Lead Director.
- ❖ Proposal to amend the Board's Rules of Procedure.
- ❖ Contribute to the drafting of the 2023 URD on matters relating to the Earnings and appointments committee.
- ❖ Review of the committee's meeting schedule for 2025.
- ❖ Training for committee members in 2024.

2. Earnings:

- ❖ Executive directors' variable earnings for 2022.
- ❖ Objectives of executive directors' variable earnings criteria for FY 2023.
- ❖ Earnings policy for 2024 based on the Group's historical practice and comparisons with listed companies of a similar size.
- ❖ Recommendations on the criteria for executive directors Guillaume Robin's and Patricia Mavigner's variable annual earnings for 2024, based on a benchmark of the earnings of executive directors of 13 companies* comparable to Thermador Groupe.
- ❖ Review of executive directors Guillaume Robin's and Patricia Mavigner's variable earnings for FY 2023.
- ❖ Review of the year-end bonus package for 2023 in the subsidiaries and the salaries of subsidiary executives for 2023.
- ❖ Discussion around directors' earnings for 2024 and the budgets allocated to the committees (Audit, Earnings and nomination and appointments and Sustainable development).
- ❖ Lionel Monroe's earnings for 2023 (ex-post) and 2024 (ex-ante).
- ❖ Discussion around the proposed employer contribution plan to the company savings plan (PEE) for 2024.
- ❖ Benchmark and summary of the plan to grant free shares to all employees.

* ABC arbitrage, Boiron, EPC Groupe, Esker, Eutelsat, Interparfums, Lectra, Maurel & Prom, Roche Bobois, Serge Ferrari, Showroom Privé, Vranken Pommeroy and Wavestone.

2. Report on corporate governance

2.7 EXECUTIVES' EARNINGS

GENERAL POINTS

Once per year, in December, the Board of Directors examines the conclusions of the Earnings and appointments committee in order to review the packages of Thermador Groupe's CEOs and Deputy CEOs and the final decisions for the subsidiary CEOs who are directors of Thermador Groupe.

In 2023, the total amount of gross direct or indirect earnings and benefits of any kind for each corporate officer within the Group (including the consolidating company and controlled companies, within the meaning of articles L233-3 and L233-16 of the law on commercial companies) allocated for the financial year to the members of the Board of Directors by virtue of their office amounts to €1,495.7k broken down as mentioned on page 47. The only executive to enjoy a benefit in kind is Philippe Bories (company car). Like all group employees, executives are entitled to a matching contribution if they invest in Thermador's FCPE. The maximum contribution was €2,550 in 2023 (€2,700 in 2024). Those who meet the conditions set out by their company to benefit from the sustainable mobility package are entitled to €700 per year.

Only independent directors receive earnings for their directorship (see 2.7.5 Earnings attributed).

In accordance with the law, the variable part of the earnings of Guillaume Robin and Patricia Mavigner will only be paid after the approval of the Annual General Meeting (resolutions n°5 and 6).

The earnings policy for executive directors reflects their responsibilities and performance, the Group's results and its future prospects.

It is based on the following principles:

- ❖ Maintaining social cohesion.
- ❖ Consistency with the objectives, the strategies implemented and the financial and extra-financial results obtained.
- ❖ Balance and transparency of earnings criteria.
- ❖ Comparability with companies of similar size.

It includes a fixed and a variable component, both of which are linked to the Group's sustainable development targets. All components of the earnings are structured in such a way that they are reasonable and avoid excessive risk-taking. The variable part, which is very significant, aims to reward the meeting of objectives, or the reduction of costs in the opposite case.

All executive directors can choose to reduce the amount proposed for the variable part of their earnings.

Variable pay principles

The principles and structure were unanimously adopted by the Board of Directors.

Annual variable earnings:

- ❖ Are capped at 100% of fixed annual earnings.
- ❖ Are decided once per year, at the end of the year, by the Board of Directors, after consultation with the Earnings committee. The final decisions for the subsidiary CEOs are taken by the Boards of Directors or the single shareholder of the subsidiaries concerned.
- ❖ Are granted under performance conditions including quantifiable economic criteria and sustainable development (quantifiable from 2022 onwards) as well as precise and objective managerial criteria determined in advance by the Board of Directors, after advice from the Earnings committee.
- ❖ Are established on the basis of a target, consolidated operating profit, and the degree of achievement of extra-financial objectives, with no guaranteed minimum.
- ❖ Are limited, since any increase cannot exceed that of consolidated operating profit to constant scope.

2.7.1. EXECUTIVE DIRECTORS' EARNINGS FOR FY 2023

The fixed part of Guillaume Robin's, Patricia Mavigner's and Lionel Monroe's earnings was increased by 4.6%.

The target amount for the variable portion for executive directors in 2023 consisted of:

- ❖ a quantifiable economic portion established in relation to the main financial objective of Thermador Groupe, i.e. the consolidated operating result: 60% of total variable annual earnings.
- ❖ a (quantitative) sustainable development portion established by reference to Thermador Groupe objectives (quantified extra-financial objectives): 20% of total variable earnings.
- ❖ an individual managerial portion, determined according to specific annual objectives (qualitative extra-financial objectives): 20% of total variable earnings. In 2023, the members of the Board of Directors and the Executive Committee were asked to provide feedback on these criteria to assist Guillaume Robin and Patricia Mavigner in their assessment.

Quantifiable criteria account for 80%.

2023 variable earnings for CEO

Guillaume Robin:

The fixed part amounts to €217,490 for 2023.

1. ECONOMIC CRITERION: 60.5% OF VARIABLE EARNINGS.

This is a percentage of the 2023 consolidated operating profit and the target represents 60% of the total variable earnings: $0.1147\% \times €78,557,000 = €90,105$ for 2023.

2. SUSTAINABLE DEVELOPMENT CRITERIA (QUANTITATIVE): 21.1% OF VARIABLE EARNINGS.

The 2023 milestone of the Group's sustainability roadmap shows that we are on track to meet our 2030 targets (see page 21), with an average achievement rate of 104.1%.

Premium amount = €31,519.

2. Report on corporate governance

3. INDIVIDUAL MANAGERIAL CRITERIA:

18.4% OF VARIABLE EARNINGS

The Board validated an achievement of 90%, i.e. €27,404 for 2023.

Thermador Groupe maintained a good level of business despite the economic slowdown and falling investment in the construction, public works, industrial, swimming pool and DIY sectors. Under the leadership of chairman & CEO Guillaume Robin, the Group is well ahead of its 10-year growth targets. On the other hand, it is slightly behind schedule in its digital transformation and has encountered some difficulties integrating DPI.

Criterion 1: Statement, compliance and implementation of the strategy.

- ✦ A major effort was again made during the year in terms of communication and respect for the Group's strategy: the annual presentation day of the subsidiaries' objectives and strategies to all managers has improved in terms of organisation and continues to be very successful.
- ✦ The Board also notes the quality of the Group's digital transformation (major logistical changes towards greater automation at FGinox), even though some delays persist, linked in particular to the priority given to the change of ERP system at Edouard Rousseau and the creation of ODREA.
- ✦ Good integration of companies acquired: the merger of Dipra and Rousseau was completed. However, DPI's integration is taking longer than expected.
- ✦ Under the chairman & CEO's leadership, the Group has performed well in the current crisis, with some subsidiaries

maintaining creditable turnover and margin figures.

- ✦ The Group has continued to innovate, showcasing its technical solutions using virtual reality.
- ✦ Good progress was made on Gaïa, Ecovadis Humpact CDP and Moody's ratings of the Group's CSR strategy.

Criterion 2: Company image and reputation.

The Board underlines the major communication work carried out with stakeholders (employees, private shareholders, investors, rating agencies, suppliers, etc.).

In particular:

- ✦ The development of new means of communication beyond the very popular webinars, such as the 'Sharing our values' series on YouTube and Nicolas Chéron's live presence on the channel.
- ✦ Directed at private shareholders representing 41.1% of the capital who receive, in particular, shareholder letters, the URD, an invitation to the Investir Day trade fair where Thermador has a stand, and an invitation to the AGM for every share held.
- ✦ Directed at institutional investors through participation in specialist trade fairs, web conferences and road shows ad hoc.
- ✦ Exchanges with proxy-advisers were stepped up this year.

The different elements of variable earnings produced a total amount of €149,027.

Ceiling: as the operating result to constant scope did not increase compared to 2022, the total amount of the variable portion is reduced to the amount of the variable portion paid in 2022: €146,800.

2023 variable earnings for Chairman and CEO Guillaume Robin

| | | INTERPOLATION GRID | | | |
|--|---------------------------------------|--------------------|----------|----------|----------|
| FINANCIAL INDICATORS (QUANTITATIVE) | | MIN | TARGET | MAX | ACTUAL |
| Percentage of operating result | In % of fixed earnings | 0% | 42% | 60% | 41% |
| | Amount | €0 | €91,346 | €130,494 | €90,105 |
| | Indicator value | 0% | 100% | 143% | 99% |
| SUSTAINABLE DEVELOPMENT INDICATORS (QUANTITATIVE) | | | | | |
| Rate of achievement regarding the sustainable development roadmap (calculated on an index relating to extra-financial key figures. Page 21 URD 2023) | In % of fixed earnings | 0% | 14% | 20% | 14.5% |
| | Amount | €0 | €30,449 | €43,498 | €31,519 |
| | Indicator value | 80% | 100% | 150% | 104.1% |
| MANAGERIAL INDICATORS (QUALITATIVE) | | | | | |
| Strategy statement, compliance and implementation with the following indicators (digital transformation, innovation / competitive position, integration of companies acquired) | In % of fixed earnings | 0% | 7% | 10% | 6% |
| | Amount | €0 | €15,224 | €21,749 | €12,179 |
| | Indicator value | 0% | 100% | 143% | 80% |
| Corporate image-reputation/dialogue with stakeholders | In % of fixed earnings | 0% | 7% | 10% | 7% |
| | Amount | €0 | €15,224 | €21,749 | €15,224 |
| | Indicator value | 0% | 100% | 143% | 100% |
| SUB-TOTAL MANAGERIAL INDICATORS (QUALITATIVE) | | | | | |
| | In % of fixed earnings | 0% | 14% | 20% | 12.6% |
| | Amount | €0 | €30,449 | €43,498 | €27,404 |
| | Indicator value | 0% | 100% | 143% | 90% |
| TOTAL | | | | | |
| | Total variable in % of fixed earnings | 0% | 70% | 100% | 69% |
| | Amount | €0 | €152,243 | €217,490 | €149,027 |

Ceiling: As operating profit to constant scope is not higher than in 2022, the total amount of the variable portion is reduced to the amount of the variable portion paid in 2022: €146,800

2. Report on corporate governance

2.7 EXECUTIVES' EARNINGS

2023 variable earnings for Deputy CEO Patricia Mavigner:

The fixed part amounts to €158,340 for 2023.

1. ECONOMIC CRITERION: 60.6% OF THE VARIABLE PAY.

This is a percentage of the 2023 consolidated operating profit and the target is 60% of the total variable compensation:

$$0.093\% \times €78,557,000 = €73,137 \text{ for 2023.}$$

2. SUSTAINABILITY CRITERIA (QUANTITATIVE): 20.9% OF VARIABLE EARNINGS.

The 2023 milestone of the Group's sustainability roadmap shows that we are on track to achieve our 2030 targets (see page 21), with an average achievement rate of 104.1%.

Bonus amount = €25,272.

3. INDIVIDUAL MANAGERIAL CRITERIA: 18.4% OF VARIABLE EARNINGS.

The Board validated an achievement of 90%, i.e. €22,231 for 2023.

Criterion 1 : Financial communication and quality of dialogue with stakeholders (employees, private shareholders, investors, rating agencies, etc.), compliance (GDPR, anticorruption, stock market regulations).

The Board underlines the important communication work directed at stakeholders (employees, private shareholders, investors, rating agencies, suppliers, etc.).

In particular:

- ✦ Directed at private shareholders representing 41.1% of the capital, who receive, among other things, shareholder letters, the URD, an invitation to the Investir Day trade fair where Thermador has a stand, and an invitation to the AGM for every share held,
- ✦ With institutional investors, through participation in specialist trade fairs, web conferences and road shows.

- ✦ A major investment by Patricia Mavigner and her team in compliance with CSR regulations (anti-corruption, responsible purchasing).
- ✦ Exchanges with proxy-advisers were stepped up this year.
- ✦ Major investment to set up the company pension scheme (PERECOL).

Criterion 2: Efficiency, security of the Group's information systems, continuation of our digital transformation in accordance with the master plan, management of SCI Thely.

- ✦ For 2023, the Board highlights the follow-up of a number of projects initiated in 2022: logistics at FGinox, completion of the Dipra-Rousseau merger, and measures taken to enhance IT security (no major incidents during the year). The Board notes that there are still some delays, due in particular to the priority given to changing the ERP system at Édouard Rousseau and to the creation of ODREA. The Board notes a slippage in the timing of achievements due to the diversity of subjects and the complexity of projects. The creation of a steering committee will help to improve this situation.
- ✦ Implementation of a new IS organisation that has enabled a training and skills upgrade for staff, as well as talent stability.
- ✦ The Board also notes the results of SCI Thely, which take into account the impact of the non-increase in rents for subsidiaries, amounting to €557k. 2023 was a busy year in terms of achievements related to the energy and environmental transition. The recruitment of a manager for Thely facilitated the management of these issues.

The different elements of variable earnings produced a total amount of €120,640.

As operating profit to constant scope did not increase relative to 2022, the total amount of the variable portion is reduced to the amount of the variable portion paid in 2022, i.e. €119,900.

2023 variable earnings for Deputy Managing Director Patricia Mavigner

| | | INTERPOLATION GRID | | | |
|--|---------------------------------------|--------------------|----------|----------|----------|
| FINANCIAL INDICATORS (QUANTITATIVE) | | MIN | TARGET | MAX | ACTUAL |
| Percentage of operating result | In % of fixed earnings | 0% | 46.8% | 60.0% | 46.2% |
| | Amount | €0 | €74,103 | €95,004 | €73,137 |
| | Indicator value | 0% | 100% | 128% | 99% |
| SUSTAINABLE DEVELOPMENT INDICATORS (QUANTITATIVE) | | | | | |
| Rate of achievement regarding the sustainable development roadmap (calculated on an index relating to extra-financial key figures. Page 21 URD 2023) | In % of fixed earnings | 0% | 15.6% | 20.0% | 16.0% |
| | Amount | €0 | €24,701 | €31,668 | €25,272 |
| | Indicator value | 80% | 100% | 150% | 104,1% |
| MANAGERIAL INDICATORS (QUALITATIVE) | | | | | |
| Financial communication, quality of dialogue (employees, individual shareholders, investors, rating agency...), compliance (GDPR, anti-corruption, stock market regulations) | In % of fixed earnings | 0% | 7.8% | 10.0% | 7.8% |
| | Amount | €0 | €12,351 | €15,834 | €12,351 |
| | Indicator value | 0% | 100% | 128% | 100% |
| Efficiency, security of the Group's information systems, continuation of the digital transformation in accordance with the master plan, management of SCI Thely | In % of fixed earnings | 0% | 7.8% | 10.0% | 6.2% |
| | Amount | €0 | €12,351 | €15,834 | €9,880 |
| | Indicator value | 0% | 100% | 128% | 80% |
| MANAGERIAL INDICATORS SUB-TOTAL (QUALITATIVE) | | | | | |
| TOTAL | In % of fixed earnings | 0% | 15.6% | 20.0% | 14.0% |
| | Amount | €0 | €24,701 | €31,668 | €22,231 |
| | Indicator value | 0% | 100% | 128% | 90% |
| TOTAL | | | | | |
| | Total variable in % of fixed earnings | 0% | 78% | 100% | 76% |
| | Amount | €0 | €123,505 | €158,340 | €120,640 |

Ceiling: as operating profit to constant scope did not increase relative to 2022, the total amount of the variable portion is reduced to the amount of the variable portion paid in 2022: €119,900

2. Report on corporate governance

Earnings of the executive director Lionel Monroe for FY 2023 :

Lionel Monroe does not receive any variable earnings in his capacity as deputy CEO of Thermador Groupe. In 2023, Thermador Groupe paid him €40,950 directly for the portion of his fixed annual earnings corresponding to his position as Deputy CEO of Thermador Groupe.

As CEO of Syveco, his **fixed portion for 2023 was €122,850**. His variable earnings are linked to and allocated on account of this position. **For 2023, the variable part amounted to €80k**, based on quantitative and qualitative criteria. Under no circumstances may it exceed the fixed part of the salary. In 2022, this was €75k.

1. QUANTITATIVE CRITERION:

It is based on the estimated operating profit of Syveco: €6,094k (page 123).

If pre-tax profit <€2 million: 2% of pre-tax profit.

If pre-tax profit >€2 million: 0.4% of pre-tax profit + €23k

Hence the calculation: $0.004 \times €6,094k + €23k = €47.4k$.

2. QUALITATIVE CRITERIA:

€32,600 for 2023 (€32k in 2022) out of a possible maximum of €34k.

These are set out in the detailed mission statement for the subsidiary CEOs, which is drawn up in advance:

Communication within the subsidiary and within the Group, human resources, environmental protection, objectives and strategies, customer relations, supplier relations, compliance and reporting of financial and extra-financial indicators.

2023 variable earnings for Deputy Managing Director Lionel Monroe

| | | INTERPOLATION GRID | | | |
|---|-----------------|--------------------|---------|----------|---------|
| FINANCIAL INDICATORS (QUANTITATIVE) | | MIN | TARGET | MAX | ACTUAL |
| Percentage of operating result | | | | | |
| In % of fixed earnings | | 0% | 37.5% | 72.3% | 38.6% |
| Percentage of net profit before corporation tax | Amount | €0 | €46,065 | €88,850 | €47,376 |
| | Indicator value | 0% | 100% | 193% | 103% |
| MANAGERIAL INDICATORS (QUALITATIVE) | | | | | |
| Criteria taken from the mission statement of subsidiary managers: communication within the company under management and within the Group, human resources, environmental protection, objectives and strategies, customer relations, supplier relations, compliance and reporting of financial and extra-financial indicators. | | | | | |
| In % of fixed earnings | | 0% | 23.5% | 27.7% | 26.6% |
| | Amount | €0 | €28,900 | €34,000 | €32,624 |
| | Indicator value | 0% | 85% | 100% | 96% |
| TOTAL | | | | | |
| Total variable in % of fixed earnings | | 0% | 61% | 100% | 65% |
| Amount | | €0 | €74,965 | €122,850 | €80,000 |

Ceiling: the increase in the variable cannot exceed the increase in consolidated operating profit to constant scope. **€122,850**

2. Report on corporate governance

2.7 EXECUTIVES' EARNINGS

2.7.2 EARNINGS OF EXECUTIVE DIRECTORS GUILLAUME ROBIN AND PATRICIA MAVIGNER FOR FY 2024

On the proposal of the Earnings and appointments committee, the Board of Directors wishes to maintain the earnings structure of the previous year for executive directors Guillaume Robin and Patricia Mavigner.

Thus, the structure of the earnings of executive directors Guillaume Robin and Patricia Mavigner in 2024 would be as follows:

Fixed portion: 1.6% increase, or €220,870, for Guillaume Robin, 3.4% increase, or €163,670, for Patricia Mavigner.

Variable portion: capped at 100% of annual earnings, its increase cannot exceed the increase in consolidated operating profit on a like-for-like basis.

Thus the distribution of criteria for Guillaume Robin and Patricia Mavigner would be as follows:

- ❖ Economic, quantifiable part, established in relation to the main financial objectives of the Thermador Groupe, namely the consolidated operating result to constant scope: 60% of the total variable annual earnings.
- ❖ Quantifiable sustainability component, established by reference to Thermador Groupe component (quantitative extra-financial objectives): 20% of the total variable earnings.
- ❖ Individual managerial portion, determined on the basis of specific detailed annual objectives (qualitative extra-financial objectives): 20% of total variable compensation.
- ❖ **Free shares:** if resolution 18 is approved and the conditions for the allocation set out in it are validated by the Board of Directors, Patricia Mavigner could benefit from a maximum of 350 free shares in April 2027.

The weight of quantifiable criteria is 80%.

The Board stresses its determination to use a system that corresponds to the expectations of transparency and

quantification expressed by stakeholders. Thus, the expected objectives linked to the extra-financial indicators can remain confidential ex-ante and will be revealed ex-post.

An interpolation grid has been put together so that the levels for the various indicators are known and quantified.

1. ECONOMIC CRITERION:

For Guillaume Robin and Patricia Mavigner: 60% of total variable annual earnings. As in 2023, it is a percentage of consolidated operating income(see ex post calculation page 40).

2. SUSTAINABLE DEVELOPMENT CRITERION (QUANTITATIVE EXTRA-FINANCIAL CRITERION):

For Guillaume Robin and Patricia Mavigner: 20% of total variable annual earnings based on the rate of achievement of Thermador Groupe's 'Sustainable Development' roadmap.

The roadmap consists of key quantifiable extra-financial criteria relating to governance, people, environment and society (URD 2023 page 21).

3. MANAGERIAL CRITERIA(QUALITATIVE EXTRA-FINANCIAL CRITERIA):

For Guillaume Robin and Patricia Mavigner: 20% of total variable annual earnings.

For Guillaume Robin :

Criterion 1: Statement, respect and implementation of the strategy with the following indicators: the continuation of the Group's digital transformation, the quality of the integration of acquisitions already made, initiatives to promote innovation and the Group's competitive position.

Crîtère 2 : The company's image-reputation, with the indicator: the quality of dialogue with stakeholders (employees, private shareholders, investors, rating agencies, suppliers, etc.).

Interpolation grid for Guillaume Robin's 2024 variable earnings

| Interpolation grid for Guillaume Robin's 2024 variable earnings | | INTERPOLATION GRID | | |
|--|---------------------------------------|--------------------|----------|----------|
| FINANCIAL INDICATORS (QUANTITATIVE) | | MIN | TARGET | MAX |
| Percentage of operating result | In % of fixed earnings | 0% | 42% | 60% |
| | Amount | €0 | €92,765 | €132,522 |
| | Indicator value | 0% | 100% | 143% |
| SUSTAINABLE DEVELOPMENT INDICATORS (QUANTITATIVE) | | | | |
| Rate of achievement regarding the sustainable development roadmap (calculated on an index relating to extra-financial key figures. Page 21 URD 2023) | In % of fixed earnings | 0% | 14% | 20% |
| | Amount | €0 | €30,922 | €44,174 |
| | Indicator value | 80% | 100% | 150% |
| MANAGERIAL INDICATORS (QUALITATIVE) | | | | |
| Strategy statement, compliance and implementation with the following indicators (digital transformation, innovation / competitive position, integration of companies acquired) | In % of fixed earnings | 0% | 7% | 10% |
| | Amount | €0 | €15,461 | €22,087 |
| | Indicator value | 0% | 100% | 143% |
| Corporate image-reputation/dialogue with stakeholders | In % of fixed earnings | 0% | 7% | 10% |
| | Amount | €0 | €15,461 | €22,087 |
| | Indicator value | 0% | 100% | 143% |
| SUB-TOTAL MANAGERIAL INDICATORS (QUALITATIVE) | | | | |
| | In % of fixed earnings | 0% | 14% | 20% |
| | Amount | €0 | €30,922 | €44,174 |
| | Indicator value | 0% | 100% | 143% |
| TOTAL | Total variable in % of fixed earnings | 0% | 70% | 100% |
| | Amount | €0 | €154,609 | €220,870 |

2. Report on corporate governance

For Patricia Mavigner :

Criterion 1: Financial communication, quality of dialogue (employees, private shareholders, investors, rating agencies), compliance (GDPR, anti-corruption, stock market regulations).

Criterion 2: Efficiency, security of the Group's information systems, pursuit of digital transformation in compliance with the IT master plan, management of SCI Thely.

Interpolation grid for Patricia Mavigner's 2024 variable earnings

| | | INTERPOLATION GRID | | |
|--|---------------------------------------|--------------------|----------|----------|
| FINANCIAL INDICATORS (QUANTITATIVE) | | MIN | TARGET | MAX |
| Percentage of operating result | In % of fixed earnings | 0% | 46.8% | 60.0% |
| | Amount | €0 | €76,598 | €98,202 |
| | Indicator value | 0% | 100% | 128% |
| SUSTAINABLE DEVELOPMENT INDICATORS (QUANTITATIVE) | | | | |
| Rate of achievement regarding the sustainable development roadmap (calculated on an index relating to extra-financial key figures. Page 21 URD 2023) | In % of fixed earnings | 0% | 15.6% | 20.0% |
| | Amount | €0 | €25,533 | €32,734 |
| | Indicator value | 80% | 100% | 150% |
| MANAGERIAL INDICATORS (QUALITATIVE) | | | | |
| Financial communication, quality of dialogue (employees, individual shareholders, investors, rating agency...), compliance (GDPR, anti-corruption, stock market regulations) | In % of fixed earnings | 0% | 7.8% | 10.0% |
| | Amount | €0 | €12,766 | €16,367 |
| | Indicator value | 0% | 100% | 128% |
| Efficiency, security of the Group's information systems, continuation of the digital transformation in accordance with the master plan, management of SCI Thely. | In % of fixed earnings | 0% | 7.8% | 10.0% |
| | Amount | €0 | €12,766 | €16,367 |
| | Indicator value | 0% | 100% | 128% |
| SUB-TOTAL MANAGERIAL INDICATORS (QUALITATIVE) | | | | |
| | In % of fixed earnings | 0% | 15.6% | 20.0% |
| | Amount | €0 | €25,533 | €32,734 |
| | Indicator value | 0% | 100% | 128% |
| TOTAL | | | | |
| | Total variable in % of fixed earnings | 0% | 78% | 100% |
| | Amount | €0 | €127,663 | €163,670 |

2.7.3. EARNINGS OF CORPORATE OFFICER LIONEL MONROE FOR FY 2024

In 2024, Thermador Groupe will pay him €41,795 directly for the portion of his fixed annual earnings that corresponds to his mandate as Deputy CEO of Thermador Groupe. Lionel Monroe will not receive any variable earnings for this mandate.

In respect of his mandate as CEO of Syveco, **the fixed portion amounts to €125,385 for 2024** (+1.2% versus 2023).

His variable earnings are linked to his mandate as CEO of Syveco. Under no circumstances may it exceed the fixed portion of his salary (€125,385). It is based on quantitative indicators, i.e. operating profit and the rate of achievement of Syveco's sustainable development roadmap objectives, and on other qualitative management criteria taken from the mission statement for subsidiary managers.

1. QUANTITATIVE CRITERIA:

This depends on Syveco's operating profit in 2024:

If profit before corporation tax <€2m: 2% of profit before corporation tax.

If pre-tax profit >€2m: 0.4% of pre-tax profit + €33k.

2. SUSTAINABLE DEVELOPMENT:

A maximum of €18k, depending on Syveco's contribution to the Group's sustainable development targets.

3. QUALITATIVE CRITERIA:

A maximum of €10k if the main themes of the mission statement for subsidiary managers are adequately addressed: labour relations, objectives and strategies, customer relations, supplier relations, compliance and reporting of financial and non-financial indicators.

Interpolation grid for Lionel Monroe's 2024 variable earnings

| | | INTERPOLATION GRID | | |
|--|---------------------------------------|--------------------|---------|----------|
| FINANCIAL INDICATORS (QUANTITATIVE) | | MIN | TARGET | MAX |
| Percentage of operating result before corporation tax | In % of fixed earnings | 0% | 47.1% | 77.7% |
| | Amount | €0 | €59,000 | €97,385 |
| | Indicator value | 0% | 100% | 165% |
| SUSTAINABLE DEVELOPMENT INDICATORS (QUANTITATIVE) | | | | |
| Rate of achievement 2024 regarding the sustainable development roadmap (calculated on an index relating to extra-financial key figures. Page 21 URD 2023). | In % of fixed earnings | 0% | 12.9% | 14.4% |
| | Amount | €0 | €16,200 | €18,000 |
| | Indicator value | 60% | 90% | 100% |
| MANAGERIAL INDICATORS (QUALITATIVE) | | | | |
| Criteria taken from the mission statement for subsidiary managers: communication within the company and within the Group, objectives and strategies, customer relations, supplier relations, compliance and reporting of financial and non-financial indicators. | In % of fixed earnings | 0% | 7.2% | 8.0% |
| | Amount | €0 | €9,000 | €10,000 |
| | Indicator value | 0% | 90% | 100% |
| TOTAL | | | | |
| | Total variable in % of fixed earnings | 0% | 67.2% | 100.0% |
| | Amount | €0 | €84,200 | €125,385 |

2. Report on corporate governance

2.7 EXECUTIVES' EARNINGS

2.7.4. EARNINGS OF EXECUTIVE DIRECTORS OF COMMERCIAL SUBSIDIARIES FOR FY 2024

For the sake of consistency, the calculation of their variable earnings is based on the same principles as those applied to Lionel Monroe: quantitative and qualitative criteria. Under no circumstances may it exceed the fixed part of the salary.

1. QUANTITATIVE CRITERIA:

This depends on the subsidiary's operating profit.

If pre-tax profit <€2 million: 2% of pre-tax profit

If pre-tax profit >€2 million: 0.4% of pre-tax profit + €33k.

2. SUSTAINABLE DEVELOPMENT:

Maximum of €18k, depending on the subsidiary's contribution to the Group's sustainable development objectives.

3. QUALITATIVE CRITERIA:

A maximum of €10k if the main themes of the Mission Statement for Subsidiary CEOs are adequately addressed: social climate, objectives and strategies, customer relations, supplier relations, compliance and reporting of financial and extra-financial information.

2.7.5 - TABLE OF EARNINGS

Earnings correspond to a corporate mandate.

Values in thousands of euros.

| OPERATIONAL BOARD MEMBER CHAIRMEN & CEO AND DEPUTY CEO | | EARNINGS FIXED AND VARIABLE (due/paid and to be paid according to the decision of the AGM of April 2, 2024) | | | | | | | | |
|---|--------------------|--|---------|-------|-------|-----------------------|-------|---------|-----------------------|---------|
| | Attendance rate | Fixed annual share | | | | Variable annual share | | | Total annual earnings | |
| | 2023 | 2023 | 2022 | 2021 | 2023 | 2022 | 2021 | 2023 | 2022 | 2021 |
| Philippe Bories, Board member, Chairman of Mecafer and Domac | 100% | 180.9 | 173.0 | 168.0 | 44.0 | 30.0 | 37.0 | 224.9 | 203.0 | 205.0 |
| Jérôme Chabaudie, Board member, and CEO of Aello | 100% | 163.8 | 156.7 | 152.1 | 45.0 | 51.0 | 56.6 | 208.8 | 207.7 | 208.7 |
| Patricia Mavigner, secretary of the Board of Directors and Deputy CEO since May 1, 2016 permanent guest of the Sustainable development committee | 100% | 158.3 | 151.3 | 146.9 | 119.9 | 119.9 | 114.3 | 278.2 | 271.2 | 261.2 |
| Lionel Monroe, Board member, Audit committee member and Deputy CEO | | | | | | | | | | |
| - Earnings as CEO of Syveco | | 122.9 | 117.5 | 119.8 | 80.0 | 75.0 | 73.0 | 202.9 | 192.5 | 192.8 |
| - Earnings as deputy CEO of Thermador Groupe | 100% | 40.9 | 39.2 | 32.3 | | | | 40.9 | 39.2 | 32.3 |
| Guillaume Robin, chairman & CEO | 100% | 217.5 | 207.9 | 201.8 | 146.8 | 146.8 | 139.9 | 364.3 | 354.7 | 341.7 |
| SUBTOTAL | | 884.3 | 845.6 | 820.9 | 435.7 | 422.7 | 420.8 | 1,320.0 | 1 268.3 | 1 241.7 |
| EXTERNAL BOARD MEMBERS | | ATTENDANCE FEES (due and paid) | | | | | | | | |
| Janis Rentrop, Independent member of the Earnings and appointments committee | 100% | 27.7 | 26.5 | 19.3 | | | | 27.7 | 26.5 | 19.3 |
| INDEPENDENT BOARD MEMBERS | | ATTENDANCE FEES (due and paid) | | | | | | | | |
| Véronique Bouscayrol, independent member of the Audit committee | 60% | 12.7 | | | | | | 12.7 | | |
| Karine Gaudin, Chairwoman and independent member of the Audit committee until April 3, 2023 | 100% | 8.1 | 26.5 | 19.3 | | | | 8.1 | 26.5 | 19.3 |
| Caroline Meignen, independent member of the Earnings and appointments committee | 100% | 30.1 | 28.2 | 20.9 | | | | 30.1 | 28.2 | 20.9 |
| Laurence Paganini, Chairwoman and independent member of the Earnings and appointments Committee, independent member of the Sustainable development committee | 100% | 39.3 | 33.2 | 25.7 | | | | 39.3 | 33.2 | 25.7 |
| Olivier Villemonte de la Clergerie, independent member of the Audit committee and the Sustainable development committee | 100% | 32.4 | 33.2 | 25.7 | | | | 32.4 | 33.2 | 25.7 |
| Mathilde Yagoubi, Chairwoman and independent member of the Sustainable development committee | 85.7% | 25.4 | 26.5 | 20.1 | | | | 25.4 | 26.5 | 20.1 |
| Subtotal | | 175.7 | 174.1 | 131.0 | 0.0 | 0.0 | 0.0 | 175.7 | 174.1 | 131.0 |
| TOTAL | | 1,060.0 | 1,019.7 | 951.9 | 435.7 | 422.7 | 420.8 | 1,495.7 | 1,442.4 | 1,372.7 |

2. Report on corporate governance

Earnings of operational directors, chairman & CEOs and Deputy CEOs:

Philippe Bories, CEO of Mecafer and Domac, was appointed to the Board at the Annual General Meeting of April 4, 2022 for a two-year term. He has a company car because of the remote location of the two subsidiaries of which he is CEO. This benefit is worth €6,180 annually. His variable earnings are based on the operating profit of Mecafer and Domac relating to his position as CEO of Mecafer and Domac, and as such, not subject to the approval of the General Meeting of April 2, 2024. It was paid on December 31, 2023.

Jérôme Chabaudie, CEO of Aello, was appointed a director at the AGM of April 4, 2023 for a two-year term. His variable earnings are based on Aello's operating profit relating to his position as CEO of Aello, and as such, not subject to the approval of the Annual General Meeting of April 2, 2024. It was paid on December 31, 2023.

As CEO of Aello, Jérôme Chabaudie benefited from a free share plan in 2021. The AGM of April 6, 2021 authorised the Board of Directors to buy back a maximum of 3,000 shares in the Company with a view to allocating them free of charge to certain employees and corporate officers of Axelair and Aello. On July 29, 2021, the Board of Directors decided on the beneficiaries and the allocation and holding period for these shares. Under this plan, Jérôme Chabaudie benefited from an allocation right corresponding to 519 shares valued at €91.80 each. At the Board meeting on July 27, 2023, 2,864 shares were definitively allocated to the employees and corporate officers of Axelair and Aello. Jérôme Chabaudie was allocated 519 shares valued at €82.50, worth a total of €42,817.50.

Lionel Monroe was appointed director at the Annual General Meeting of April 6, 2021. His fixed earnings for his term of office as Deputy CEO of Thermador Groupe was submitted for approval at the Annual General Meeting of April 4, 2022. Lionel Monroe's variable earnings are based on Syveco's operating profit relating only to his position as CEO of Syveco, and as such, not subject to the approval of the AGM of April 2, 2024. It is due on December 31, 2023 and will be paid in January 2024. However, the AGM of April 2, 2024 will be asked to approve the fixed earnings policy for Lionel Monroe and for FY 2024 as presented in section 2.7.2.3 of this report.

The variable earnings of Guillaume Robin and Patricia Mavigner will be submitted to the AGM of April 2, 2024 for approval. If that AGM votes in favour, their variable earnings will be paid in April 2024.

There are no severance payments or termination payments for corporate officers. Corporate officers do not benefit from a specific pension scheme. They are not entitled to any compensation in respect of a non-competition clause or severance pay. Corporate officers benefit from a contribution to our Group savings plan (PEE) in the same way as our employees. For every €1,500 paid in, this gross contribution was €2,500 for 2023, €2,400 for 2022 and €2,100 for 2021.

Patricia Mavigner, Lionel Monroe and Guillaume Robin received the sustainable mobility allowance (FMD) in 2023 to the tune of €656, €501.65 and €656 respectively. The FMD bonus rewards employees and corporate officers who use soft modes of transport (carpooling, public transport, cycling) for a defined number of journeys.

Corporate officers do not receive any fringe benefits or performance shares or options, with the exception of the free share plan and the fringe benefit allocated to Jérôme Chabaudie described above.

2. Report on corporate governance

2.7 EXECUTIVES' EARNINGS

2.7.6 - FAIRNESS RATIO

Article 187 of the Pacte law requires listed companies to publish their 'fairness ratio' in the report on corporate governance presented to the AGM by the Board of Directors. This fairness ratio compares executive earnings to the average earnings of the company's full-time employees, and executive earnings to the median earnings of the company's full-time employees and of corporate officers, and the changes in this ratio over the past five years.

Shown here is the 'fairness ratio' between the earnings of the Chairman and Chief Executive Officer and the two Deputy Chief Executive Officers of Thermador Groupe and the average and median earnings of the employees of Thermador Groupe, the holding company of the Group.

The reference earnings used to calculate the ratio are those due for the financial year, as presented on page 46.

Ratio for Thermador Groupe (holding company), compared to average earnings

| | EARNINGS 2023 | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|---------------|-------------|-------------|-------------|-------------|-------------|
| AVERAGE EARNINGS RETAINED (IN THOUSANDS OF EUROS) | | 70.4 | 67.6 | 68.7 | 71.4 | 69.5 |
| Guillaume Robin, Chairman & CEO of Thermador Groupe | 364.3 | 5.17 | 5.24 | 4.98 | 4.36 | 4.43 |
| Patricia Mavigner, Deputy CEO of Thermador Groupe since May 1, 2016 | 278.2 | 3.95 | 4.01 | 3.80 | 3.32 | 3.34 |
| Lionel Monroe, Deputy CEO of Thermador Groupe since April 1, 2021 | 243.8 | 3.46 | 3.39 | 3.28 | - | - |
| Jean-François Bonnefond, Deputy CEO of Thermador Groupe from April 1, 2016 to March 31, 2021 | | - | - | - | 3.98 | 4.00 |

Ratio for Thermador Groupe (holding company), compared to median earnings

| | EARNINGS 2023 | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|---------------|-------------|-------------|-------------|-------------|-------------|
| MEDIAN EARNINGS RETAINED (IN THOUSANDS OF EUROS) | | 61.0 | 56.1 | 56.8 | 66.5 | 65.1 |
| Guillaume Robin, Chairman & CEO of Thermador Groupe | 364.3 | 5.97 | 6.32 | 6.02 | 4.68 | 4.72 |
| Patricia Mavigner, Deputy CEO of Thermador Groupe since May 1, 2016 | 278.2 | 4.56 | 4.83 | 4.60 | 3.56 | 3.56 |
| Lionel Monroe, Deputy CEO of Thermador Groupe since April 1, 2021 | 243.8 | 4.00 | 4.09 | 3.96 | - | - |
| Jean-François Bonnefond, Deputy CEO of Thermador Groupe from April 1, 2016 to March 31, 2021 | | - | - | - | 4.27 | 4.27 |

The company's KPIs

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|--------|---------|---------|---------------|--------|
| Consolidated operating profit - Thermador Groupe | 80,841 | 79,592 | 73,201 | 51,411 | 47,821 |
| Operating profit to constant consolidated scope - Thermador Groupe | 78,557 | 78,676 | 72,621 | 50,638 | 46,946 |
| Operating profit - Syveco | 6,105 | 5,371 | 4,831 | 3,460 | 3,614 |
| Rate of achievement of the sustainable development roadmap | 104.1% | 118.70% | 104.70% | not available | |

The roadmap achievement rate is not available for the period prior to 2021 as it had not yet been implemented.

2. Report on corporate governance

Here we present the fairness ratio between the Chairman and CEO's earnings and those of the two deputy CEOs of Thermador Groupe and the average and median earnings of the employees of Thermador Groupe, the Group's holding company:

Ratios for the whole of Thermador Groupe

| | EARNINGS 2023 | 2023 | | 2022 | | 2021 | | 2020 | | 2019 | |
|--|------------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|
| | | Average earnings | Median earnings | Average earnings | Median earnings | Average earnings | Median earnings | Average earnings | Median earnings | Average earnings | Median earnings |
| AVERAGE EARNINGS RETAINED (IN THOUSANDS OF EUROS) | | 54.7 | 45.0 | 52.9 | 44.0 | 50.2 | 41.0 | 49.2 | 41.0 | 49.1 | 41.2 |
| Guillaume Robin, Chairman & CEO of Thermador Groupe | 364.3 | 6.66 | 8.10 | 6.70 | 8.07 | 6.81 | 8.32 | 6.33 | 7.59 | 6.26 | 7.47 |
| Patricia Mavigner, Deputy CEO of Thermador Groupe since May 1, 2016 | 278.2 | 5.09 | 6.19 | 5.12 | 6.17 | 5.20 | 6.36 | 4.81 | 5.77 | 4.73 | 5.64 |
| Lionel Monroe, Deputy CEO of Thermador Groupe since April 1, 2021 | 243.8 | 4.46 | 5.42 | 4.34 | 5.23 | 4.48 | 5.48 | - | - | - | - |
| Jean-François Bonnefond, Deputy CEO of Thermador Groupe from April 1, 2016 to March 31, 2021 | - | - | - | - | - | - | - | 5.77 | 6.92 | 5.67 | 6.76 |

These average and median salaries have been calculated on the basis of the full-time equivalent salaries of all French Thermador Groupe employees, with the exception of Thermacome and Distrilabo in 2019. The number of employees taken into account is the same as for the calculation of the professional equality index, i.e. apprentices, holders of a professionalisation contract, as well as employees absent for more than half the year are excluded from this calculation.

Ratios in relation to the average annual minimum wage

| | EARNINGS 2023 | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|---------------|-------------|-------------|-------------|-------------|-------------|
| REFERENCE ANNUAL MINIMUM WAGE EARNINGS (in thousands of euros) | | 20.8 | 19.7 | 18.8 | 18.5 | 18.3 |
| Guillaume Robin, Chairman & CEO of Thermador Groupe | 364.3 | 17.50 | 17.96 | 18.21 | 16.86 | 16.85 |
| Patricia Mavigner, Deputy CEO of Thermador Groupe since May 1, 2016 | 278.2 | 13.37 | 13.73 | 13.92 | 12.81 | 12.72 |
| Lionel Monroe, Deputy CEO of Thermador Groupe since April 1, 2021 | 243.8 | 11.71 | 11.63 | 12.00 | - | - |
| Jean-François Bonnefond, Deputy CEO of Thermador Groupe from April 1, 2016 to March 31, 2021 | - | - | - | - | 15.38 | 15.24 |

Fairness ratio between the earnings of the Chairman and CEO, of the two Deputy CEOs of Thermador Groupe and the average annual minimum wage for 2023 (12 months of 151.67 hrs at €11.44, i.e.: €20,815).

2.7.7 - ALLOCATED EARNINGS (formerly 'attendance fees')

The corporate representative Board members and Executives' earnings do not receive allocated earnings.

In 2023, external Board members received €2,312 per Board meeting on condition that they were present. The amounts due and paid in allocated earnings are mentioned on page 46. Their attendance rate was 95.2%.

In addition to the time spent at the Board meetings, they studied detailed reports of all the subsidiaries every month, and attended the annual presentation of projects, so as to keep their fingers on the pulse of what is really going on in our companies.

The Annual General Meeting of April 3, 2023 voted an overall maximum annual amount of €190,000 in attendance fees.

An increase in the earnings allocated in line with that of the fixed earnings of the Thermador Groupe's executive directors will lead us to ask the AGM to increase this amount to €220,000 (cf: resolution n°13).

2. Report on corporate governance

2.7 EXECUTIVES' EARNINGS

2.7.8 - SHAREHOLDERS PACT

THE 2016-2026 SHAREHOLDERS PACT:

Hervé Le Guillerm and Marylène Boyer retired at the end of March and the end of April 2016 respectively. In compliance with the commitments made in 2008, they sold the 37,643 shares that they owned as part of the 2010-2020 shareholders pact, at a 30% discount. These shares were taken up by 19 directors and managers from the Group, accounting for 71% of those shares, and the remaining 29% transferred to the PEE. A new 10-year shareholders' pact was drawn up as part of this operation, whereby the 19 signatories undertook to sell their shares at a 30% discount if they were to leave the Group. It should be noted that in the 2010-2020 pact the signatories were obliged to reinvest dividends, net of tax, which is not the case for the 2016-2026 pact.

| 2016-2026 PACT | SUBSIDIARIES | FONCTIONS | NUMBER OF SHARES ON APRIL 5, 2016 | NUMBER OF SHARES* ON MAY 9, 2018 |
|----------------------------|------------------|-------------------------------|--------------------------------------|-------------------------------------|
| Christophe Arquillière | Sferaco | CEO | 2,662 | 5,324 |
| Arlette Berliocchi | Opaline | CEO | 532 | 1,064 |
| Nicolas Billiard | Sferaco | Purchasing manager | 887 | 1,774 |
| Philippe Bories | Mecafer | Chairman | 355 | 710 |
| Delphine Bourdin | Syveco | Administrative manager | 532 | 1,064 |
| Frank Bourgois | Jetly | CEO | 1,420 | 2,840 |
| Loïc Brossat | Sectoriel | Sales manager | 355 | 710 |
| Jérôme Chabaudie | Aello | CEO | 3,994 | 7,988 |
| Charlotte Deguerry-Fraisse | Sferaco | Administrative manager | 2,662 | 5,324 |
| Isabelle Giraud | Mecafer | Administrative manager | 355 | 710 |
| Lionel Grès | Axelair | CEO | 2,183 | 4,366 |
| Cyrille Javault | Isocel | Sales Engineer | 745 | 1,490 |
| Bertrand Kinche | Dipra | Sales manager | 958 | 1,916 |
| Myriam Mathon | Aello | Purchasing Logistics Director | 532 | 1,064 |
| Patricia Mavigner | Thermador Groupe | Deputy CEO | 3,550 | 7,100 |
| François Nanson | Jetly | Sales manager | 355 | 710 |
| Jean-Philippe Paul | Sferaco | Sales manager | 2,662 | 5,324 |
| Yves Ruget | Thermador | CEO | 1,420 | 2,840 |
| Frédéric Watine | Axelair | Director of development | 710 | 1,420 |
| TOTAL | | | 26,869 | 53,738 |

* Taking into account the nominal division of the share by 2.

2.7.9 - VALID DELEGATION FOR A POSSIBLE INCREASE IN CAPITAL

One delegation is valid until June 4, 2024. It follows the adoption of the eighteenth resolution at the AGM of April 4, 2022 and has not been used to date.

2. Report on corporate governance

2.7.10 - SHARE-RELATED OPERATIONS PERFORMED BY BOARD MEMBERS AND EXECUTIVE COMMITTEE MEMBERS IN 2023

| RERPORTING | FUNCTION | ACQUISITIONS | DISPOSALS | DONATIONS | AVERAGE PURCHASE PRICE IN € | AVERAGE SELLING PRICE IN € | PRICE OF FREE SHARES IN € |
|-------------------------|--|--------------|-----------|-----------|-----------------------------|----------------------------|---------------------------|
| Christophe Arquillière | Member of the ExCom and CEO of Sferaco | | 1,984 | | | €96.36 | |
| Arlette Berliocchi | Member of the ExCom and CEO of Opaline | 249 | | | €80.50 | | |
| Frank Bourgois | Member of the ExCom and CEO of Jetly | 88 | | | €77.40 | | |
| Véronique Bouscayrol | Member of Board of directors | 10 | | | €98.70 | | |
| Anne Sophie Bultey | CEO of Distilabo | 38 | | | €80.90 | | |
| Jérôme Chabaudie | Member of the ExCom and CEO of Aello | | | 519 | | | €82.50 |
| Olivier de la Clergerie | Member of Board of directors | 900 | | | €93.15 | | |
| Caroline Desplats | Member of the ExCom and Director of the Sustainable Development - Thermador Groupe | 20 | | | €88.35 | | |
| Lionel Grès | Member of the ExCom and CEO of Axelair | 180 | | | €77.00 | | |
| Lionel Grès | Member of the ExCom and CEO of Axelair | | | 519 | | | €82.50 |
| Xavier Isaac | Member of the ExCom and CEO of Sectoriel | | 3,268 | | | €90.36 | |
| Florent Kieffer | CEO of Thermacome | 100 | | | €97.25 | | |
| Eric Mantione | Member of the ExCom and CEO of Pbtub | 275 | | | €87.07 | | |
| Patricia Mavigner | Member of the ExCom and Deputy CEO - Thermador Groupe | 387 | | | €87.45 | | |
| Caroline Meignen | Member of Board of directors | 70 | | | €79.18 | | |
| Laurence Paganini | Member of Board of directors | 200 | | | €78.50 | | |
| Marilène Pattard | Deputy CEO of Mecafer Domac | 26 | | | €92.53 | | |
| Janis Rentrop | Member of Board of directors | 230 | | | €82.49 | | |
| Guillaume Robin | Member of Board of directors | 879 | | | €89.21 | | |
| Yves Ruget | Member of Board of directors | 1,185 | | | €95.20 | | |
| Grégory Urpi | CEO of DPI | 300 | | | €79.80 | | |
| Mathilde Yagoubi | Member of Board of directors | 3 | | | €96.20 | | |

2.7.11 - COMMITMENTS TO EXECUTIVES

The retirement commitment concerns the payment of a retirement bonus authorised by the Board meeting of December 19, 2003. This bonus is calculated in the same way as that paid to a manager according to the conventions of article 5 of amendment I of the industry-wide agreement for the wholesale business.- Article 48: On December 31, 2023, the total of the commitment corresponding to this bonus for Board members and corporate representatives was €398k : €124k for Guillaume Robin, €80k for Patricia Mavigner, €66k for Lionel Monroe, €106k for Philippe Bories and €22k for Jérôme Chabaudie. No pension compensation was paid to executives. There is no commitment concerning separation compensation ('golden parachute') for executives.

2.7.12 - CONDITIONS FOR AGM ATTENDANCE

We invite all our shareholders to attend the Annual General Meeting by post, on the basis of the complete TPI (identifiable bearer shares) established annually on November 30. The conditions attached to attendance are described on page 57 of this report. At the Annual General Meeting of April 4, 2016, we adopted the principle of one share, one vote.

2.7.13 - OTHER INFORMATION

2.7.13.1 - Termination of employment contracts for corporate officers.

The corporate officers whose mandate renewal or appointment is approved by the Board of Directors at the AGM of April 2, 2024 are not bound by employment contracts. The recommendation to terminate the employment contract when the Board member becomes a corporate officer does not apply.

2.7.13.2 - Information on operations carried out with the members of the administrative and management bodies.

Conventions subject to authorisations are those described in the special auditors' report on conventions and commitments for the financial year ending December 31, 2023. Existing conventions appear in a list drawn up by the company for the financial year ending December 31, 2023 and sent to the auditors in compliance with the provisions of articles L 225-39 and L 225-87 of the Commercial Code.

2.7.13.3 - Loans and guarantees allocated or created in favour of administrative and management bodies.

The company did not allocate any loan or guarantee in favour of members of the Board.

2.7.13.4 - Non fiscally deductible charges as per article 39.4 of the French General Tax Code: None.

2. Report on corporate governance

2.8

SHARE PERFORMANCE

The Thermador Groupe share appears in the CAC ALL SHARE and ENT PEA PME 150.

We are currently listed on Euronext Paris in **compartment B** and accepted by the **S.R.D.***

* Since 2008, we have been included in the Deferred Settlement Service which allows shareholders to pay for their transactions on Thermador stock at the end of the month. We would remind you that compartment B includes shares in companies whose stock market capitalisation value is between €150m and €1,000m.

The Thermador Groupe share was listed on the stock exchange on June 24, 1987 at 240 French francs I.E., €2.99 according to the €/FF exchange rate and taking into account the different free share allocations made since then.

KEY FIGURES

Dividends

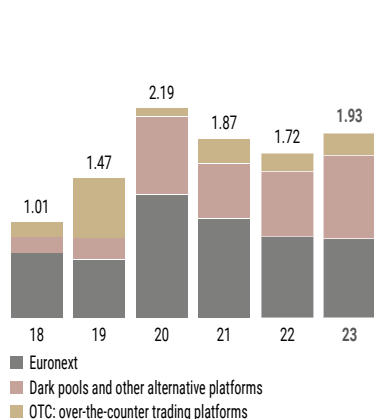
For 2023, we propose a dividend of €2.08 per share. This represents 32.8% of consolidated net profit. On the basis of the average 2023 price (€85.75), the yield is 2.43%.

Trading volumes

Liquidity: the large number of floating investors (estimated by Euronext at 65%) and the number of shareholders ensure good liquidity. Trading volumes decreased by 11.9% in 2023. On a daily average, 7,594 Thermador Groupe shares were traded, with a peak in October.

Trading volume in millions of shares

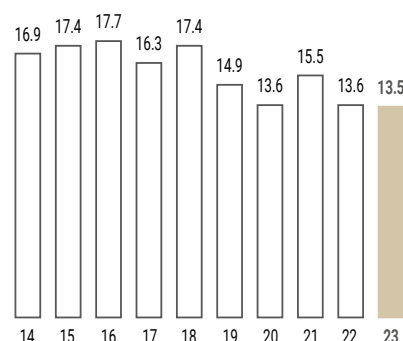
Source Bloomberg.



PER in 2023

(PER on the basis of the annual average price)

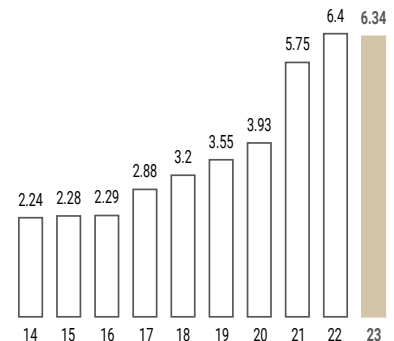
13.5



Consolidated net profit per share** in 2023

(in euros calculated on 9,200,849 shares)

€6.34



** Stock exchange data figures are adjusted to take into account of the nominal division of the share by two in May 2018.

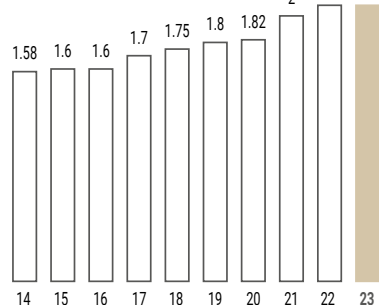
COTATION

- ❖ Identification of the : Thermador Groupe share
- ❖ Code ISIN: FR0013333432
- ❖ MNEMONICCODE: THEP
- ❖ Number of shares: 9,200,849
- ❖ Capital: €36,803,396
- ❖ LEI: 969500SSIGMAGT008F11

Net dividend per share** in en 2023

(in euros)

€2.08

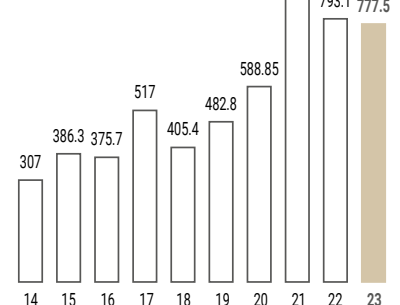


** Stock exchange data figures are adjusted to take into account of the nominal division of the share by two in May 2018.

Market capitalisation at December 31, 2023

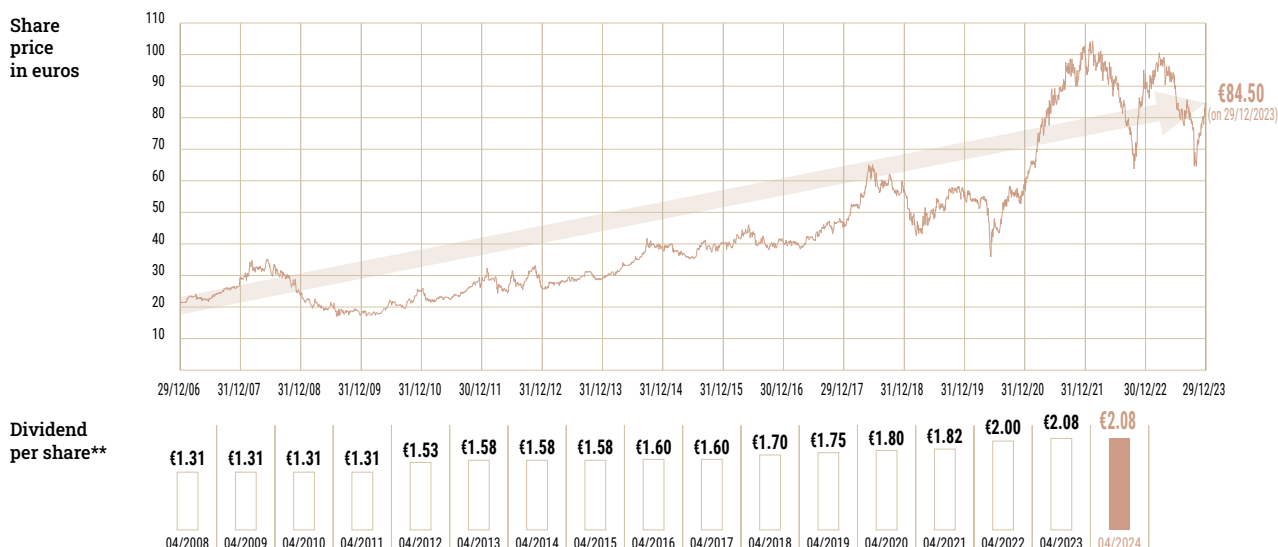
(in million of euros)

€777.5m



2. Report on corporate governance

THERMADOR GROUPE SHARE PRICE TRENDS



** Stock exchange data figures are adjusted to take into account allocations of free shares (one for six in November 2011), the nominal division of the share by two in May 2012 and the nominal division of the share by two in May 2018.

| SHARE PRICE TREND | TRADING VOLUME ON EURONEXT | CAPITAL (IN THOUSANDS OF EUROS) ON EURONEXT | LOWEST TRADING PRICE IN EUROS | HIGHEST TRADING PRICE IN EUROS | LAST TRADING PRICE IN EUROS |
|-------------------|----------------------------|---|-------------------------------|--------------------------------|-----------------------------|
| 2010 | 1,226,100 | 32,608 | 19.72 | 26.14 | 24.24 |
| 2011 | 1,099,652 | 34,570 | 24.03 | 34.18 | 26.74 |
| 2012 | 1,184,137 | 34,340 | 25.16 | 33.00 | 28.57 |
| 2013 | 1,058,274 | 32,255 | 27.93 | 34.60 | 34.00 |
| 2014 | 1,089,080 | 40,510 | 32.50 | 42.16 | 35.51 |
| 2015 | 841,670 | 32,982 | 35.06 | 44.98 | 43.50 |
| 2016 | 782,672 | 31,774 | 37.79 | 45.93 | 41.75 |
| 2017 | 1,123,584 | 52,000 | 40.53 | 57.00 | 56.75 |
| 2018 | 872,897 | 48,943 | 42.50 | 65.00 | 44.50 |
| 2019 | 609,324 | 31,932 | 43.00 | 58.20 | 53.00 |
| 2020 | 1,287,872 | 61,832 | 35.70 | 66.22 | 64.00 |
| 2021 | 1,037,143 | 90,797 | 64.80 | 105.00 | 101.60 |
| July 2022 | 47,681 | 3,991 | 80.2 | 86.3 | 82.4 |
| August 2022 | 104,245 | 8,154 | 74.1 | 82.6 | 76.9 |
| September 2022 | 68,159 | 4,754 | 62.2 | 76.4 | 67.9 |
| October 2022 | 70,822 | 5,373 | 66.5 | 86.8 | 84.3 |
| November 2022 | 49,362 | 4,358 | 83.8 | 96.9 | 90.3 |
| December 2022 | 61,745 | 5,504 | 84.9 | 93.8 | 86.2 |
| 2022 | 845,711 | 73,316 | 62.2 | 106.6 | 86.2 |
| January 2023 | 60,120 | 5,531 | 89 | 94.9 | 92.4 |
| February 2023 | 70,200 | 6,703 | 92.6 | 97.4 | 97 |
| March 2023 | 78,171 | 7,673 | 96.1 | 100.4 | 98.3 |
| April 2023 | 56,900 | 5,356 | 90.2 | 99.1 | 94 |
| May 2023 | 52,927 | 4,944 | 91.1 | 96.2 | 92.1 |
| June 2023 | 50,407 | 4,400 | 82.4 | 94.2 | 82.4 |
| July 2023 | 67,631 | 5,516 | 79.2 | 84.6 | 80.6 |
| August 2023 | 66,797 | 5,392 | 77.3 | 85.6 | 84.8 |
| September 2023 | 43,808 | 3,531 | 77.9 | 84.5 | 78.8 |
| October 2023 | 160,559 | 11,074 | 64.4 | 78.6 | 67.1 |
| November 2023 | 68,246 | 5,015 | 68.6 | 78 | 76.5 |
| December 2023 | 54,291 | 4,385 | 77.7 | 84.5 | 84.5 |
| 2023 | 830,057 | 69,520 | 64.4 | 100.4 | 84.5 |

The figures are taken from Euronext.

2. Report on corporate governance

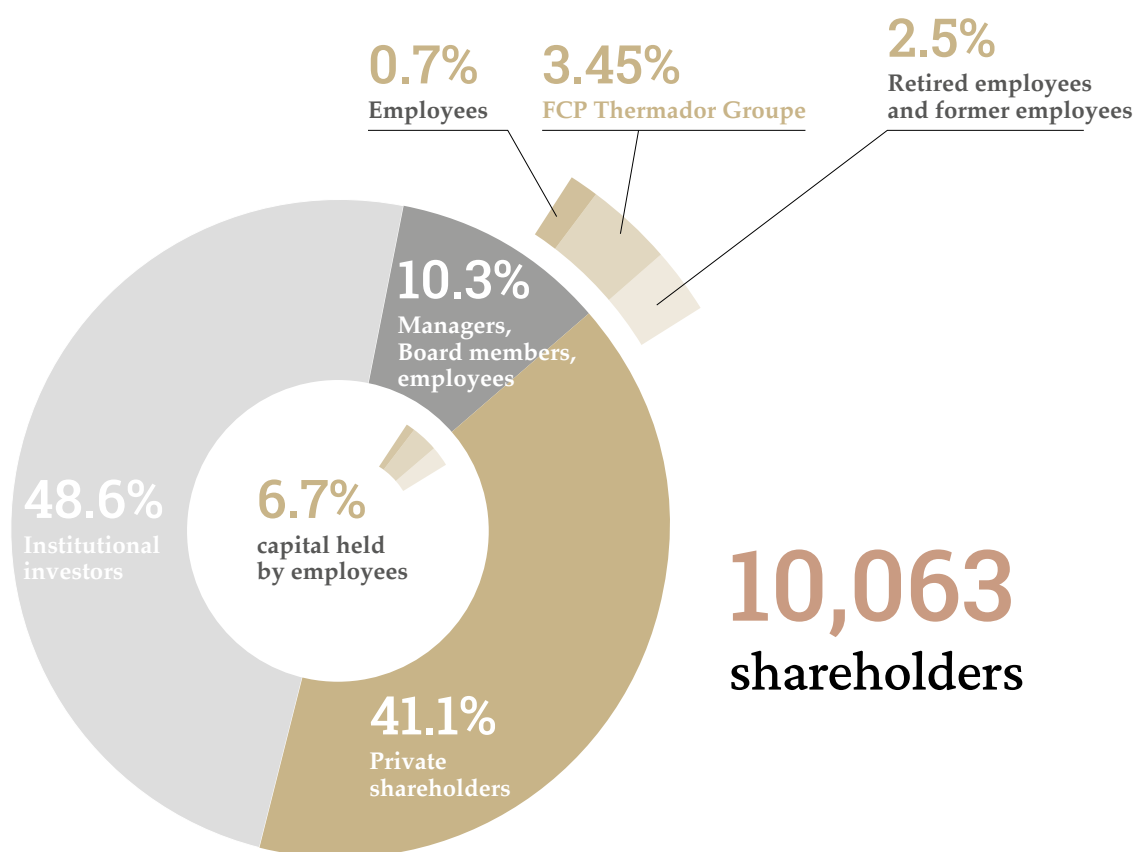
2.9 STRUCTURE OF CAPITAL

2.9.1 - BREAKDOWN OF CAPITAL

For a company of our size, we have an exceptionally large number of private shareholders: 9,427 individuals, representing 41.1% of the Group's capital.

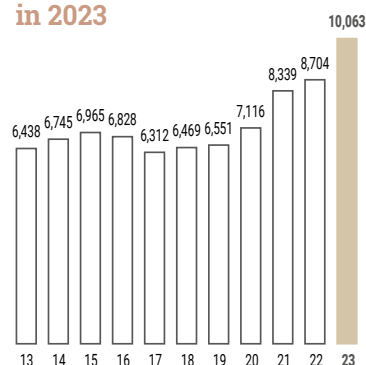
In 2023, 3,004 new shareholders joined us and 1,645 left (temporarily perhaps...).

In 2023, we noted a slight decrease in the share of capital held by active and retired employees. However, we are maintaining our target of 8.5% of capital held by them by 2030.



| NUMBER OF SHAREHOLDERS | 2021 | 2022 | 2023 |
|--|-------|-------|--------|
| CEOs | 17 | 19 | 20 |
| Board members | 7 | 8 | 8 |
| Employees | 143 | 143 | 171 |
| Retired employees and former employees | 48 | 56 | 58 |
| Retired CEOs | 4 | 4 | 5 |
| Founders | 4 | 4 | 4 |
| Family of founders | 25 | 39 | 41 |
| French investors | 193 | 173 | 190 |
| Foreign investors | 103 | 114 | 139 |
| Individual shareholders | 7,795 | 8,144 | 9,427 |
| Total | 8,339 | 8,704 | 10,063 |

Number of shareholders in 2023



2. Report on corporate governance

2.9.2 - BREAKDOWN OF SHARES AND VOTING RIGHTS

There are no family links between the founders (Guy Vincent, Jacques Borde, Geneviève Boreil, Hubert Fournier and Marc de Sereys) and the current directors.

The use of the shareholder identification procedure must be authorised by an Extraordinary General Meeting.

The Extraordinary General Meeting of June 27, 1988 gave us this authorisation, which is included in our company bylaws. We can thus, by applying to the centralising body EUROCLEAR, obtain - for a fee - the name, address and number of shares of all our French shareholders.

The number of shares was logged on November 30, 2023.

At the AGM of April 4, 2016, we adopted the principle of one share, one vote. Since December 31, 2020, the percentages of capital and voting rights were identical.

To the best of the company's knowledge, no shareholder other than those mentioned in the table below has a stake of more than 5%.

2023 milestones:

By e-mail received on December 6, 2023, FMR LLC* (The Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, United States) announced that on December 5, 2023 it had exceeded the thresholds of 5% of the share capital and voting rights of THERMADOR GROUPE and held 463,753 THERMADOR GROUPE shares representing the same number of voting rights, i.e. 5.04% of the share capital and voting rights of this company.

*FMR LLC is also known as Fidelity Investments.

| | 2021 | | 2022 | | 2023 | |
|--|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|
| | NUMBER OF SHARES HELD | CAPITAL / VOTING RIGHTS | NUMBER OF SHARES HELD | CAPITAL / VOTING RIGHTS | NUMBER OF SHARES HELD | CAPITAL / VOTING RIGHTS |
| EXECUTIVES, BOARD MEMBERS AND PERSONNEL | 977,345 | 10.6% | 962,457 | 10.5% | 940,724 | 10.3% |
| Board member CEOs | 161,877 | 1.8% | 205,168 | 2.2% | 206,566 | 2.3% |
| Board members not free of interests | 430 | NS** | 440 | | 670 | |
| Independent Board members | 3,089 | NS** | 3,695 | 0.1% | 3,834 | 0.1% |
| Thermador Groupe owning its own shares | 3,000 | NS** | 3,000 | | 136 | |
| Non-Board member CEOs | 397,858 | 4.3% | 342,409 | 3.7% | 346,110 | 3.8% |
| Employees | 108,591 | 1.2% | 99,895 | 1.1% | 66,383 | 0.7% |
| FCP Thermador Groupe (mutual fund) | 302,500 | 3.3% | 307,850 | 3.4% | 317,025 | 3.4% |
| INDIVIDUAL SHAREHOLDERS | 3,763,632 | 40.9% | 3,718,864 | 40.4% | 3,785,656 | 41.1% |
| Including retired employees and former employees | 232,398 | 2.5% | 236,050 | 2.5% | 232,976 | 2.5% |
| Including former CEOs* | 342,222 | 3.7% | 265,464 | 2.9% | 235,061 | 2.6% |
| Including Guy Vincent* | 490,000 | 5.3% | 490,000 | 5.3% | 490,000 | 5.3% |
| Including Marc de Sereys* | 358,972 | 3.9% | 319,436 | 3.5% | 313,960 | 3.4% |
| Including Geneviève Boreil, Hubert Fournier* | 229,796 | 2.5% | 214,396 | 2.3% | 214,396 | 2.3% |
| INSTITUTIONAL INVESTORS | 4,459,872 | 48.5% | 4,519,528 | 49.1% | 4,474,469 | 48.6% |
| Investmentaktiengesellschaft für langfristige Investoren TGV | 827,668 | 9.0% | 827,668 | 9.0% | 827,668 | 9.0% |
| Crédit Mutuel Equity | 629,906 | 6.8% | 629,906 | 6.9% | 629,906 | 6.9% |
| Fidelity Management and Research Company LLC | 238,660 | 2.6% | - | - | 440,874 | 4.8% |
| Other French investors | 1,587,785 | 17.3% | 1,479,536 | 16.0% | 1,241,563 | 13.4% |
| Other foreign investors | 1,176,273 | 12.8% | 1,582,418 | 17.2% | 1,334,458 | 14.5% |
| OVERALL TOTAL | 9,200,849 | 100% | 9,200,849 | 100% | 9,200,849 | 100% |

Capital owned by employees. * Not bound by any shareholder pact. Guy Vincent, Marc de Sereys, Geneviève Boreil and Hubert Fournier are four of five Thermador Founders.

2.10 LOOKING FORWARD TO 2024

Annuel General Meeting April 2, 2024 at 5pm at Lyon Confluences Museum

AGENDA

| | |
|------------------------------------|---|
| ANNUAL GENERAL MEETING | April 2, 2024 at 5pm at Lyon Confluences Museum. |
| SHAREHOLDERS MEETING IN PARIS | April 4, 2024 at 4pm at Salons Hoche in Paris. |
| PAYMENT OF DIVIDENDS | The dividend will be detached on April 12, 2024 and made available for payment on April 16, 2024. |
| ANNOUNCEMENT OF QUARTERLY TURNOVER | April 16, 2023, July 11, 2023, October 15, 2024, January 15, 2025, 6pm CET. |
| ANNOUNCEMENT OF MID-TERM RESULTS | July 29, 2024, 6pm CET. |
| PUBLICATION OF ANNUAL RESULTS | February 28, 2025, 6pm CET. |

The publication of annual and half-year results will be preceded by an embargo period of one month; the publication of quarterly turnover will be preceded by an embargo period of 15 days, in compliance with the guide to permanent information and management of inside information (DOC-2016-08) and article 19.11 of MAR.

Dividends not claimed within five years as of the date of payment are subject to prescription (civil code art. 2277). They are then paid over to the State.



Our website: www.thermador-groupe.fr

Write us: contact@actionnaires.thermador-groupe.fr

Regularly updated in French and English, it presents the Group's activities, financial information and stock exchange news.

Our financial releases are published in the 'News' and 'Regulated Information' sections. They also appear on stock market information websites in French and English, as well as on LinkedIn, Instagram and X.

If you scroll down our home page, you will find a daily updated chart showing the performance of Thermador Groupe's share, dividends reinvested.

€100 invested 10 years ago was worth €360.72 on February 1, 2024. This represents an average annual gross return of 13.7%.

Using the same scenario (10 years, dividends reinvested), the French stock exchange (CAC40) shows annual gains of 9.6% per year.

STUDIES

We thank the analysts who are interested in our Group. Studies are regularly carried out on our share by:

- ✦ Portzamparc in Nantes - tel. +33(0)2 40 44 94 09.
- ✦ CM-CIC Securities in Paris - tel. +33(0)1 45 96 77 00.
- ✦ ODDO BHS in Lyon - tel. +33(0)4 72 68 27 00.
- ✦ IDMidCaps in Paris - tel. +33(0)1 80 48 80 12.
- ✦ Financial of Uzès in Lyon - tel. +33(0)4 78 42 51 18.

Guillaume Robin is legally responsible for financial information.

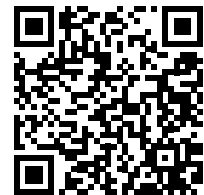


Annual General Meeting at théâtre des Célestins in 2023

RUNNING OF OUR AGM

Our Annual General Meeting was held on April 3, 2023. It brought together 180 people. 1,194 voters took part, accounting for 7,017,474 shares, or 76.29% of voting rights.

Once again, we were able to meet in person. However, our shareholders were very active in voting remotely, making extensive use of the Votaccess platform. All the resolutions were adopted with approval rates of between 90.44% and 99.99%. The texts of the resolutions appear on pages 187-189 of our 2022 Universal Registration Document and on our website. A dividend of €2.08 per share was detached on April 12 and paid on April 14, 2023. As in previous years, the entire AGM was filmed and posted on Thermador Groupe YouTube channel:



SHARES CAN BE BEARER DIRECTLY REGISTERED OR ADMINISTERED

- 1) **Bearer** shareholders entrust management of their shares to their financial representative who receives custody fees. In our case, they are known to our company only through the annual TPI (identifiable bearer share) census.
- 2) In the case of registered shareholding, the holder fulfils the formality of depositing his shares in a share account managed by the issuer or by a financial intermediary authorised by the issuer.

In our case the intermediary chosen by us is: **Securities CM-CIC / Middle Office Emetteur - 6, avenue de Provence - 75441 Paris cedex 09 - France.**

To transfer shares to registered format, application must be made by letter to the financial intermediary giving the contact details of the above-mentioned representatives. Registered shares are permanently identifiable to the issuer. They are not subject to custody fees.

- 3) You can also opt for **administered shares**. You keep your shares account - or your PEA (savings plan in shares) - with your financial intermediary who undertakes to keep us permanently informed on your position.

REMOTE VOTING

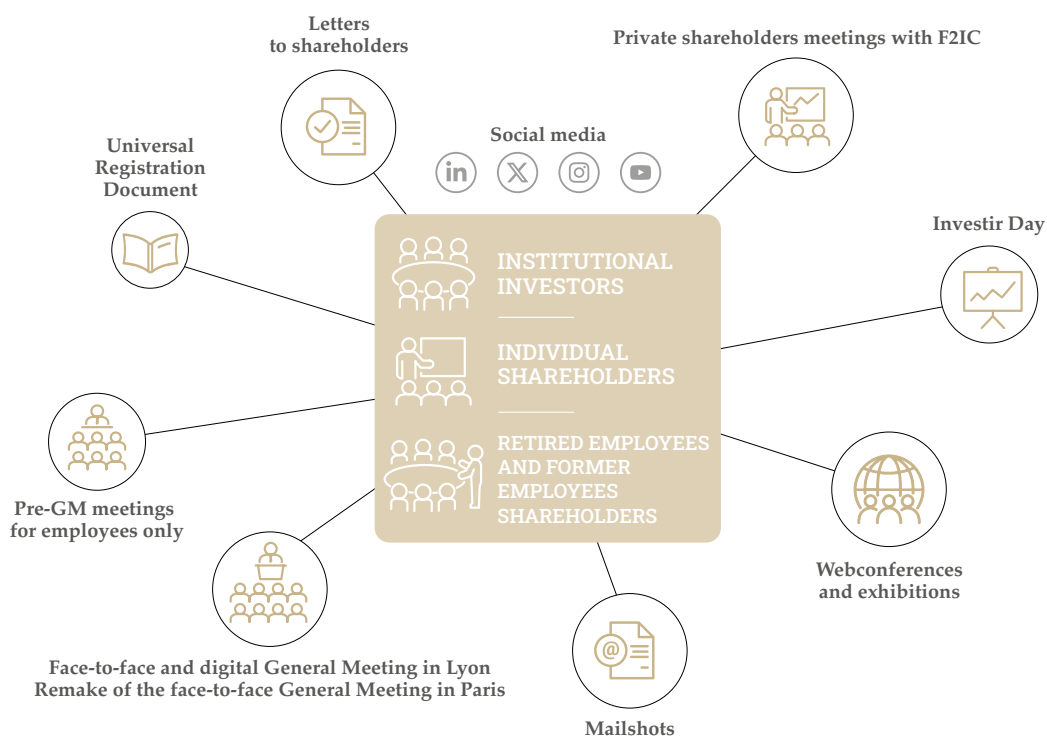
If you cannot attend the Annual General Meeting, you can entrust powers to the Chairman or any other shareholder of your choice.

You can also vote by mail. In both cases, we invite you to use a single form that is available upon request. For pure or administered registered shareholders and bearer shareholders whose financial intermediary has signed up to the VOTACCESS system, electronic voting by VOTACCESS has been possible as of the Annual General Meeting of 2017.

2. Report on corporate governance

2.12 SHAREHOLDERS' RELATIONS

More than **20** shareholder events per year



2.12.1 - WEBINARS

Our communications agency Opaline organised six web conferences with simultaneous English translation, in the days following our publication dates. Two of them were dedicated to institutional investors from France and abroad.

These events are attended by private shareholders, institutional investors and employees, both novices and experts, who can attend live or watch on catch-up. They can ask their questions in the chat room and Thermador Groupe executives answer them live.



Web conference of October 16, 2023

2.12.2 - INSTITUTIONAL INVESTOR

Participating in in-person and virtual shows during the year gives us access to institutional investors that generate an average of ten meetings per day.

- ✦ 3 days at the **Oddo Midcap** Digital Forum in January in Lyon.
- ✦ 2 days at the **Next Cap** digital forum with **Oddo** in June.
- ✦ 1 day at the forum with **Portzamparc** in June.
- ✦ 1 day at the **Lyon Pôle Bourse** investor forum in September in Lyon.
- ✦ 1 day with **Midcap Events** in September in Paris.
- ✦ 1 day on **Impact Investing** with **Portzamparc** in November.
- ✦ 1 day at **Next'up Ethifinance ESG** forum in November in Paris.
- ✦ 1 day with **CM-CIC Market solutions** in November

Throughout the year, we have many contacts by telephone, in person, or during road shows, most often in Paris. Investors particularly appreciate having simple, direct contact with the chairman & CEO and the Deputy CEO in charge of finance.

Our head of Sustainability participated in several webmeetings and in the **ESG Next'up Ethifinance** forum.

2. Report on corporate governance

2.12.3 - PRIVATE SHAREHOLDERS

They all receive the annual report, letters to shareholders, and with ownership of one share upwards, an invitation to the AGM. To our knowledge, we are one of the few companies that do this. As a result of this practice, we have a large number of private shareholders (9,427 according to the November 2023 TPI (identifiable bearer shares)), accounting for 41.1% of our capital (the average for listed companies is less than 10%).

As our AGM is held in Lyon, we traditionally head to Paris for a re-run in person in April. In 2023, we met 115 shareholders at Salons Hoche for that purpose.

2.12.3.1 - Investir Day

We were at Palais Brongniart on November 28, 2023 for the 5th edition of Investir Day during which we met 140 private shareholders, organised a shareholder meeting and answered various interviews.

2.12.3.2 - Future shareholders' observatory

(Observatoire des Actionnaires d'Avenir)

We take part in this working group with Air Liquide, Axa, Edenred, Engie, Orange, L'Oréal, and Wavestone. The Observatoire des Actionnaires d'Avenir (OAA) works to promote individual and employee shareholding in order to encourage the redirection of French people's savings towards the national production system, with a view to the long term and to maintaining decision-making centres in France.

<http://www.capitalisme-responsable.com/observatoire-des-actionnaires-davenir/>



Investir Day on octobre 28, 2023

2.12.3.3 - F2iC and NextWise

In partnership with French federation of private investors and investment clubs, **F2iC** (Fédération des Investisseurs Individuels et des Clubs d'investissement), we visited Nantes, accompanied by **Interparfums** and **Wendel** (110 people present) and then Annecy, accompanied by **Interparfums** and **Gecina** (109 people present).

We were also involved in the 3rd **Dauphine - NextWise** challenge, an educational course designed with and for students.

At Investir Day, in partnership with NextWise, we organised a quiz with the chance of winning a VIP visit to our Saint-Quentin-Fallavier site in the company of Patricia Mavigner and Guillaume Robin. 112 students took part in the quiz, 17 of whom won and will visit the Group in the spring of 2024.



2.12.4 - EMPLOYEE AND PENSIONER SHAREHOLDERS

They hold 6.7% of capital,
directly or via Thermador's company's mutual fund, FCPE.

The employees are signatories to a stock market charter and may only trade on the market four times per year during three-week windows following the publication of turnover levels (1st and 3rd quarter) and half-yearly results (1st half and annual).

Since 2017, we have invited all employees to a pre-AGM meeting to take time to explain the process of governance, the role of independent directors, and the proposed resolutions. The floor is also given during this meeting to the FCPE supervisory board's employee representatives (3.5% of capital) who are thus fully informed to vote according to their views at the time of the AGM.

Traditionally, employee-shareholders (0.7% of capital) are loyal attendees at the AGM. There were about 66 of them at the 2023 edition. Retired and former employees often remain shareholders, and many attend the AGM too. They hold 2.5% of capital.

At the General Meeting of Shareholders on April 2, 2024, we will propose a capital increase reserved for all our employees in order to reach our target of 8.5% of capital held by employees (active and retired) by 2030. This scheme, which can be renewed each year, is designed to reward and even encourage the loyalty of our employees (see resolution 17 on page 195).

2. Report on corporate governance

2.13 SHAREHOLDERS' EMAILS AND CHAT

April 17, 2023, C.B.:

By how much do you plan to reduce our carbon footprint over the next 5 to 10 years?

Reply from Guillaume Robin

Reducing our carbon footprint is a major challenge. We need to commit to this indicator and define our reduction targets by the end of the year. However, I must stress that this is no easy task. We are working on it and are committed to communicating the resulting targets to all shareholders by the end of the year.

Reply from Patricia Mavignier

Our efforts also depend on our suppliers, and this means close collaboration. Although some subsidiaries already implemented actions in 2022, it is still difficult to measure their results given the diversity of products sold by our subsidiaries. We are also exploring options such as the use of recycled materials.

July 28, 2023, W.M.:

What impact will delays in ANAH funding have on Thermador in the first half of 2023?

Reply from Patricia Mavignier

We have assessed the potential risk to trade receivables from ANAH funding delays. At the end of June, the outstanding amount was approximately €500,000. We are monitoring the situation closely, but our exposure is limited.

Reply from Guillaume Robin

It is important to note that government receivables are considered safe, although late payments have an impact on cash flow. These delays have led to a significant slowdown in the energy renovation market, particularly for air-to-water heat pumps.

July 28, 2023, M.K.:

Do you think your company has become more or less resilient to economic cycles since 2009? And if sales were to fall as they did in 2009 (by 5%), how would this affect the company's margins?

Reply from Guillaume Robin and Patricia Mavignier

We continue to supply essential products and equipment for basic needs such as heating, hot water and others. Even in times of crisis, these products are in demand, and this means stability for us. In addition, our maintenance and renovation activities remain crucial in these difficult times. As far as margins are concerned, a 5% drop in sales, as in 2009, could put pressure on profits. However, our professional and loyal employees are a major asset in overcoming these challenges, as we saw during the Covid-19 crisis.

On 28 July 2023, M.B.:

How do you plan to strengthen your international presence, with international exposure currently at 16%?

Reply from Guillaume Robin and Patricia Mavignier

Our model is based on the presence of sales team in each country.

In order to increase our current international presence of 17%, our approach is to regularly visit our customers and provide them with available products and quality service, as Syveco has been doing since 2006. In addition, other subsidiaries such as Sodeco, Rousseau and FG Inox are also contributing to this expansion, avoiding internal conflicts and maximising

opportunities on the international market.

We congratulate the dynamic team at Rousseau Spain, an Odrea subsidiary, for their remarkable efforts. Their success is largely coming from key customers such as Leroy Merlin in Spain.

October 16, 2023, P.N.:

Your forecasts for 2024 seem pessimistic. Is the situation so alarming?

Reply from Guillaume Robin and Patricia Mavignier

The current geopolitical and economic situation is worrying, which is why we are cautious in our short-term forecasts for 2024. We are not pessimistic, but realistic in the face of a difficult environment that affects not only Thermador, but many other companies besides. We had already anticipated challenges for 2023 and 2024, not least because of developments in the new-build housing sector. We had already started to signal a possible correction in the market at the end of Q3 of last year, recognising that the post-Covid bubble would eventually burst.

October 16, 2023, M.K.:

Do you think the increase in government subsidies under the MaPrimeRenov scheme could offset some of the macroeconomic weakness in the years ahead?

Reply from Guillaume Robin

In the medium term, yes. The equipment sold by Thermador, particularly for energy renovation, should return to growth. The financing potential is there, but there are still issues with its distribution by the national housing improvement agency, ANAH. We have the products, have stock in Europe and are closely monitoring the solar energy market through the partnerships we have, and will be ready to meet demand when the upturn comes.

October 16, 2023, L.O.:

Are you planning to increase your prices again in 2024?

Reply from Guillaume Robin

The trend for 2024 is not towards higher prices. The price increase inertia of 2023 will continue, but in a context of gradually-falling inflation. The European Central Bank is fighting inflation by raising interest rates, which may slow the economy. Overall, we do not expect significant price increases in 2024.

October 16, 2023, T.C.:

Are you complying with the new laws covering energy production on land and in buildings, including those relating to rooftop solar panels?

Reply from Patricia Mavignier

Yes, we have carried out energy audits on more than 50% of our buildings and have already installed photovoltaic panels on some sites, such as Saint-Quentin-Fallavier and in Belgium, using innovative devices such as trackers.



EXTRA-FINANCIAL PERFORMANCE STATEMENT

| | | |
|------------|---|------------|
| 3.1 | Our CSR strategy | 62 |
| 3.1.1 | Our identity and our values | 62 |
| 3.1.2 | Our business model: activities that place us at the heart of the ecological transition | 63 |
| 3.1.3 | Our ecosystem | 66 |
| 3.1.4 | Our commitment to the United Nations' SDGs and the Global Compact | 67 |
| 3.1.5 | Main risks and opportunities | 68 |
| 3.1.6 | CSR organisation and governance | 70 |
| 3.1.7 | Our commitments and 19 medium and long-term priorities | 72 |
| 3.1.8 | Our CSR performance | 73 |
| 3.2 | Our challenges | 75 |
| 3.2.1 | Governance: respecting ethical principles and compliance | 75 |
| 3.2.2 | People: growing our teams | 77 |
| 3.2.3 | Environment: contributing to the ecological transition | 86 |
| 3.2.4 | Societal: being a responsible and committed partner for our stakeholders | 103 |
| 3.3 | Summary of indicators and cross-reference table | 107 |
| 3.4 | Report from the inspection agency | 111 |

3. Extra-financial performance statement

3.1 OUR CSR STRATEGY



THE CHAIRMAN'S MESSAGE

Our subsidiaries have made considerable efforts to advance the Group's key sustainable development challenges. This has produced results, as the multi-criteria trajectory announced in 2021 (page 73) has been met, with an average fulfilment rate of 104.1%.

However, every day brings a heightened awareness of the scale of the challenges faced.

As our value chain produces limited greenhouse gas emissions compared to other business sectors, we remain cautious about our ability to reduce them by 55% by 2030, as called for in the major objectives of the European Green Deal. Indeed, some of the manufacturing processes commonly used by our suppliers are very energy-intensive and have no known alternative to date, particularly for the transformation of metals and plastics.

The use of recycled materials is already very advanced, which leaves us limited wriggle room in that regard. It is therefore mainly the use of low-carbon energy by our suppliers and their own suppliers of materials that will determine our trajectory, and consequently the energy policies of the countries in which the factories producing the equipment sold by our subsidiaries are located.

An initial review shows that our European suppliers soon to be subject to CSRD regulations currently account for 40% of our purchases by value. Already, the largest suppliers are starting to act. Their trajectories will determine ours, which will obviously lead us to raise our standards with them on all CSR issues.

Because of this, and in anticipation of probably high carbon taxes in the future, we will also become increasingly demanding of non-European suppliers, who currently account for 32.5% of our purchases, including 27.2% from China. We remain convinced that the best of them will be keen to exploit possible competitive advantages.

Despite all these uncertainties, and having studied simulations carried out by two pilot subsidiaries (Sferaco and Sectoriel), we have taken the collective decision to set ourselves a target of reducing carbon intensity by 17% between 2022 and 2030 (Scope 3 indicator no. 13, page 73).

The gradual abandonment of cheap energy and resources will inevitably lead to higher costs and prices. By way of example, the total amount of salaries and services paid in 2023 working on advances on these challenges amounted to €800k. This figure will undoubtedly rise over the next few years.

This profound transformation of our companies, made absolutely necessary by climate change and its inherent risks, also requires the commitment of our employees in all our businesses. This is already the case for the most passionate among them, and we thank them for the colossal amount of work they have put in over the last three years to help us move forward collectively.

And as part of a drive to involve all employees, increase the proportion of capital they hold and reward their loyalty, we will be proposing a free share plan at the Annual General Meeting on April 2, 2024, 50% of which will be conditional on the achievement of the targets set out on page 73.

3.1.1 - OUR IDENTITY AND OUR VALUES

Thermador Groupe brings together companies that distribute equipment and accessories for the circulation of fluids in construction, public works and industry, as well as large tools for the general public and professionals. Our customers are wholesalers of heating and sanitary equipment, pumps, valves and fittings, industrial supplies, public works companies, industrialists and all those involved in DIY. Our suppliers are the manufacturers of these products throughout the world.

Our Group has built its growth on respect for its teams, shareholders, customers, suppliers, swimming pool professionals, other stakeholders and the environment. Our values are trust, transparency and simplicity in human relations.

Our values

RESPECT

TRUST

HUMILITY

FAIRNESS



EXEMPLARITY

INTEGRITY

FRIENDLINESS

CARE

TRANSPARENCY

Since the foundation of Thermador in 1968, our teams have been at the centre of our values.

Each employee, whatever his or her function, can exchange with his or her peers in inter-subsidiary working groups.

This is the case in the field of management, where the sharing of good practices is a very effective method of encouraging each individual to progress and of ensuring overall cohesion.

The choice of proximity with our employees.

3. Extra-financial performance statement

We fully accept that there is no Group HRD. **Our vision is that the CEO of each subsidiary, in close collaboration with the administrative department and the local manager, must assume full responsibility for their human resources.**

Thus, the administrative departments of the subsidiaries are responsible for several areas of activity, including human resources, IT, accounting and taxation. Human resources are the area to which they devote most of their time, in order to ensure that our employees have the right working conditions. Thermador Groupe provides support in legal and payroll matters.

Our management teams are clearly responsible for the quality of the human climate in the companies and we encourage care, friendliness, simplicity and serenity.

Our short structure, limited to four hierarchical levels, favours proximity between the managers and all the employees.

However, this proximity is no longer sufficient today to collect all the ideas, remarks, suggestions and dissatisfactions of the women and men who work in each of our subsidiaries. Since 2017, we have submitted our 'quality-of-life-at-work' survey to our employees every three years. They have clearly taken to this new form of expression, as 93% of them responded in 2021. These surveys are the subject of action plans in the subsidiaries in order to address the remarks made via this anonymous questionnaire. The next quality-of-life-at-work survey will take place in 2024.

We believe we have a committed, competent, efficient and generally loyal staff.

**"The future value of the Group is in the hands of its leaders and its teams.
We are therefore working hard to grow our human resources."**

To give purpose to the missions of each person.

We attach importance to seniority in our teams. Preserving the motivation of our employees is therefore essential, as our employees stay in our subsidiaries for an average of 9.6 years.

It all starts with recruitment, a difficult art that we practise with humility and simplicity. In the end, we find that collegial decisions are the safest.

This involves thinking about the tasks entrusted to them, their development and the meaning given to each person's contribution.

Throughout the individual career paths, we strive to allow each person to develop his or her talents, according to his or her merits and abilities. We cultivate the virtues of exemplarity, transparency, respect and a fair share of the proceeds of our work.

When departure seems inevitable, we strive to remain fair, dignified and maintain good relations with those who are leaving us.

The importance of exemplarity and transparency.

All of this allows us and imposes on us a high degree of requirement in all positions, for the greatest benefit of all.

Transparency of salaries Transparency of salaries in our subsidiaries is an effective way of ensuring that earnings are consistent, regardless of gender, religious belief, political opinion, social or ethnic origin, sexual orientation or identity, sexual orientation, disability, family status, nationality, surname or physical appearance.

With the acquisition of 10 companies and two businesses since 2015, our challenge is to open up to other business cultures while gradually spreading our core values. These values must endure and constitute the cement of the Group.

3.1.2 - OUR BUSINESS MODEL: ACTIVITIES THAT PLACE US AT THE HEART OF ECOLOGICAL TRANSITION

Thermador Groupe is a federation of specialist distribution companies. Our subsidiaries are the interface between manufacturers and wholesalers, DIY stores, factories, swimming pool professionals, e-merchants and marketplaces. Equipping buildings, public works and industry, particularly for heating, domestic hot water, ventilation, rainwater harvesting, wastewater treatment, drinking water supply, methanisation and energy transport, our activities place us at the heart of the ecological transition.

As distributors, our subsidiaries have a key role to play in selecting sustainable products, developing eco-design with their partners and upgrading their water and energy saving product ranges. The services we provide to our customers also help to extend the product life cycle.

Information on our contributions can be found herewith, in section 3.2.3.5 Our solutions contributing to ecological transition.

- ✦ Our businesses are presented in chapter 1.3 (Universal Registration Document).

- ✦ Our vision, strategy and current challenges are outlined in the Chairman's statement on page 1 of chapter 1.5.

- ✦ Our governance is described in chapter 2 of the URD.



Rainwater harvesting by Jetly and Aello using Globus

3. Extra-financial performance statement

OUR BUSINESS MODEL:

ACTIVITIES AT THE HEART OF ECO-TRANSITION

Our resources

ECONOMIC

Financial:

- ✦ Equity: €359 million.
- ✦ Diluted shareholding with 10,063 shareholders of which 41.1% are private shareholders.
- ✦ Cash: €35.2 million.
- ✦ Debt: €38.7 million.

Suppliers:

- ✦ + 789 partner factories.

Customers:

- ✦ 28,716 customer-partners.
- ✦ Product inventories: €191.7 million.

Real estate:

- ✦ Market value: €86.3 million.

HUMAN

Our teams formed of women and men:

- ✦ 777 employees (excluding DPI).

OPERATIONAL

Real estate:

- ✦ 126,711 m² of storage space for products and workshops.

Products:

- ✦ 66,636 products in stock.

Logistics:

- ✦ 17 transport partners.

Soft-skills:

- ✦ 4 design offices in our subsidiaries.
- ✦ Our teams cover more than 20 languages.
- ✦ A significant proportion of the products we sell carry more than 50 registered trademarks.

Information system:

- ✦ 1 information systems team made up of 17 experts.
- ✦ 1 communications agency with 14 experts in digital marketing, graphic design, production and video.

ENVIRONMENTAL

Energy:

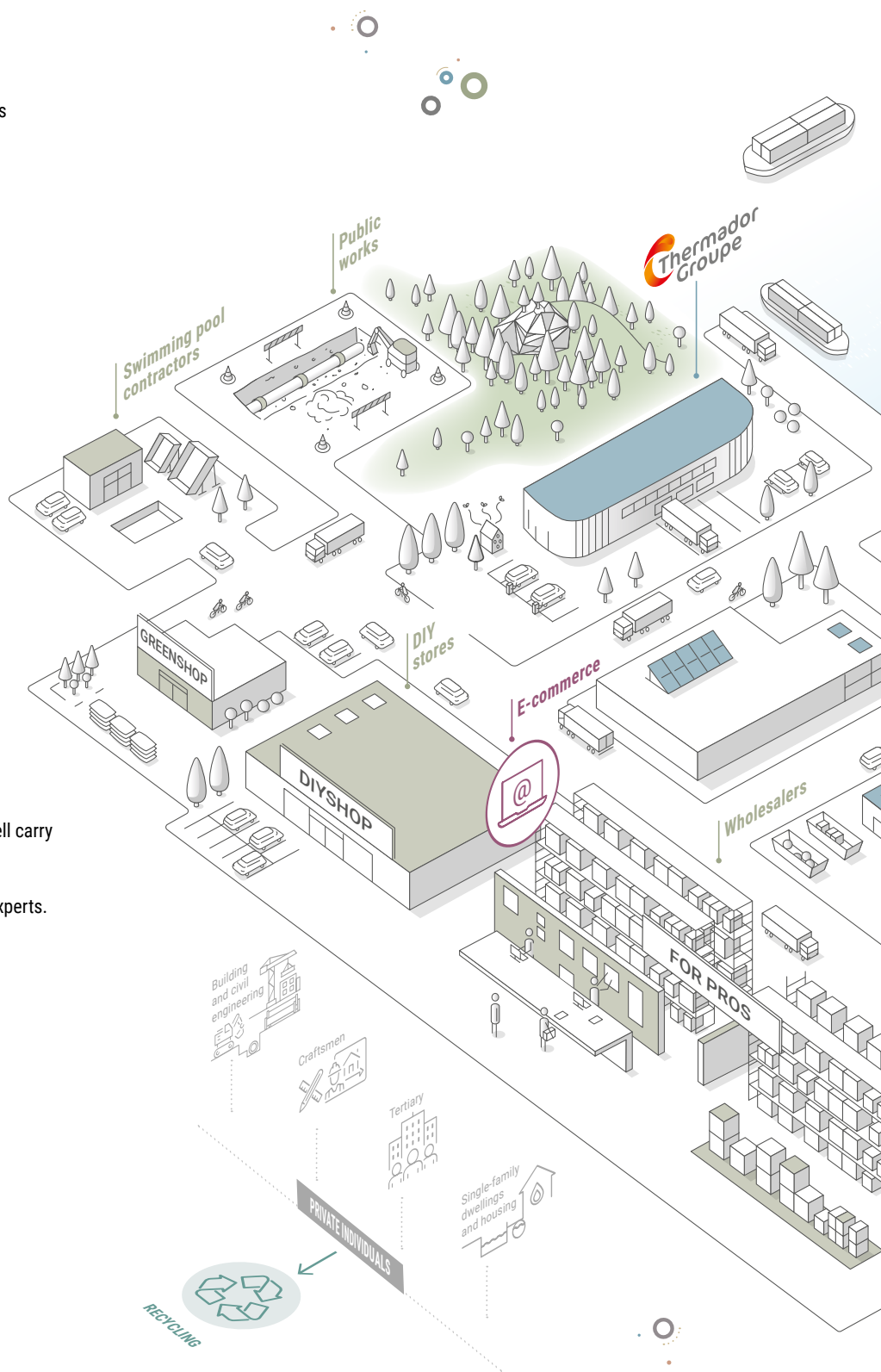
- ✦ Electricity: 2,156,733 kWh and gas: 2,607,937 kWh
- ✦ Fuel.

Renewable resources:

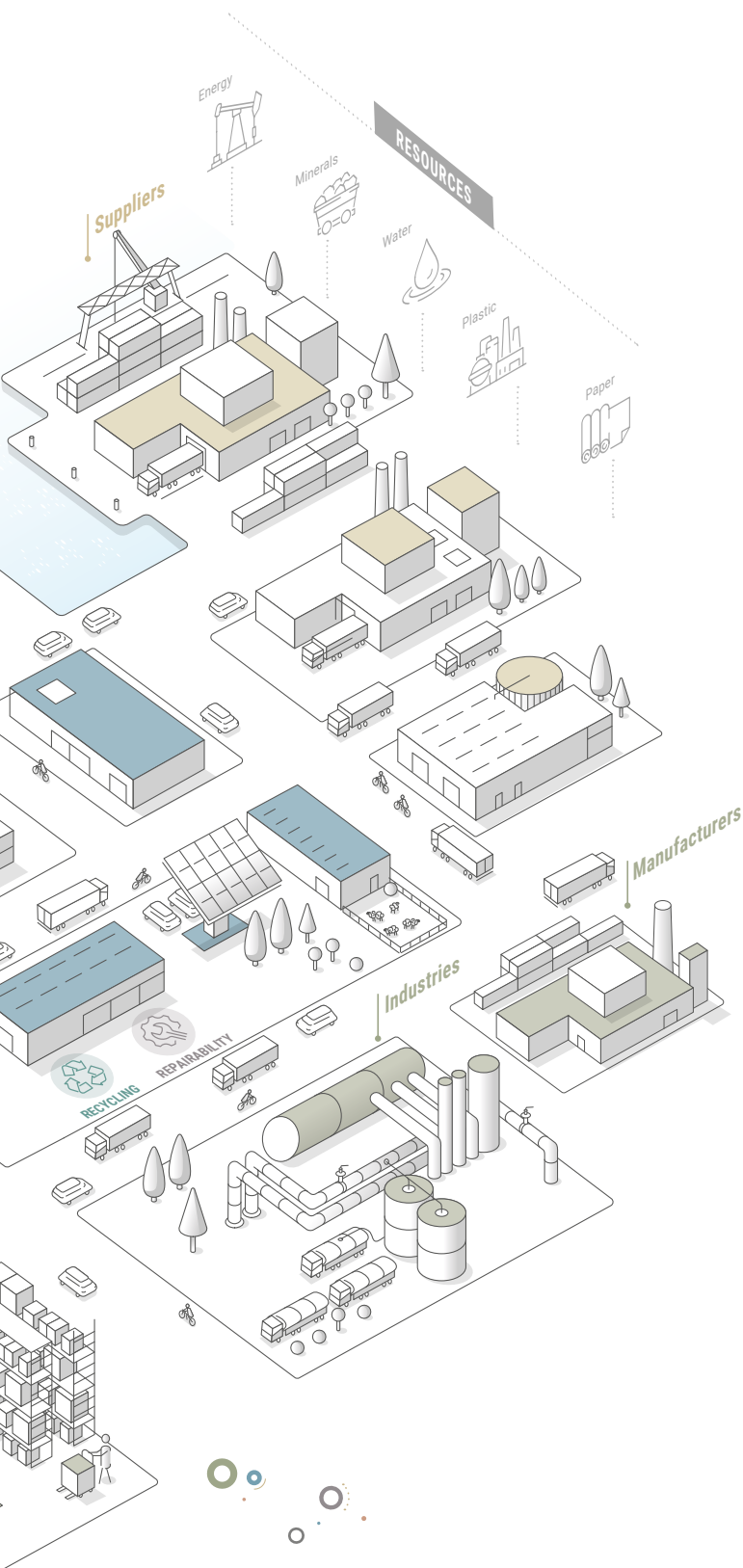
- ✦ Cardboard and wood.

Non-renewable resources:

- ✦ Stretch film.



3. Extra-financial performance statement



Our achievements

ECONOMIC

Financial:

- ❖ Turnover: €580.95m down 1.8%, to constant scope (+4.9% overall).
- ❖ Net income: €58.3m.

Sharing the value created:

- ❖ Payroll: €45,155k.
- ❖ Profit sharing: 96% of our employees receive variable components in their pay.
- ❖ Purchases of goods and services: €374.4m.
- ❖ Shareholders: dividends paid every year since 1988 without ever having decreased. On February 1, 2024, €100 invested 10 years earlier was worth €360.72. This is equivalent to an average gross annual return of 13.7% (cf. p. 56).
- ❖ Tax burden: €21.4m.

Donations and sponsorship €91.2k.

Suppliers:

- ❖ 92.8% of our suppliers are signatories to our Responsible Purchasing Charter.
- ❖ Long-term supplier relationships: 40 years of partnership for 21% of our suppliers.

HUMAN

Employee loyalty and satisfaction:

- ❖ Staff turnover rate: 15.7%.
- ❖ Average length of service: 9.6 years.
- ❖ Quality-of-life-at-work survey: 93% of employees responded (last survey).

Health of our teams:

- ❖ Work-related accident frequency rate: 12.71.

Upskilling:

- ❖ Percentage of employees trained: 96.4%.
- ❖ Number of training hours: 14,677.

Diversity:

- ❖ 42.9% of women in management positions.

Job creation:

- ❖ Number of jobs created in France in 2023: 29.

OPERATIONAL

Products:

- ❖ Tonnage received: 40,924 tons of products.
- ❖ Tonnage shipped: 41,413 tons of products.

Soft-skills:

- ❖ 3 subsidiaries which are training organisations deliver courses to our customers.
- ❖ 8 subsidiaries representing 65.09% of our turnover are ISO 9001-certified.
- ❖ 15 catalogues created.
- ❖ 48 videos produced.
- ❖ More than 500 building and industrial products modelled in 3D.

ENVIRONMENTAL

Energy:

- ❖ 99% of electricity consumed on a green contract.
- ❖ Reduction in total electricity consumption: 9%.
- ❖ Reduction in total gas consumption: 31%.
- ❖ Reduction in total water consumption: 11%.

Waste and emissions:

- ❖ 99.4% of waste recycled or reclaimed.
- ❖ WEEE contribution for product recycling: €425k.
- ❖ Total CO₂ emissions (Scope 1, 2, 3): 241 ktCO₂e

Evolutionary data are shown compared to the previous year.

3. Extra-financial performance statement

3.1.3 - OUR ECOSYSTEM

Thermador Groupe evolves and interacts in an environment made up of players who influence its activity.

In all our economic and social relations, we favour exchange, transparency and listening attentiveness. This ongoing dialogue enables us to take their expectations on board and make them part of the Group's strategic orientations, activities and commitments.

Thermador Groupe identifies **six major stakeholders**:

- ❖ Employees, who contribute their work, talents, know-how and interpersonal skills.
- ❖ Customers, whether they are distributors or users. They are the economic lifeblood of the Group through their purchases.
- ❖ Investors, shareholders and bankers, who provide the capital needed for investment, stability and growth.
- ❖ Suppliers and partners who provide the goods and services that are essential to the business.
- ❖ Civil society represented by the professional unions, associations, and schools with which we interact.
- ❖ Public authorities, local authorities and regulators.

The main interactions with them are as follows:

STAKEHOLDERS

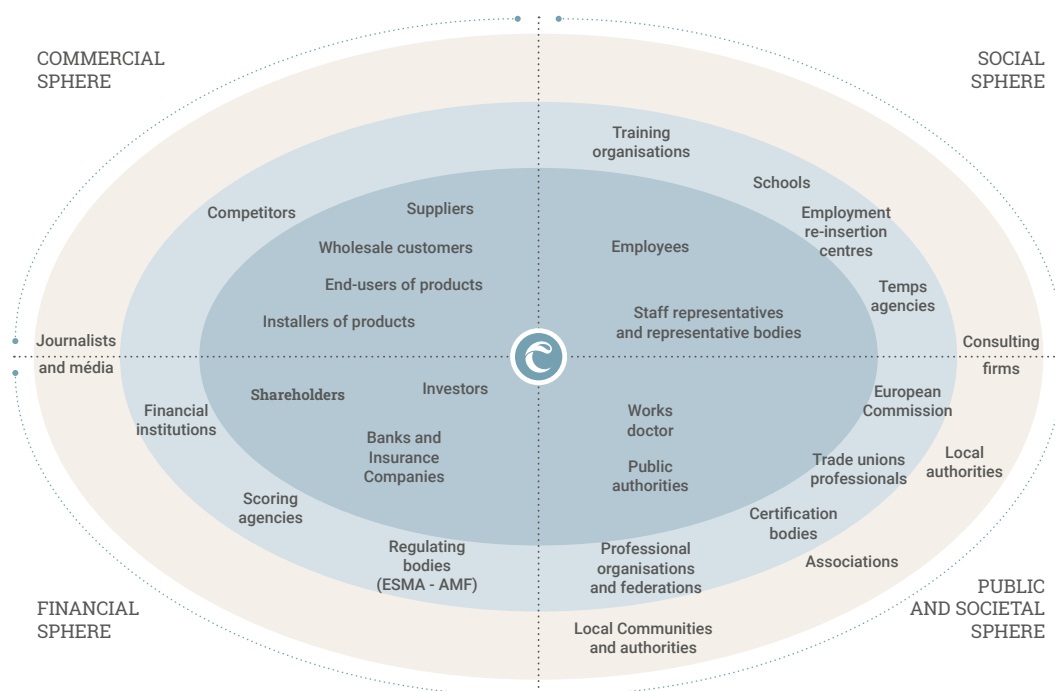
| | |
|---|--|
| EMPLOYEES | <ul style="list-style-type: none"> ❖ Open-plan offices to facilitate daily interaction. ❖ A monthly general meeting of all staff members in each company. ❖ Employee representative bodies: at least 6 meetings per year per subsidiary. ❖ Annual performance review and biennial performance review with the manager. ❖ An intranet platform for exchanging day-to-day information on the life of the Group. |
| CUSTOMERS <i>Details chapters 1.6, 1.9 and 1.10.</i> | <ul style="list-style-type: none"> ❖ 142 travelling sales representatives and 152 technical sales representatives in daily contact with our customers, and account for more than a third of our workforce. |
| INVESTORS <i>Details chapter 2.12.</i> | <ul style="list-style-type: none"> ❖ Half-year results and outlook by videoconference. ❖ Annual General Meeting to which all shareholders are invited. ❖ Regular participation in investor forums and meetings. |
| SUPPLIERS <i>Details chapters 1.8 and 3.2.4.1.</i> | <ul style="list-style-type: none"> ❖ Daily interaction with our purchasing and supply teams. ❖ Regular visits to supplier manufacturing sites. ❖ Annual supplier assessments. |
| PROFESSIONAL ORGANISATIONS <i>Details chapters 3.2.4.3.</i> | <ul style="list-style-type: none"> ❖ Presence and active roles within trade associations related to our activities. |
| PUBLIC AUTHORITIES | <ul style="list-style-type: none"> ❖ Active roles in CSTB committees (the French technical and construction committee). ❖ Our chairman and CEO is a member of the issuers' commission of the French financial markets authority (AMF). ❖ Regular exchanges with the CAPI (Nord Isère multi-county council). |

Our stakeholders influence our business and our corporate responsibility strategy on three levels:

LEVEL 1: They are essential for the existence of the Thermador Groupe.

LEVEL 2: For projects or the key business fields of Thermador Groupe, their influence is considerable.

LEVEL 3: Their influence is limited to a given project or business area of the Group.

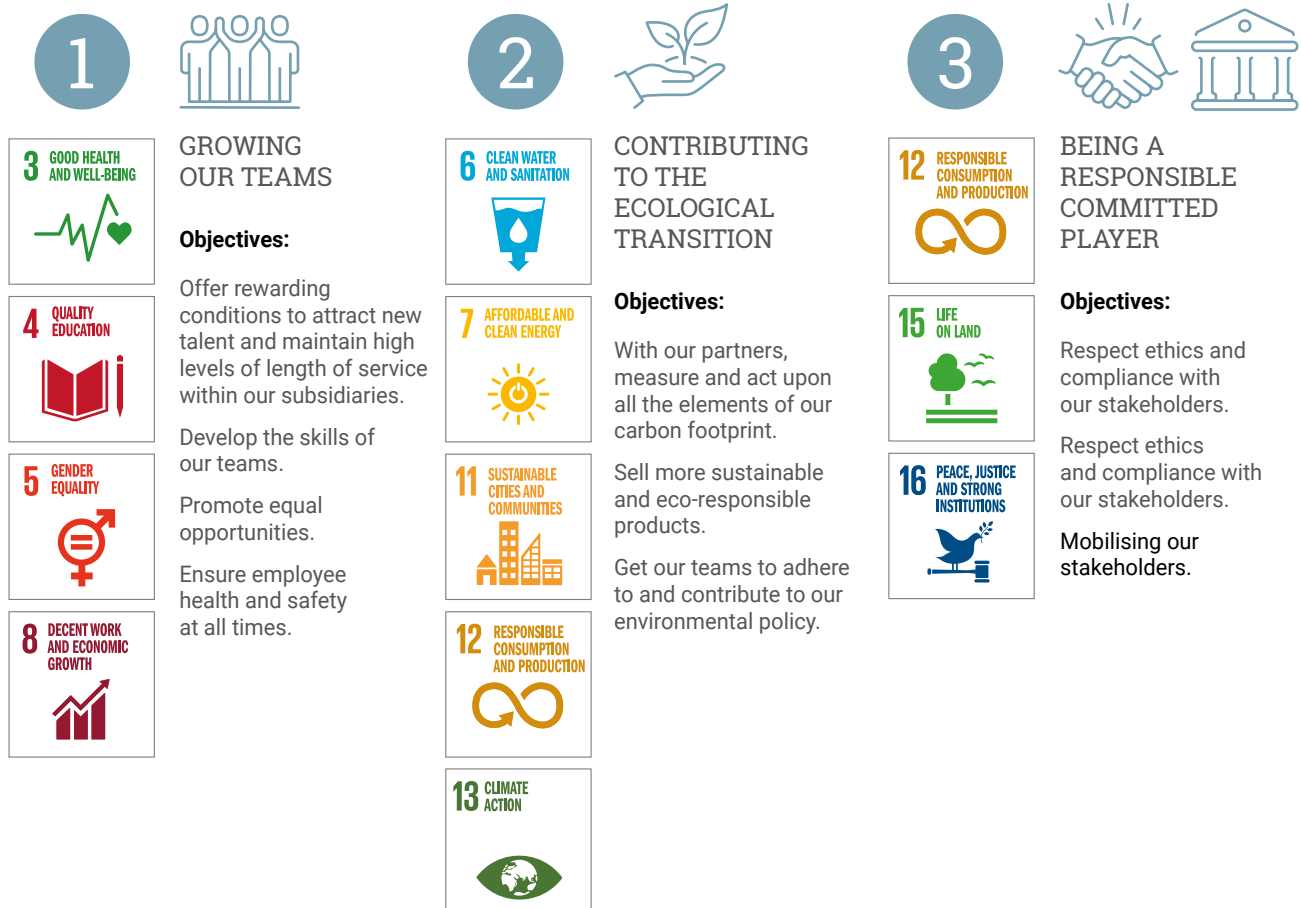


3. Extra-financial performance statement

3.1.4 - OUR COMMITMENT TO THE UNITED NATIONS' SDGs AND THE GLOBAL COMPACT

In 2018, Thermador Groupe took on board the UN's 17 Sustainable Development Goals (SDGs) as part of its CSR strategy. Below is a summary of the 11 SDGs adopted by the company:

United Nations sustainable development goals



Methodology for the selection of the SDGs for Thermador Groupe:

We used an internal scoping tool, based on the SDG Compass, to assess our contribution to each of the SDGs.



Thermador Groupe has been committed to the United Nations Global Compact social responsibility initiative since 2021, along with the Compact's 10 principles relating to human rights, labour standards, the environment and anti-corruption. The goal of the Global Compact aims to develop the global impact of business whilst meeting the 17 Sustainable Development Goals. Thermador Groupe is fully committed to this forward-looking approach. The letter of commitment, signed by its Chairman and CEO, is available here:

<https://www.unglobalcompact.org/what-is-gc/participants/146870-Thermador-Groupe>

The ten principles of the United Nations Global Compact

HUMAN RIGHTS

- 1 - Support and respect the protection of internationally proclaimed human rights
- 2 - Ensure that they are not complicit in human rights violations

INTERNATIONAL LABOUR STANDARDS

- 3 - Uphold the freedom of association and the effective recognition of the right to collective bargaining
- 4 - Contribute to the elimination of all forms of forced and compulsory labour
- 5 - Contribute to the effective abolition of child labour
- 6 - Contribute to the elimination of discrimination in respect of employment and occupation

ENVIRONMENT

- 7 - Support a precautionary approach to environmental problems
- 8 - Undertake initiatives to promote greater environmental responsibility
- 9 - Encourage the development and diffusion of environmentally-friendly technologies

FIGHT AGAINST CORRUPTION

- 10 - Act against corruption in all its forms, including extortion and bribery

3. Extra-financial performance statement

3.1.5 - MAIN RISKS AND OPPORTUNITIES

The information presented below concerns the consolidated companies of Thermador Groupe at December 31, 2023, with the exception of DPI (subsidiary acquired on October 31, 2022).

Our methodology

In 2018, the Group's management identified the main risks and challenges using the following methodology:

- ❖ Identifying the main risks and challenges that the Group may face, based on an understanding of the sector landscape, our business model and our value chain.
- ❖ A gross rating of their degree of importance to the Group, according to potential severity if they happen, and on the basis of financial risk analyses (chapter 4 of the URD).
- ❖ Gross rating of their importance to the Group's stakeholders in terms of their potential severity in the event of an incident.
- ❖ This rating is based on our regular discussions with those stakeholders, presented in section 3.1.3.

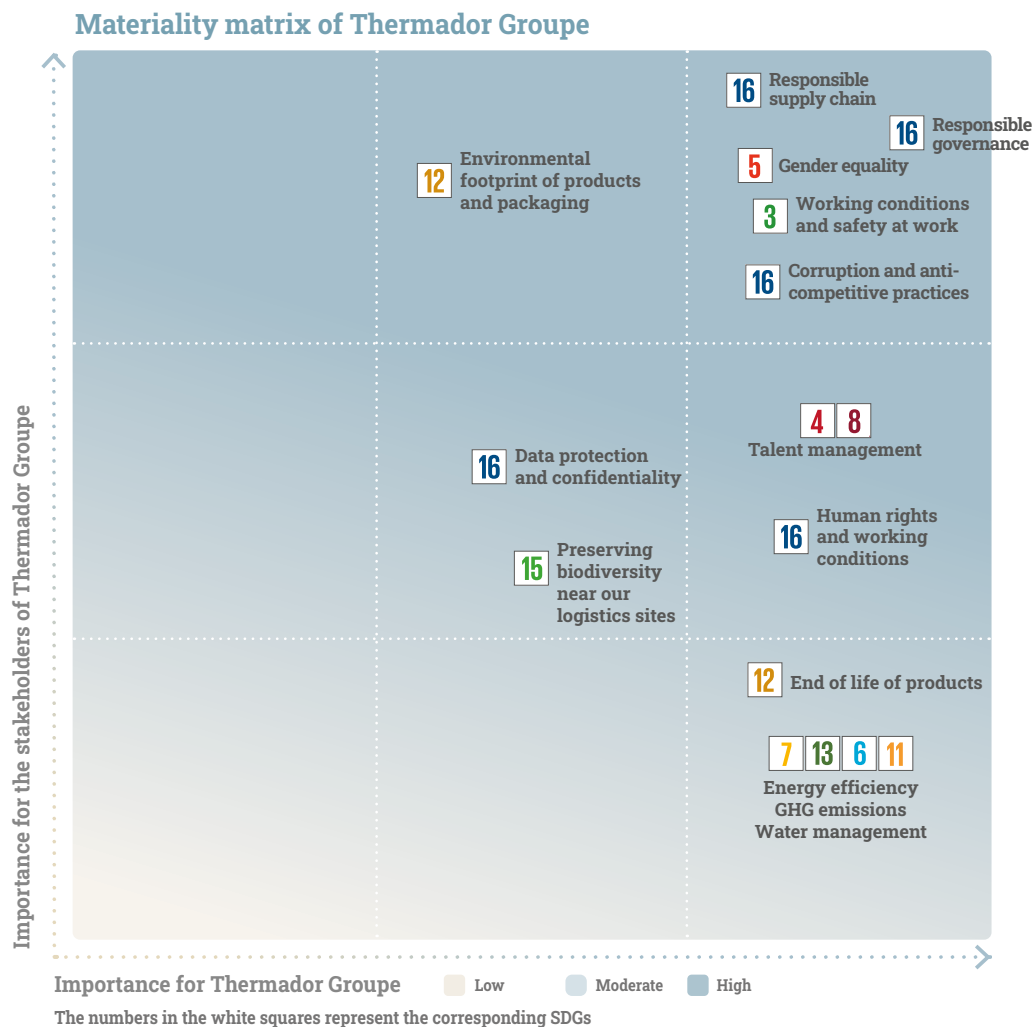
In 2023 we:

- ❖ Verified that we cover all issues identified as salient by the European Sustainability Reporting Standards (ESRS) for the specialist distribution sector.
- ❖ Added the issue of responsible governance, a key challenge for the Group and its stakeholders.
- ❖ Started to map these issues against the European Sustainability Reporting Standards (ESRS).

In 2024, this analysis will be the subject of a double materiality analysis, in accordance with the CSRD directive on sustainability reporting.

Mitigation measures implemented:

- ❖ Where our business has or could have a negative impact on people or the environment, policies and action plans are in place to prevent or mitigate risks (presented over the following pages).
- ❖ Where our activities have a positive impact on people or the environment, this approach is continued and even extended.



3. Extra-financial performance statement

Group risks, opportunities and impacts

The Group's risks and opportunities are monitored using tracked KPIs, presented below.

| ISSUES | RISKS | OPPORTUNITIES | Performance indicators |
|--|---|--|--|
| SUPPLY CHAIN | | | |
| Human rights and working conditions - environmental respect | Risks: <ul style="list-style-type: none"> ❖ Legal. ❖ Controversy. ❖ Destabilisation of our supply chain due to the effects of climate change. ❖ Increased direct, indirect and human costs. | Opportunities: <ul style="list-style-type: none"> ❖ Control of our value chain. ❖ Corporate image and reputation. ❖ Confidence and loyalty of our business partners. | <ul style="list-style-type: none"> ❖ % of turnover from of rated suppliers. ❖ % of turnover from suppliers who are signatories to our Responsible Purchasing Charter or an equivalent one. ❖ % of turnover from ISO 9001 and/or 14001-certified suppliers ❖ CO₂ emissions on the 3 Scopes of the carbon footprint. ❖ Absence of controversy. |
| COMPLIANCE | | | |
| Responsible governance, corruption and anti-competitive practices | Risks: <ul style="list-style-type: none"> ❖ Legal liability. ❖ Financial sanctions. ❖ Sullied corporate image and reputation. ❖ Difficulty in managing the business. ❖ Declining commercial attractiveness. | Opportunities: <ul style="list-style-type: none"> ❖ A reliable benchmark partnership for our stakeholders. ❖ Employees trained in ethics and integrity. ❖ Sustainable corporate governance and effective execution. | <ul style="list-style-type: none"> ❖ % of turnover from suppliers who are signatories to our Responsible Purchasing Charter or an equivalent one. ❖ % of sales generated by ISO subsidiaries. ❖ % Percentage of employees trained in anti-bribery measures over the last three years. ❖ Percentage of capital held by employees and former employees. |
| Data protection and confidentiality | Risks: <ul style="list-style-type: none"> ❖ Financial sanctions. ❖ Sullied reputation. ❖ Business discontinuity. | Opportunities: <ul style="list-style-type: none"> ❖ Control and security of our IT systems and privacy. | <ul style="list-style-type: none"> ❖ Number of actions monitored by our Data Protection Officer in the context of the application of GDPR. |
| DEVELOPMENT AND PERSONAL SAFETY | | | |
| Talent management | Risks: <ul style="list-style-type: none"> ❖ Lack of appeal. ❖ De-motivation within short hierarchical reporting lines. | Opportunities: <ul style="list-style-type: none"> ❖ Retaining talent. ❖ Greater operational efficiency. ❖ Expertise and product knowledge. ❖ Quality of service to customers. | <ul style="list-style-type: none"> ❖ % of employees trained. ❖ Staff turnover rate. ❖ Average seniority. |
| Gender equality in the workplace | Risks: <ul style="list-style-type: none"> ❖ Loss of operational efficiency. ❖ De-motivation of staff. ❖ Discrimination. | Opportunities: <ul style="list-style-type: none"> ❖ Retaining talent. ❖ Diversity. | <ul style="list-style-type: none"> ❖ % of women on the Board of Directors and the Executive Committee. ❖ Pay gap. |
| Working conditions and safety at work conditions | Risks: <ul style="list-style-type: none"> ❖ Workplace accidents, illnesses, musculoskeletal disorders, sick leave. ❖ Legal and regulatory non-compliance. ❖ Reduced appeal of the company. | Opportunities: <ul style="list-style-type: none"> ❖ Workplace health. ❖ Quality of life and appropriate working conditions. ❖ Building employee loyalty. | <ul style="list-style-type: none"> ❖ Absenteeism rate. ❖ Frequency rate of accidents at work. ❖ Severity rate of accidents at work. |
| ENVIRONMENTAL IMPACTS OF OUR OPERATIONS | | | |
| Energy efficiency - Water GHG emissions - Waste management - Waste | Risks: <ul style="list-style-type: none"> ❖ Non-compliance with environmental and energy regulations. ❖ Legal or financial sanctions. ❖ Increased costs. ❖ Resource scarcity or unavailability. | Opportunities: <ul style="list-style-type: none"> ❖ Cost reduction and control. ❖ Reduced dependence on natural resources. | <ul style="list-style-type: none"> ❖ Water consumption. ❖ Scope 1 carbon emissions. ❖ Scope 2 carbon emissions. ❖ % of waste recycled. ❖ Sustainable expenditure and investment. |
| ENVIRONMENTAL FOOTPRINT OF PRODUCTS AND PACKAGING | | | |
| Environmental footprint of products and packaging | Risks: <ul style="list-style-type: none"> ❖ Reputation. ❖ Non-compliance with thermal and health regulations. ❖ Legal or financial sanctions. ❖ Rising prices, scarcity or unavailability of non-renewable raw materials. ❖ Cost increases linked to packaging manufacture, transport and end-of-life processing. ❖ Carbon taxation. | Opportunities: <ul style="list-style-type: none"> ❖ Expansion of existing markets: <ul style="list-style-type: none"> - Grey water and rainwater treatment, storage and filtration. - Energy renovation supported by state grants. - Products targeting metering and reduction of energy and water consumption. - Building cooling solutions. ❖ Development of new markets. ❖ Competitive advantages for our customers. | <ul style="list-style-type: none"> ❖ Scope 3 carbon emissions. ❖ Volume of waste. ❖ Sustainable turnover. |

3. Extra-financial performance statement

3.1.6 - CSR ORGANISATION AND GOVERNANCE

CSR governance

Social responsibility has been at the heart of our values and concerns since 1968. In 2012, for the first time, we mentioned our CSR approach in our annual report and began to describe the initiatives and achievements of our employees and management teams regarding governance, the environment and social responsibility.

❖ **Our subsidiaries** have grown and developed their organisations around this theme:

- **Management committees** encourage, motivate and empower their teams to carry out their social and environmental missions.
- Each subsidiary has appointed a **'carbon manager'**, whose role is to carry out carbon audits and monitor plans to reduce carbon emissions.
- Some subsidiaries have a **CSR officer** who monitors the subsidiary's overall action plan.

❖ **Cross-functional groups** have been set up to share, coordinate and standardise best practice where appropriate:

- The **Thermavert group**, a voluntary group which aims to promote eco-habits and practices that concern all employees, including soft mobility, waste sorting, resource-saving and biodiversity.
- The **Low Carbon group** brings together carbon managers to monitor our carbon plans.

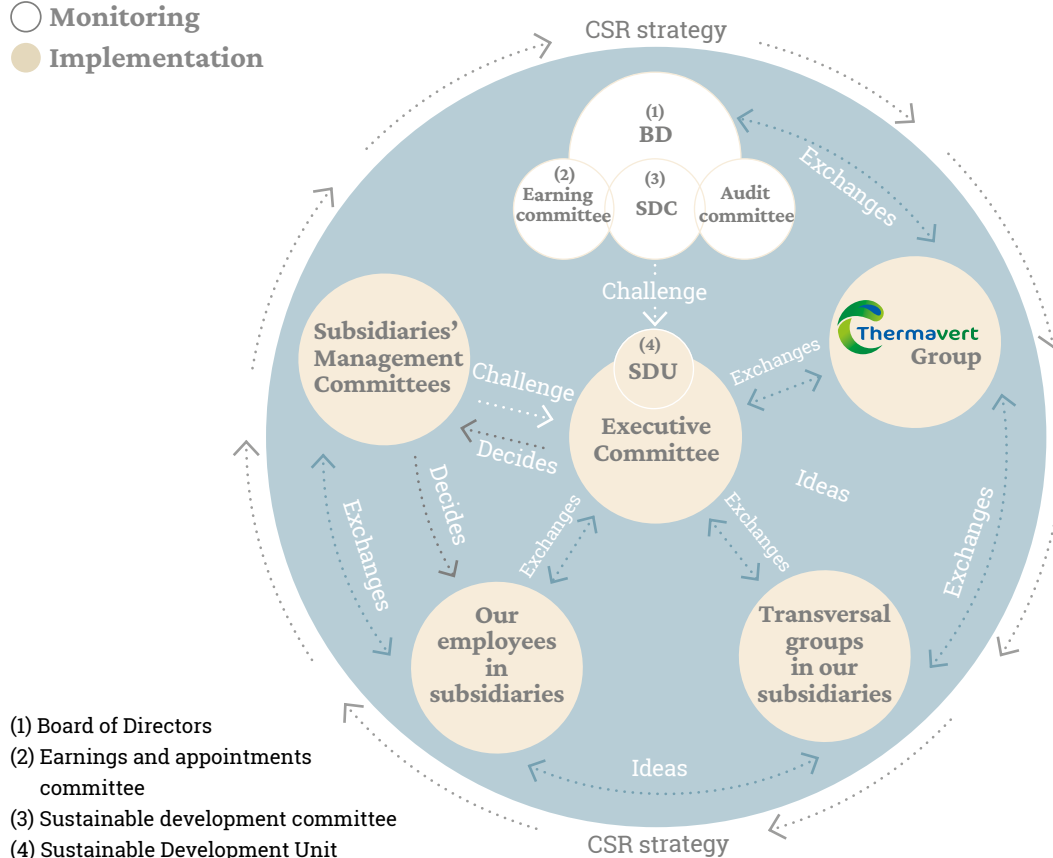
❖ The **Executive Committee** sets sustainable development targets and decides on action plans to be implemented to achieve them. It is a decision-making body, but also a forum for swapping ideas on initiatives taken by the subsidiaries.

❖ A **Sustainable Development Unit** was created in 2022, reporting to Group General Management and a member of the Executive Committee. The Sustainable Development Unit is a team of specialists working at the service of the subsidiaries to make a concrete contribution to achieving our objectives. It is also invited to challenge the Group's management and put forward proposals for further progress.

❖ The **Board of Directors challenges** the Executive Committee on its strategy. The directors monitor the progress of the action plans and share their experiences from their activities outside the Group with the Board.

❖ The **Sustainable development committee** was set up in 2020. Its members are Mathilde Yagoubi, an independent director, who chairs it, Laurence Paganini and Olivier Villemonte de La Clergerie, independent directors, who chair the Earnings & appointments committee and the Audit committee respectively, an employee-director, and four permanent guests whose mission is to assist the Board of Directors in monitoring CSR issues.

○ Monitoring
● Implementation



3. Extra-financial performance statement

Governance monitoring

| THE ACTORS | Monitoring indicators |
|---|--|
| BOARD OF DIRECTORS | <ul style="list-style-type: none"> ❖ 5 independent directors. ❖ 7 meetings including 6 with an update on sustainable development. ❖ 3 committees that interact constantly: Sustainable development committee, Audit committee, Earnings and appointments committee. |
| SUSTAINABLE DEVELOPMENT COMMITTEE | <ul style="list-style-type: none"> ❖ 3 independent directors, including the Chair. ❖ 1 employee Board member. ❖ 4 permanent guests, including 3 members of the Executive Committee (Patricia Mavigner, Managing Director of Thermador Groupe, Caroline Desplats, Director of sustainable development of Thermador Groupe and Yves Ruget, Managing Director of the subsidiary Thermador and one member of the sustainable development team (Nicolas Klein, CSR project manager of Thermador Groupe). ❖ 5 meetings in 2023. ❖ A summary of the work carried out in 2023 can be found in chapter 2.5 of this document. |
| EXECUTIVE COMMITTEE AND CORPORATE OFFICERS | <ul style="list-style-type: none"> ❖ 16 members of the Executive Committee and 5 corporate officers. ❖ 21 fortnightly meetings during which CSR is systematically on the agenda. ❖ 2 off-site Executive Committee meetings are held in July and December (3 days). |
| MANAGEMENT COMMITTEES | <ul style="list-style-type: none"> ❖ 17 management committee meetings to oversee the operational management of our subsidiaries. |
| THERMAVERT | <ul style="list-style-type: none"> ❖ 4 meetings in 2023. ❖ 27 employees including three members of the Executive Committee (Christophe Arquillière, Caroline Desplats, and Patricia Mavigner). |
| CARBON OFFICERS | <ul style="list-style-type: none"> ❖ 13 carbon officers. ❖ 5 meetings. |
| SUBSIDIARY EMPLOYEES | <ul style="list-style-type: none"> ❖ 11 CSR committees in our subsidiaries. ❖ 31 meetings held in 2023 to discuss operational environmental issues. |

Resources allocated to transition plans

The resources devoted to the transition plans for the Group and its subsidiaries, ensuring its extra-financial performance and, ultimately, the long-term success of the company, fall into different categories: training at all levels, which is crucial to the successful completion of the work, earnings of the dedicated teams, external support and tools.

This table shows the resources dedicated 100% to our environmental actions. It does not include all the time spent by our operational staff as part of their duties (for example, time spent on supplier CSR assessments, energy efficiency plans, etc.).

| TRAINING | INDICATOR | SCOPE | MEANS | INDICATOR | SCOPE |
|----------------------------------|--------------------------------------|--|-----------------------------------|------------------------------|--|
| CSR training for managers | 2 dedicated days | 100% ExCom 4 directors | Sustainable Development Unit | 440 days | 2 people |
| Sustainable development training | 8.5 days' training | CSR Project Manager | Executive time spent | 358 days | Chairman and CEO and Deputy CEO*, Administrative manager* and CEO* |
| Responsible purchasing training | 1 day | 100% of purchasing departments 2 CEOs* + 1 Deputy CEO* 2 purchasing managers | Carbon officers | 103 days monthly meetings | 13 officers 100% of officers |
| Low-carbon training | 1 day's external training | 13 carbon officers | External support on carbon issues | 55 days | Group |
| Fresque Climat | 634 employees, including 547 in 2023 | Group | External support on eco-design | 90 days | Group and subsidiaries (Sferaco, Thermador, Axelair, Jetly, Sectoriel) |

*AD: Administrative Directions; SDD: Sustainable Development Director; D-CEO: Deputy CEO.

Governance and social training: cf: section 3.2. Training for our directors: cf: chapter 2.

CSR and earnings

2021 marked the integration of CSR criteria into the compensation system for executive directors. The variables of the Chairman and CEO Guillaume Robin and the Deputy CEO Patricia Mavigner are based on social, environmental and governance criteria. These criteria represented 21.1% and 20.9% of their variable earnings in 2023 for Guillaume Robin and Patricia Mavigner respectively. In 2022, the Earnings and appointments committee suggested moving to a single consolidated indicator, representative of the Group's extra-financial performance. It is measured according to the rate of achievement of the 19 quantified objectives presented in Chapter 3.1.8., with a score of 104.1% in 2023.

Similarly, the variable earnings of all executive directors will include these performance criteria in 2024.

3. Extra-financial performance statement

3.1.7 - OUR COMMITMENTS AND 19 MEDIUM AND LONG-TERM PRIORITIES

Our commitments revolve around 3 major areas:

- ✦ The health, development and fulfilment of our staff.
- ✦ Protecting the planet, through our commitment to the climate, water resources and the circular economy.
- ✦ Raising awareness and cooperating with our partners in the value chain.

In 2021, the Executive Committee worked to select our 19 key indicators on governance, people, the environment and society. They reflect the Group's desire to be part of a long-term process by structuring its continuous improvement approach around priority issues.

The Group's medium and long-term milestones are 2025 and 2030 respectively. This time horizon can be assumed by the Group's current management team, given the ages of the executives in place. Our company by-laws indicate an age limit of 69 for operational managers.

These objectives were discussed and challenged in the Sustainable Development Committee and then presented to our Board of Directors.

This work highlighted the need for human resources to carry out these action plans. This led in 2022 to the creation of a Sustainable Development Unit at Executive Committee level.

Managing our CSR priorities and performance

The CSR performance of the Thermador Groupe subsidiaries is the responsibility of the subsidiary CEO. It is the result of the consolidation of the performance of our subsidiaries. Each subsidiary works with its management committee to set its own objectives and determine an action plan specific to its subsidiary. Sharing best practice will help to standardise performance. The table of these 19 priorities is drawn up subsidiary by subsidiary and thus enables the subsidiary CEOs to benchmark each other.

These indicators are established on a 100% scope (excluding DPI, a subsidiary acquired on 31/10/2022) and reviewed twice a year.

This consolidated CSR performance is presented in Chapter 3.1.8. It is subject to an opinion on the conformity and sincerity of the Extra-Financial Performance Statement by an independent third-party organisation (cf: report in chapter 3.4).

Clarification of our indicators

INDICATOR 3: Share of capital held by employees and former employees.

This indicator includes shares held directly and shares held by the Group's mutual fund, FCP Thermador Groupe. Shares held by former executives or by the founders of the Group are not included.

INDICATOR 5: Equality in the workplace.

The index is calculated using France as a basis, i.e. 90% of our workforce. The employees of our Belgian, Spanish and Chinese entities (Sodeco Valves, Odra Spain and China) are not included in the scope of this index. Their salary classifications are very different and so their data cannot be included. For the three sites, however, all salaries were increased during the year.

INDICATOR 6: Women in leadership positions.

Since 2021, this indicator is consisted of women in management positions according to article L3111-2 of the French employment code. Those considered as 'executives' are those:

1. who are entrusted with responsibilities the importance of which implies a great deal of independence in organising their time,
2. who are empowered to make decisions largely autonomously,
3. who receive earnings at the highest levels of the earnings systems practised in their company or establishment.

This results in the following classifications for the French subsidiaries according to the applicable industry-wide agreements:

Wholesale Trade industry-wide agreement: IX-1 minimum. Metallurgy industry-wide agreement: minimum III-B.

INDICATORS 11 and 12: Scopes 1 and 2 for carbon emissions.

We have upped our carbon targets for Scope 1 and 2 emissions linked to the heating, cooling and energy consumption of our buildings: -40% for gas consumption and -65% for electricity consumption by 2030, taking 2021 as the base year.

INDICATOR 13: Indirect emissions.

As announced last year, we have set ourselves a target for reducing our Scope 3 emissions: **a 17% reduction in intensity by 2030, compared to a 2022 reference year: total Scope 3 CO₂ emissions divided by total product tonnage.**

INDICATOR 16: Rated suppliers.

We include suppliers of goods in the scope, but exclude intra-Group supplies. These may be considered as rated according to an internal rating grid or according to an external rating, which we will check where appropriate. **In 2023, we raised our 2025 and 2030 targets to 80% and 85% respectively.**

INDICATOR 19: Percentage of turnover from suppliers having signed up to our Responsible Purchasing Charter or an equivalent one.

In the 2023 calculation, we include our suppliers of goods, excluding intra-Group suppliers, as well as our general service providers (packaging, handling equipment, temporary staff). **In 2023, we raised our 2025 and 2030 targets to 85% and 90% respectively.**

3. Extra-financial performance statement

3.1.8 - OUR CSR PERFORMANCE

| OUR 19 KEY INDICATORS | 2022 ACTUAL | 2023 ACTUAL | ACHIEVEMENT | TARGETS 2025 | TARGETS 2030 |
|--|----------------|----------------|-------------|-----------------|-----------------|
|  GOVERNANCE | | | | | |
| 1 Attendance rate at the Board of Directors. | 98.8% | 95.2% | ● ● ● | ≥95% | ≥95% |
| 2 Attendance rate at the AGM. | 74.1% | 76.3% | ● ● ● | ≥68% | ≥73% |
| 3 Percentage of capital held by employees and former employees. | 7.0% | 6.7% | ● ○ ○ | ≥8.0% | ≥8.5% |
| 4 Percentage of exposed employees trained in anti-corruption over the last 3 years. | 96.9% | 98.7% | ● ● ● | ≥95% | ≥95% |
|  HUMAN | | | | | |
| 5 Professional equality index (x/100). | 86 | 89 | ● ● ○ | ≥90 | ≥90 |
| 6 Women in management positions. | 41.5% | 42.9% | ● ● ● | ≥40% | ≥40% |
| 7 Average seniority (years). | 9.7 | 9.6 | ● ● ● | ≥8 | ≥8 |
| 8 Percentage of permanent employees trained per year (including internal training). | 80.8% | 96.4% | ● ● ● | ≥95% | ≥95% |
| 9 Absenteeism (including long-term illness). | 3.5% | 5.5% | ● ○ ○ | <4% | <4% |
|  ENVIRONMENT | | | | | |
| 10 Scope 1 - Direct emissions - vehicle fleet (Teq CO ₂ per vehicle). | 2.69 | 2.58 | ● ○ ○ | <2.19 | <1.36 |
| 11 Scope 1 - Direct emissions - heating and cooling of buildings (Teq CO ₂ per km ²). | 5.01 | 3.95 | ● ● ● | <4.56 | <3.82 |
| 12 Scope 2 - Indirect emissions from energy consumption in buildings (Teq CO ₂ per km ²). | 1.03 | 0.75 | ● ● ● | <0.81 | <0.44 |
| 13 Scope 3 - Indirect emissions from our products and activities (Teq CO ₂). | 6.08 | 6.12 | ● ○ ○ | -2% | -17% |
| 14 Waste from our activities (kg/tonnage received). | 22.83 | 22.97 | ● ● ○ | <20.71 | <18.72 |
| 15 Percentage waste sent for recycling. | 95.7% | 99.4% | ● ● ● | ≥90% | ≥95% |
|  SOCIETAL | | | | | |
| 16 Percentage of turnover from rated suppliers. | 74.1% | 89.9% | ● ● ● | ≥80% | ≥85% |
| 17 Percentage of turnover from ISO 9001 or 14001 certified suppliers. | 87.4% | 90.2% | ● ● ● | ≥85% | ≥90% |
| 18 Percentage of turnover achieved by ISO 9001 or 14001 subsidiaries. | 34.1% | 65.1% | ● ● ○ | ≥70% | ≥90% |
| 19 Percentage of turnover from suppliers who have signed our Responsible Purchasing Charter or equivalent charter. | 85.5% | 92.1% | ● ● ● | ≥85% | ≥90% |

● ● ● : Targets met ● ● ○ : Targets in progress ● ○ ○ : Behind targets
 Teq CO₂: tonnes of CO₂ equivalent

3. Extra-financial performance statement

Extra-financial rating: a recognised CSR performance

In 2023, several of our subsidiaries requested an EcoVadis assessment of their CSR performance.

Thermador Groupe responded to five extra-financial rating questionnaires, some of which came directly from investors.

With the aim of transparency and openness, particularly towards investors and shareholders, Thermador Groupe also participates in conferences dedicated to ESG issues.



The extra-financial achievements of Thermador Groupe are recognised by the 'Gaia-rating' index. Since its launch, we have been among the leaders of this index, which is produced independently by Ethifinance.

In 2023, for the year 2022, we were awarded the gold medal, ranked 7th in our sector (out of 322 companies) and 20th of companies with a turnover above €500m (out of 775 companies).

OVERALL SCORE OVER 3 YEARS

| YEAR | ESG RATING |
|------|------------|
| 2022 | 77 |
| 2021 | 70 |
| 2020 | 63 |

* year of implementation of the actions (note provided in year N+1)



Humpact's mission is to show that it is possible to combine economic success and just transition in France and Europe. Humpact provides investors with the necessary tools to understand the societal impact of their investments. In 2023, Humpact awarded Thermador Groupe a score of **5 stars out of 5** in recognition of its excellent employment performance. This is 0.5 more than in 2021 and 2022 thanks to actions carried out in terms of training, youth employment, supply chain and social benefits.



ECOVADIS

In 2023, the corporate social responsibility performance of our subsidiaries was assessed by EcoVadis to promote transparency and trust among our customers and business partners. Ten of our subsidiaries were assessed in 2022 and 2023, reflecting their willingness to engage in an assessment process. Coordination within the Group ensures these performance assessments serve as levers for improvement. (covering 68% of our sales).

| |
|---------------|
| Axelair |
| Distrilabo |
| FGinox |
| Jetly |
| PBTub |
| Sectoriel |
| Sferaco |
| Sodeco Valves |
| Thermador |
| Thermacome |

| 2023 | 2022 |
|-----------------|-----------------|
| GOLD | GOLD |
| PLATINUM | GOLD |
| GOLD | GOLD |
| PLATINUM | GOLD |
| PLATINUM | GOLD |
| PLATINUM | GOLD |
| PLATINUM | PLATINUM |
| PLATINUM | GOLD |
| PLATINUM | PLATINUM |
| GOLD | GOLD |



Our subsidiaries Odra and Mecafer Domac respond to the Sedex CSR questionnaire, which is a self-assessment for European companies (non-EU companies are audited) based on documents verifying CSR commitments throughout the supply chain. Sedex helps to map and reduce risks in supply chains. The Sedex questionnaire does not give a score, but proposes an action plan if areas for improvement are identified. The latter is qualified after a new submission.



CDP is an international non-profit organisation that manages the world's largest environmental database. It is a reporting tool that responds to the growing demand for transparency, and beyond that, provides elements to build a roadmap. This is why we have decided to invest in this rating, for the first time in 2022. Companies are evaluated on the basis of 4 levels (A, B, C, D). We are proud to have achieved a B grade for this first year.



Moody's ESG Solutions is a unit of Moody's Corporation that addresses the growing global demand for ESG and climate information. Moody's ESG Solutions helps assess climate and environmental risk exposure, strengthen sustainability action plans and communicate with key stakeholders. On the basis of the information gleaned in 2020, our first assessment score was 28/100. We have since been working to better comply with their methodology, leading to what we consider a meaningful first step (a score of 44/100) in December 2023 based on 2022 elements. Moody's has not identified any controversies.

3. Extra-financial performance statement



3.2 OUR CHALLENGES

3.2.1 - GOVERNANCE: RESPECTING ETHICAL PRINCIPLES AND COMPLIANCE



| INDICATORS | 2023 | TARGETS 2025 | TARGETS 2030 |
|--|-------------------------------|--|--------------|
| FIGHT AGAINST CORRUPTION ✦ Percentage of exposed employees trained over the last 3 years in anti-corruption. | 98.7% | ≥95% | ≥95% |
| SHARE OUR ETHICAL REQUIREMENTS WITH OUR SUPPLIERS ✦ Percentage of turnover generated from suppliers who are signatories to our Suppliers' code of conduct or an equivalent one. | 92.1% | ≥85% | ≥90% |
| RESPONSIBLE TAXATION ✦ Share of our taxes paid in France. ✦ Share of our taxes paid in Belgium. ✦ Share of our taxes paid in Spain. ✦ Share of our taxes paid in the Netherlands. | 95.8% 2.3% 1.3% 0.6% | Board of Directors' commitment to responsible taxation | |

3.2.1.1 - Ethical

Group policy

From the very beginning, the founders of Thermador established rules of operation based on transparency, exemplarity and honesty. Since 1968, we have been able to maintain these values and uphold our excellent reputation. The Group conducts its business with the utmost integrity.

Thermador Groupe has always placed ethics at the heart of its relations with its employees and all its stakeholders.

Our Code of Conduct is an integral part of the internal Rules of Procedure of all our subsidiaries that have it. It is translated into the five languages we use.

Action plans

✦ Codes of conduct

Thermador Groupe's management team wanted to send out a strong message to all employees to ensure that the rules laid out in our codes of conduct are applied. Top management's message is publicly disclosed on its website. It is revealed to all new recruits via the induction process.

✦ Our Ethics committee

Two ethics officers are designated to receive alerts from our employees and external stakeholders. These alerts are forwarded to our 3-member Ethics committee, which deals with them in accordance with the legal framework governing whistleblowers. Alerts may also be forwarded through line reporting. Our Board of Directors and its various committees challenge the Group's management on the corrective actions taken in response to the alerts identified.

The whistleblowers system applies to all types of alert, whether they relate to our business practices or to our internal practices, including HR. An Ethics committee charter defines how this committee operates and describes the responsibilities and duties of its members. It was revised in 2023 and the new version will again be signed by all directors.

Sharing our ethical requirements with our suppliers

The Group's managers are responsible for supplier relations. Our business conduct is based on the principles of transparency and ethics. We continue to pursue our commitment to developing a demanding Corporate Social Responsibility (CSR) ethos and formalising the ethical behaviour expected from all stakeholders through our Responsible Purchasing Charter, drafted in 2021 and available in five languages. It covers, among other things, aspects relating to human rights, labour law, business ethics, confidentiality and intellectual property. It is available on our website and presented in more detail in section 3.2.4.1.

3.2.1.2 - Preventing and fighting corruption

The fight against corruption is one of our biggest challenges and therefore one of our 19 key priorities.

Group policy

With the internationalisation of the Group and the increase in the number of employees and legal structures, we felt it was necessary to better identify the risks of fraud and corruption and to put internal control procedures in place.

The Group has developed the formalisation of its practices following the December 2016 regulation on transparency, the fight against corruption and the modernisation of economic life, known as the 'Sapin 2' law.

3. Extra-financial performance statement



Action plans

The resources deployed give priority to prevention and ongoing vigilance, without waiting for instances to occur.

✦ **Our Anti-bribery code of conduct** is available in all five languages (French, English, Dutch, Spanish and Chinese) and has been distributed to all subsidiaries and presented to employee representatives and employees at our monthly meetings. It is also included in our GTCs (general terms and conditions of sale). This document is a guide for the Group's employees and managers to act with integrity, fairness and honesty in accordance with applicable laws, regulations and internal policies. It is also made known to our suppliers and partners.

We have also drafted a **specific gifts and entertainment policy** that provides a framework for practices and sets thresholds.

Similarly, each subsidiary is free to define its own donation and sponsorship activities according to its own choices, while respecting the **framework of our donation and sponsorship policy**. This policy sets out good practices and the rules to be respected.

✦ Risk mapping

This map was drawn up in consultation with the operational purchasing, sales and administrative teams. It covers all the Group's activities.

✦ Warning system

The Group developed its whistleblower system in 2017. We opened one email addresses for use by potential whistleblowers. This system is available in the four languages covering our employees and for external stakeholders via our website, which details all the stages of the procedure to be followed. It has received publicity via an internal communication campaign on our collaborative platform and in our welcome booklet.

In 2023, 7 HR alerts were reported to us. We were not informed of any alerts involving corruption.

✦ Training

Since 2019, at-risk employees have received anti-corruption training every 3 years. This training is given in French, English, Spanish and Chinese. We organise several training sessions every year to onboard new recruits and newly-elected members of our employee representative bodies.

For employees in 'non-exposed' positions, we took the e-learning route. The platform, developed by the Middenext association, has been adapted to the different professional activities of our employees, and there are 5 specific modules in four languages.



Code of conduct

✦ Vigilance throughout our value chain

The Group and its subsidiaries currently fall below the thresholds of the French regulation on duty of care, adopted in 2017. Nevertheless, we remain attentive and for several years have been implementing a set of standards enabling us to ensure third-party compliance. These are presented in section 3.2.1.1.

✦ Respect and promotion of the stipulations of the United Nations conventions

In 2021, Thermador Groupe officially committed to the United Nations Global Compact social responsibility initiative and its 10 principles, including the fight against corruption.

3.2.1.3 - Responsible taxation

Thermador Groupe is a tax-paying corporate citizen in France and has been creating jobs continuously since its creation in 1968. The Group considers it to be the responsibility of the Board of Directors to establish a responsible tax strategy, whereby its subsidiaries pay their taxes in the jurisdictions where they conduct their business and make their profits.

The following five principles were approved by the Board of Directors on October 14, 2021:

1. Responsibility for tax strategy lies with the Board of Directors.
2. The principles of fiscal responsibility are integrated into the company's code of conduct.
3. The company pays its taxes where the economic value is generated.
4. Intra-group transactions are carried out according to market conditions.
5. In its Universal Registration Document, the company publishes the amount of taxes paid, country by country.



Board of Directors

3. Extra-financial performance statement



3.2.2 - PEOPLE: GROWING OUR TEAMS



| ACTIONS | 2023 | TARGETS 2025 | TARGETS 2030 |
|---|-------------|--------------|--------------|
| DEVELOP SKILLS WITHIN OUR TEAMS THROUGH TRAINING: ❖ Percentage of employees trained per year including in-house training. | 96.4% | ≥95% | ≥95% |
| PROMOTE DIVERSITY AND EQUAL OPPORTUNITIES: ❖ Improve our gender equality index. ❖ Increase the share of women in management positions. | 89 42.9% | ≥90 ≥40% | ≥90 ≥40% |
| IMPROVE THE QUALITY-OF-LIFE-AT-WORK: ❖ Reduce absenteeism (including long-term illness). ❖ Maintain average seniority at the current level. | 5.5% 9.6 | <4 ≥8 | <4 ≥8 |
| ALIGN INTERESTS: ❖ Develop employee share ownership through our employee savings plan and the promotion of direct share ownership. | 6.7% | ≥8% | ≥8% |

3.2.2.1 - Our teams have always been at the heart of our value chain

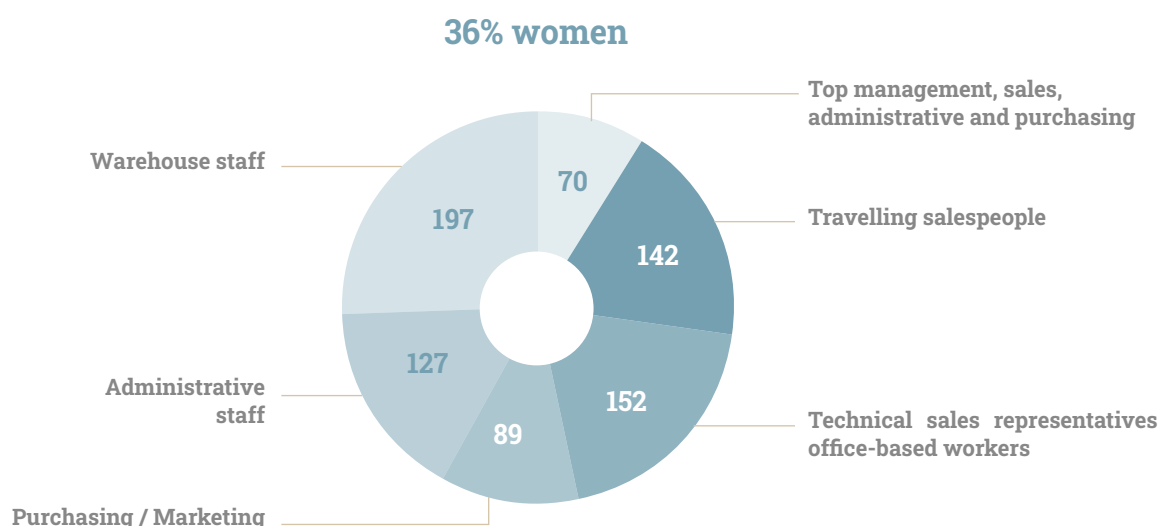
Maintaining employee motivation is essential: our employees stay in our subsidiaries more than 9 years on average.

This takes some thought being given to their missions, their development and the meaning given to the contribution of each person. Our management teams are responsible for the quality of the human relations that prevail in the companies and we encourage care, conviviality, simplicity and serenity. Each employee, whatever his or her function, can exchange with his or her peers within inter-subsidiary working groups. Thus, in the field of management, good practice sharing is a very effective method for helping everyone to grow and ensuring overall cohesion.

The Group had 777 employees at December 31, 2023, and 21 at our subsidiary DPI, which was acquired in October 2022 and is not included in our CSR reporting scope.

Thermador Groupe and its subsidiaries hired 134 people in 2023 on fixed-term and permanent contracts. 31 positions were created in 2023, 29 of which in France.

Below is Distribution of functions:



3. Extra-financial performance statement



"Our growth is sustainable and respects the ecosystem in which we operate."

The head of each subsidiary, together with the administrative management and local managers, assume full responsibility for their human resources. The subsidiaries' administrative managers are the human resources officers for their company's staff. They contribute to the labour relations climate in the company, together with the entire management team, ensuring optimal working conditions and a friendly environment. This is an overarching topic for them in terms of working time. The Deputy CEO assists executives and administrative departments with human resources issues and compliance with legislation.

The administrative management has a role in alerting both their CEO and Thermador Groupe.



In 2023, Thermador Groupe obtained 5 stars out of 5 in the Humpact Emploi score. This score recognises all our employee development actions.

We too were affected by a dynamic job market in 2023, as in 2022. 110 people left the company for a variety of reasons. Nearly 30% of departures coincided with the end of fixed-term contracts, including work-study students at the end of their contracts, 10 were due to retirement, whilst some left for personal reasons (family reunification, setting up a business). We work with managers to analyse the reasons for each departure, with a view to maintaining our appeal as an employer. This issue is closely monitored by the Executive Committee, which discusses it at least twice a year, in order to take action if necessary. In 2023, no particular concerns were identified.

HEALTH, PHYSICAL AND PSYCHOLOGICAL SAFETY

The administrative management ensures strict compliance with prevailing safety instructions and regulations, the legal regularity of all procedures, respect of our values, meeting group objectives, upskilling employees skills and fairness regarding earnings.

| HEALTH AN ABSENTEEISM INDICATORS | 2023 | 2022 | 2021 |
|---|--------|-------|-------|
| Number of days of absence | 10,817 | 6,645 | 6,156 |
| of which, days of sick leave | 7,801 | 5,112 | 4,084 |
| of which, days of therapeutic part-time leave (hours of absence / 7h per day) | 383 | 228 | 254 |
| of which, maternity or paternity leave | 1,771 | 689 | 672 |
| of which, days of absence due to accidents at work | 524 | 109 | 222 |
| of which, days of absence due to work-related illnesses | 338 | 507 | 924 |
| Days of absence as a % of time worked | 5.5% | 3.5% | 3.4% |
| Absenteeism rate excluding ⁽¹⁾ | 5.5% | 3.5% | 3.4% |
| Absenteeism rate all France | 5.6% | 3.3% | 3.7% |
| Absenteeism rate outside France | 4.7% | 3.1% | 1.5% |

⁽¹⁾ Number of days of absence in working days / 251 x total number of employees, including absences due to illness, including work-related illnesses, work-related and commuting accidents, maternity and paternity.

In 2023, ten of our subsidiaries finished the year without any work-related accidents. The number of days of sick leave increased, but we observed a significant decrease in the number of work-related illnesses.

This increase has two main causes: the personal physical health of each of our employees and psycho-social risks, which are impacted by both the personal and professional lives of each employee. We are keeping a close eye on these issues, with top management working closely with the subsidiaries' administrative departments, which monitor absences every two years. A number of measures have been introduced to address the question of absence, including:

- ✦ Support from our health insurance company, with specific actions linked to the problems identified
- ✦ Strengthening social dialogue, as described below
- ✦ Continuous improvement in our working conditions and greater respect for privacy

We recorded one work-related illnesses, which is still ongoing, in our logistics teams. We helped one person return to work in 2022 and had no new work-related illnesses in 2023 compared to 2022. We manage long careers, which requires continuous improvement of working methods to alleviate the load of those working in the warehouses. Customisation of handling equipment, coupled with a reduction in the weight of packages transported, will reduce the number of workrelated illnesses in the medium term.

We noted an increase in work-related accidents, the causes of which are being studied on a case-by-case basis.

Those returning from sick leave in excess of 60 days are systematically referred back to the works' doctor, so that with the works' doctor's blessing, they can adapt their return to work under suitable conditions. This may involve a gradual return to work, part-time working, an adjustment to the tasks performed, or coaching.

3. Extra-financial performance statement



Occupational health and safety training at Syveco

✦ Prevention of psychosocial (PSR) and physical risks (PR)

We work to reduce psychosocial risks as well as physical risks, including musculoskeletal disorders and other work-related health risks. Our physical and psychological prevention effort includes: DUERP (work-related risk assessment statement), cooperation with the works doctor and an ergonomist, training and ongoing improvement of working conditions. All the subsidiaries have drawn up their own work-related risk assessment statement, either independently or with a prevention consultant. The DUERP lists all risks and triggers a series of measures to reduce them, which are monitored over time. The occupational health department fills out the job descriptions and then, during medical check-ups, makes the link between the person's abilities and the tasks related to the job. In the event of a mismatch, the position is modified or the employee reclassified into another position within the subsidiary or the Group.

Together with the ergonomist, we assess the difficulty of the job, and he helps us to reduce arduousness if possible. In our **ISO 9001-certified subsidiaries**, every accident is analysed, a corrective action plan drawn up and communication within the department concerned is initiated to prevent it from happening again.

✦ Working environment and tools

In our business, the greatest risk of accidents is in our logistics warehouses. This means we have to pay close attention to strict compliance with instructions, the quality of floors to limit vibrations, cleanliness, operability of forklifts and lighting inside the buildings. This is reflected in practical decisions such as:

- ✦ Training for all our logistics staff in safe driving skills and posture,
- ✦ The choice to own all our handling equipment, which is regularly serviced to ensure safe driving for our logistics people,
- ✦ A complete audit of the condition of our entire fleet of handling equipment in 2023 for our Saint-Quentin-Fallavier subsidiaries,
- ✦ The launch of pre-shift warm-up sessions for employees working in the PBtub warehouse.
- ✦ Fight against musculoskeletal disorders (MSD):

- In 2023, we offered our employees a new programme: MATVISIO Omnes™, a personalised, tailor-made and dynamic solution over time to prevent MSDs. Voluntary employees from the Group, whether they work in our logistics platforms, in our offices or on the road, are offered exercises and tailor-made monitoring by sport scientist, Anaël Aubry. The programme is the result of a meeting between William Houx-Plantier, CEO of Matvisio, Anaël Aubry and Anaïs Der Hagopian-Virieux, Supply Chain Director of Thermador Groupe. It runs for 4 months and is broken down into 5 key stages: individual physical audit of employees, video recording of employees in work situations using Matvisio technology, individual presentation of the customised exercise programme by Anaël Aubry, 3 follow-up sessions and then a final discussion session between the participants and the team behind the programme. We are convinced that these preventive actions remain essential to the well-being of our employees.

- We also invest in safe equipment year after year: Handling equipment with a lifting platform to allow our warehouse staff and order pickers to access high racks in complete safety, cameras for our high-lift machines, exoskeletons or ergoskeletons for our warehouse staff, as well as manual handling aids (suction cups, hoists, etc.).

In the offices, with more than 150 technical sales representatives on call to answer our customers' questions all day long, noise is a potential nuisance. To counter this, most of the offices in our subsidiaries are fitted with acoustic ceilings. We seek to combine the advantages of open offices that encourage good communication between people and controlled noise levels, allowing everyone to concentrate on their work. A large proportion of the offices of our inhouse sales staff who handle our customers' telephone calls are also equipped with acoustic partitions.

| ACCIDENTS AT WORK INDICATORS | 2023 | 2022 | 2021 |
|--|-------|------|------|
| Number of accidents at work | 18 | 12 | 10 |
| of which, number of commuting accidents with lost time | 4 | 1 | 3 |
| Number of accidents >200 days per year | 0 | 0 | 0 |
| Frequency rate of accidents at work ⁽²⁾ | 12.71 | 8.91 | 7.95 |
| Severity rate of accidents at work ⁽³⁾ | 0.37 | 0.08 | 0.18 |
| Number of work-related illnesses | 1 | 2 | 4 |

⁽²⁾ Number of lost-time accidents X 1,000,000 / number of hours worked.

⁽³⁾ Number of days lost due to accidents at work or work-related illnesses X 1,000 / number of hours worked.

3. Extra-financial performance statement



✦ Treatment of psychosocial risks

In 2021, we stepped up our awareness-raising activities on psychosocial risks. Every employee has a role to play in maintaining a good social climate. More than 461 staff have taken part in training sessions that encourage employees to speak out and to be more aware of risk situations. Since 2022, we have had systematic awareness-raising of PSRs for new recruits, and this will be repeated every three years.

With more than 140 travelling salespeople in our workforce, we also pay attention to road risk. Training sessions are held on a regular basis (Centaure training, eco-driving training). We note few accidents in our travelling sales force. When they live far from their sales area, we favour train travel.

SOCIAL DIALOGUE

13 of our subsidiaries have a Social and Economic Committee (SEC) with 46 elected representatives. They have been trained to speak for the employees of their respective companies.

Within each subsidiary, a **monthly information and dialogue meeting** is held for all members of staff. The management team presents and comments on the market situation: turnover, margins, costs, results and updates employees all the subsidiary's projects. They then answer any questions from the employees present.

To make it easier for people to speak out, which is not always easy in the largest of our subsidiaries, **departmental meetings** are also held. Experience has highlighted the vital role of local managers in bringing up questions or comments and delivering joint responses.

Back in April 2016, the AGM appointed an employee as a director on a proposal of the Board of Directors. At the AGM of April 4, 2022, **the Board of Directors proposed the election of two employees, one woman and one man, as directors**. This is a strong signal to our teams, as their representatives now occupy two of the twelve seats on the Board.

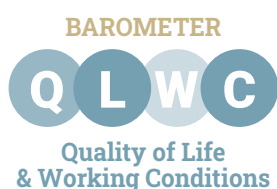


SEC meeting

| SOCIAL DIALOGUE INDICATORS | 2023 | 2022 | 2021 |
|--|------|------|------|
| Number of subsidiaries with an SRB (Staff Representative Body) | 13 | 11 | 11 |
| % of employees represented by an SRB | 84% | 71% | 75% |
| Number of existing company agreements | 75 | 53 | 27 |

QUALITY OF LIFE AT WORK

In 2017/2018, eighteen subsidiaries took the initiative to submit a questionnaire entitled 'Quality-of-life-at-work survey'. The exercise will be repeated every three years, in order to measure the impact of decisions and follow-up actions.



The Group's employees clearly took to this means of expression, as 93% of them responded between 2019 and 2021.

This quality-of-life-at-work survey is based on around 50 questions and over 70 individual interviews, covering the following themes: the company's project, health and safety, work organisation and content, skills development and earnings, management and team spirit. The questions are rated from 'not at all' to 'totally' in agreement.

In the last quality-of-life-at-work survey, **20% came out with a majority of 'not at all' or 'little' agreement statements, and 80% with a majority of 'totally' or 'fairly' agreement statements**. Strong points: confidence in the solidity and durability of the Group, the meaning of work, autonomy, the feeling of security and inclusion. Weak points: inter-subsidiary exchange, opportunities for development, internal communications and flexible working hours. **The results of this employee survey were presented in full transparency at the subsidiaries' AGMs**. Following the first survey, working groups were set up to better understand improvement opportunities and to set up an action plan for each company.

At the request of employees, the subsidiaries have implemented initiatives aimed at making working hours more flexible, developing working from home and allowing them to relax during breaks. Thus, in 2023, 383 employees benefited from a home-working agreement or charter. We have installed rest rooms, table football, table tennis tables, petanque courts, and offer the practice of pilates, body balance and yoga, as well as picnic areas. Our company Jetly has a gym open to all the subsidiaries in Saint-Quentin-Fallavier and provides classes with a professional sports coach. Regarding internal communications, our Group uses a digital tool, Thermalink, which was developed by our subsidiary Opaline in 2019. It is available to all employees in Saint-Quentin-Fallavier and to those in more geographically remote sites. It is a proper company social network allowing us to communicate, and share documents and good practices. Its functionalities include: the onboarding process for new recruits, positions open to recruitment in all subsidiaries in order to encourage career development through internal mobility, as well as a great deal of information related to human resources and the life of the company.

For parents of young children, we offer nursery places in the national Babilou network. In 2023, eight of our subsidiaries bought cots for 16 of their young parents, one more than 2022.

The next quality-of-life-at-work survey will be held in 2024. The questionnaire is developed by a working group of 9 employee volunteers representing the different functions of our companies. The work is led by a steering committee made up of 5 Group subsidiary managers, with the support of a specialist consultancy (Optim Ressources) which guarantees the anonymity of the process.

3. Extra-financial performance statement



✦ Privacy and the right to disconnect

Employees are asked to respect - and not exceed - working hours. The introduction of the fixed day rate, formalised by company agreements in sixteen of our subsidiaries, meets employee demand for flexibility in working hours. For those who benefit from this facility, we check that their legally-required rest periods are respected and that they do not hook-up excessively to work systems remotely. Our logistics teams start earlier in the morning to supply the first pick-ups from our transport partners.

3.2.2.2 - Talent development

Group policy

Every two years, we conduct a professional interview with each employee, which formalises the development of the employee's career path in the short, medium and long term. It serves as a basis for building training plans for each employee. In addition, individual performance reviews are held with employees every year to review the year ended and the 12 months ahead to help keep each employee's career path on track.

In the subsidiaries, job descriptions are in place or in progress. They formalise the requirements for the position and serve as a basis for individual development initiatives. In parallel, skill mappings and training plans are drawn up and reviewed at least once per year in each subsidiary.

Our 18 companies offer many possibilities for inter-subsidiary development, and we also offer the opportunity to cross function boundaries. For example, people have moved from admin to the supply chain, from sales to purchasing. This provides great opportunities for progress in different positions and activity areas.

To prepare for the company's future needs, specific support exists for those with potential (one-to-one training, coaching).

| | 2023 | 2022 | 2021 |
|--|-------|--------|--------|
| Individual interviews | 85% | 90% | 72% |
| Staff turnover rate | 15.7% | 16.67% | 12.92% |
| Leavers (excluding fixed-term contracts and retirements) | 70 | 69 | 48 |

SKILLS DEVELOPMENT THROUGH TRAINING

Initial and continuous training help people to adapt more quickly to the world in which they live and to the way companies operate and evolve. Data suggests that companies are the first to benefit from staff knowledge, know-how and interpersonal skills. Thus, promoting training designed to increase employees' skills is a key factor for long-term success (adaptation, competitiveness, efficiency, etc.). Our major challenge is to prepare the Group's human resources to meet its future needs.

All types of training are provided, training related to business expertise, cross-functional training (e.g. anti-corruption, IT) or training in interpersonal skills and sustainable issues. Training is delivered by in-house teams or service-providers, depending on the needs and resources required.

Our 'expert' employees have a wealth of knowledge about our businesses, which they pass on to newcomers. This transfer of skills takes place through lectures, practical work, coaching and specific written content. In order to increase product knowledge, our specialists organise inter-subsidiary training sessions, particularly for those working in export markets.

Finally, three of our subsidiaries, **Jetly, Sferaco and Thermador**, all **accredited training organisations**, have developed modules that are delivered to their customers in dedicated training rooms.

PBtub has used these examples to invest in a **new training room** which has been fully operational since 2023.

In 2023, the Group rolled out a number of cross-functional internal training modules, open to a wide range of professions and tailored to the needs of the various functions:



'The Lab', PBtub's training room

| | |
|---|---|
| Compliance and safety training | HR, technical and sustainable development training |
| Raising awareness around AI among the marketing group and a group of managers | DISC training for all Administrative Directors and several Management Boards (Dominant, Influential, Stable, Conscientious) |
| First aid training for volunteers | Disability training for all managers in 2023/2024 |
| Health and safety training for warehousemen | Responsible purchasing training for all purchasing managers |
| Psycho-social risks (PSR) training | 'Fresque Climat' deployed to all employees in all subsidiaries |
| Eco-driving training for travelling sales representatives | Anti-corruption training for people at risk |
| Training in the functioning of the CSE for our CSE members | Language courses open to all (English, Italian) |

3. Extra-financial performance statement



| TRAINING INDICATORS | 2023 | 2022 | 2021 |
|---|--------|--------|--------|
| Training budget as % of payroll | 2.64% | 2.35% | 1.86% |
| Training hours | 14,677 | 12,754 | 10,013 |
| Number Employees trained during the year | 717 | 576 | 489 |
| % of permanent contract employees trained during the year | 96.4% | 80.8% | 72.1% |

WELCOMING NEW RECRUITS

Our subsidiaries are committed to welcoming their new employees. Each new recruit benefits from an onboarding programme lasting several weeks, enabling them to discover all the departments of the company they are joining. In order to better understand what goes on in the field, office-based sales staff and buyers sometimes accompany field sales staff on customer visits. Similarly, sales representatives spend a few days with the logistics teams preparing orders. This process allows everyone to become aware of the constraints of the other departments for greater efficiency and mutual respect. Thanks to work of Opaline, the Group's in-house communications agency, various training modules for new recruits were rolled out during 2023, covering key topics such as our Code of Conduct, anti-corruption awareness, the stock market charter and sustainable development.

3.2.2.3 - Diversity, inclusion and equal opportunities

Group policy

The Group is committed to combating all forms of discrimination on the basis of origin, sex, family situation, state of health, physical appearance, disability, morals, sexual orientation, gender identity, age, political opinions, trade union activities, status as a whistleblower, facilitator or person in contact with a whistleblower within the meaning of the regulations, ability to express themselves in a language other than French, membership or non-membership, whether actual or assumed, of a specific ethnic group, nation, alleged race or religion.

Transparency surrounding salaries in each of our subsidiaries has been in place since Thermador was founded in 1968.

This virtuous practice pushes each decision-maker to think carefully before hiring or increasing salaries. Among the companies that have joined us, Mecafer implemented it at the beginning of 2018, then FGinox in 2021 and Sodeco Valves in 2022. (with adjustments to respect Belgian regulations). Allowing the time it takes to convince managers and employees of these benefits, it will be implemented over the coming years at Distrilabo and Thermacome.

PROFESSIONAL EQUALITY

Companies that pay attention to equal treatment for all their employees are more successful, more efficient and more productive. This is one of the core values of our Group.

When hiring or during salary reviews, only skill, experience, interpersonal skills, efficiency, creative ability, judgement, ability to synthesise and commitment are taken into account. On the basis of these data and regardless of gender or any other discriminatory criteria, employees are of course paid a similar fixed salary for directly-comparable positions within each company. The vast majority of employees can check this on account of our practice of salary transparency.

In the context of the law of September 5, 2018 for 'The freedom to choose one's professional future', and in accordance with the decree of January 8, 2019 aimed at eliminating pay gaps between women and men, Thermador Groupe and its subsidiaries have calculated their professional equality index (for companies based in France, excluding the acquisition of DPI on 31/10/2022, i.e. 90% of our total workforce).

This index, out of 100 points, is calculated on the basis of the following five indicators:

| PROFESSIONAL EQUALITY INDEX 2023 | SCORE | MAXIMUM SCORE |
|--|-----------|---------------|
| INDICATOR 1 - Gender pay gap | 39 | 40 |
| INDICATOR 2 - Gender gap in individual salary increase | 20 | 20 |
| INDICATOR 3 - Gender promotion gap | 15 | 15 |
| INDICATOR 4 - Return from maternity salary increase | 15 | 15 |
| INDICATOR 5 - Under-represented gender amongst higher salaries | 0 | 10 |
| TOTAL | 89 | 100 |

We got the maximum score on three of the five indicators.

Concerning differences in pay rises and promotions: In 2023, 94% of women and 94.4% of men in Thermador Groupe received a raise and 3.5% of women and 3.5% of men were promoted.

The inclusion since 2019 of the index on wage rises on return from maternity leave in our salary policy also enabled us to reach the maximum 15 points on this indicator.

3. Extra-financial performance statement



The score on the gender pay gap for a comparable professional social category and age group is 39 out of 40, corresponding to a gap of 1% on average, in favour of women. This reflects our earnings principles based on skills and not on gender.

✦ Increasing the share of women in management positions

From the outset, power has been evenly distributed between women and men: women hold 41.7% of the Group's directorships and 42.9% of its management positions.

2 of our 3 committees within our Board of Directors are chaired by women: Laurence Paganini (Earnings and appointments committee) and Mathilde Yagoubi (Sustainable development committee). Our Lead Director is a woman (Laurence Paganini).

Our extended Executive Committee includes six women, four of whom are operational managers: Arlette Berliocchi (Opaline), Fabienne Bochet (Isocel), Anne-Sophie Bultey (Distrilabo) and Laure Empereur (Odra).

We support women in their development and their access to management committees in our subsidiaries, through training or coaching. Two members of our subsidiary management committees (two administrative directors) are currently undergoing management development training for experienced managers. The aim is to enable them to strengthen their leadership skills to become vectors of collective intelligence. The average time spent on the course is 3 years. In a study completed in 2020 to identify our high-potential managers, five women were identified. They are still part of our workforce.

WHISTLEBLOWER SYSTEM

As part of our whistleblowing facility, we opened an email address in 2017 allowing potential whistleblowers to be heard. The system works in the five languages spoken within the Group. An internal communication campaign via our collaborative platform is deployed each year to remind people of its existence. Two ethics advisers receive the emails sent to the dedicated inbox. The Ethics committee, made up of three members occupying management positions at different levels deals with alerts by examining cases while respecting confidentiality and individuals. The Ethics committee reports to the CEO. A summary of alerts is passed on to the Audit committee and the Sustainable development committee twice per year.

We have also appointed three members of the Ethics committee to manage alerts, while protecting confidentiality and individuals.

In 2023, we received 7 HR alerts from 5 subsidiaries. None of them involved discrimination. Only one investigation remains open for 2023. None of them involved our HR practices. We remain vigilant and have therefore decided to look more closely at questions relating to discrimination in the next QLWC survey, scheduled for 2024.

PLACE OF SENIORS IN OUR ORGANISATION AND ADAPTATION OF CAREER-ENDS

We were asked about the training plans dedicated to them. Each employee benefits from the same training plan according to their skills and initial training. Particular attention is paid to our logistics teams, many of whom have long careers. We have launched a project to support employees over the age of 50 with regard to health and musculoskeletal disorders.

PLACE OF YOUNG PEOPLE

Our teams are committed to training young people by integrating work-study students, apprentices and trainees into a caring professional environment. In addition, we run projects in partnership with the Apprentis d'Auteuil, such as learning about our specific markets, logistics training and English language courses.

| | 2023 | 2022 | 2021 |
|--|------|------|------|
| % of employees over 50 | 33% | 33% | 31% |
| Number of work-study students, apprentices or trainees present during the year | 56 | 56 | 60 |

PEOPLE WITH DISABILITIES

Our disability policy has been developed over the years with the aim of being inclusive, in line with our values of respect and care.

We act on the 4 main levers of action proposed in the guide entitled 'Disability and skills in the workplace' drawn up by the French medium-sized companies movement (METI) in collaboration with the French ministry for disabilities: awareness, recruitment, retention and the creation of long-term partnerships.

At the end of 2022, we received employment advisors and disability advisors from the Cap Emploi disabled-employment agency in Villefontaine. We presented the positions we were recruiting for and gave them a tour of our Saint-Quentin-Fallavier premises so that they could see for themselves how suitable they might be for people with disabilities. **In 2023, 11 of our subsidiaries employ disabled workers.**



Work-study students' evening in Lyon on November 17, 2023

3. Extra-financial performance statement



They adapt workstations and working conditions where necessary.

We regularly use ESATs (Employment re-insertion centres) for simple assembly and packaging work. The maintenance of our green spaces is entrusted to the Isatis work assistance centre (located in Villefontaine, in Isère), for all our sites located in Saint-Quentin-Fallavier (Isère). In 2023, Jetly renewed an agreement with an association called Messidor, which manages sheltered work establishments in the Auvergne-Rhône-Alpes region and works to help people with mental disabilities recover.

In 2023, we called on Kouide, a specialist consultancy that helps companies with disability policies to make our world more inclusive. We are sure that a better knowledge of the subject and performing exercises makes people more comfortable with it, we organised training sessions on disability and inclusion for all our directors and managers. We will be continuing this training in 2024 and extending the scope to include members of the works councils.



Disability training

| | 2023 | 2022 | 2021 |
|--------------------------------------|------|------|------|
| Number of disabled employees | 24 | 22 | 12 |
| Amount paid to ESAT* (in € thousand) | 416 | 331 | 331 |

RESPECT FOR HUMAN RIGHTS

We have a team of nine people in China working for our subsidiary Odea: two people in supply chain, six quality inspectors and one person in purchasing/quality. They are all based in Shanghai. Their role is to:

- ❖ check that 100% of our orders comply with precise specifications and file the corresponding quality reports (quality inspectors),
- ❖ organise container logistics and flows,
- ❖ assist the Quality Purchasing Manager with his/her requests.

The subsidiary's management visited the site twice during the year, and all employees received training in anti-corruption and on our ethics charter.

3.2.2.4 - Value sharing

Earnings policy

Individual earnings and bonuses are planned within the subsidiaries, as is payroll. The exchange of information and best practices between managers ensures consistency across the Group.

In all the Group's subsidiaries, the fixed part of the salary is paid over 13 months (except at FGinox, which is paid over 12 months). It is reviewed annually, taking into account the development of each individual in his or her function and cost of living changes. We pay particular attention to the lowest salaries, which are well above the market rate in our sector.

Since the beginning, Thermador Groupe subsidiaries' profits have been shared with employees. Even before statutory profit sharing, we introduced our own brand of profit sharing in Thermador, the first company created in the Group's history. Bonus distribution is the culmination of the year's work, during which the management teams present the operating accounts of each subsidiary on a monthly basis.

Everybody thereby understands how the annual result is put together, and what mass of profit sharing will be distributed. The distribution of that mass is decided by the management team, and takes into account each individual's performance as fairly as possible. In each subsidiary, the variable profit sharing amount therefore depends on profit, which means there are major differences between the companies of the Group. It varies from 6 to 38% of overall earnings. The average for the Group is 21% of gross annual salary. In three of our subsidiaries, Jetly, Sferaco and FGinox, a legal profit-sharing agreement or incentive agreement is in place. These variable earnings are paid in February. For the other subsidiaries, bonuses are paid in December. They are not subject to any holding mechanism and are therefore immediately available.

On our operating accounts, the payroll represents approximately 10.8% of turnover.

As explained above, we have always implemented a policy of salary transparency. In each subsidiary, once per year, we post all monthly and annual salaries, including, of course, those of the managers. This has the enormous advantages of limiting the spread of misconceptions and encourages us to maintain consistency of salaries.

The range of gross salaries in Thermador Groupe is €22.7k to €364.3k (annual salaries for 12 months of presence), and the average annual salary is €55k.

3. Extra-financial performance statement



Against a backdrop of inflation averaging 4.1% in France and 2.9% in the Eurozone in 2023, particular attention is being paid to improving the purchasing power of all our employees, with regular salary reviews. A value-sharing bonus was also paid during the year. In order to assist employees with their home-to-work journeys, the company has also introduced a sustainable mobility package (FMD). This tool, combined with more working from home, has helped to encourage the use of 'soft' modes of transport and to limit the financial impact of rising fuel prices.

✦ Employee savings plan (PEE)

In January 2001, we set up a Company savings scheme (PEE), open to all employees of the subsidiaries and 95% invested in Thermador Groupe shares. Until 2012 the top-up was 100% of the amount put in by the employee, with a cap of €1,000. The maximum contribution then changed year-on-year.

In 2020, the contribution was 300% for the first €300 invested, 150% for the €301-1,000 tranche, and 30% for the €1001- 1,500 tranche, i.e. a maximum of €2,100. The total amount contributed by the employees was €2,057k and the amount of the employer's contribution was €794k. 453 employees (out of 566) subscribed to a 1% capital increase reserved for them. Taking advantage of the possibilities provided by the PACTE law, employees benefited from a 40% discount on the purchase of shares in exchange for 10-year holding commitment. In 2022, the matching contribution increased to a maximum of €2,400. The total amount contributed by employees was €1,511k and the amount of the matching contribution was €1,175k. 595 employees (out of 651) subscribed. In 2023, the top-up matching contribution increased to a maximum of €2,550. The total amount contributed by employees was €1,455k and the matching contribution was €1,309k. 622 employees (out of 687) subscribed. At December 31, 2023, the PEE held 317,025 shares, or 3.4% of capital.

SALARY INDICATORS

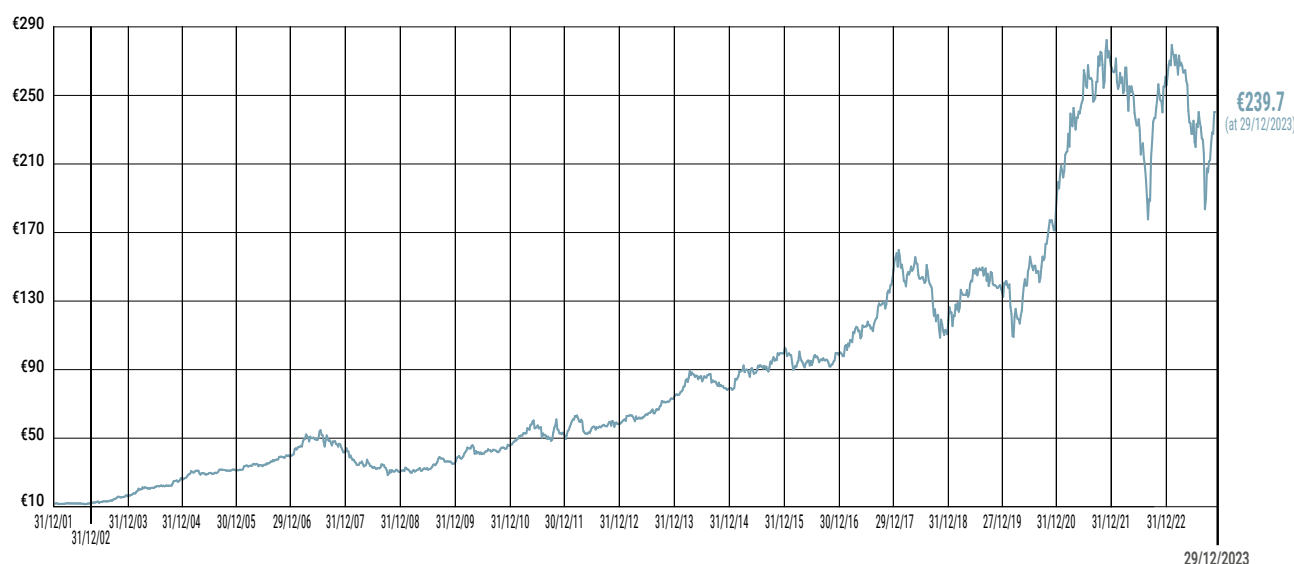
| | 2023 | 2022 | 2021 |
|--|-------|-------|-------|
| Average annual salary (in thousand €) | 55 | 54 | 50 |
| Number of employees benefiting from profit-sharing agreements | 196 | 197 | 181 |
| % of employees who participated in the annual employer contribution plan within the company savings plan (PEE) | 90.5% | 91.4% | 87.3% |
| % of capital held by the company savings plan (PEE) | 3.4% | 3.4% | 3.3% |

Perecol

In 2023, we offered our employees a group savings scheme (PERECOL) designed to help them prepare for retirement. The sums invested correspond either to voluntary payments or to the conversion of days of rest not taken into advantageous financial compensation.

A webinar on retirement was also organised to raise awareness. A financial adviser, accompanied by the two employee-directors, was able to conduct one-to-one interviews with interested employees - whether close to retirement or not - who wanted to gain a better understanding of their savings in relation to their future retirement needs. The experiment was a success and will be repeated.

Variation of one share in the Thermador Groupe FCPE (Mutual fund)



3. Extra-financial performance statement



3.2.3 - ENVIRONMENT: CONTRIBUTING TO THE ECOLOGICAL TRANSITION



Our environmental stakes

We have long been attentive to minimising our impact, as witnessed through everyday actions such as reducing and recycling our waste or launching eco-friendly actions. To help us progress, we are implementing an approach that involves measuring our impacts in order to attenuate or prevent them.

We set about mapping the **wider environmental impacts of our products**. This was done for the key stages of their life cycle (manufacturing, use, end-of-life), and comprised of: GHG emissions, energy and water consumption, water pollution, resource use and waste generation. The study was carried out by multidisciplinary working groups in our subsidiaries, piloted transversally by the sustainable development unit and shared during management committee meetings. At the end of these mappings, action plans were drawn up and their deployment has started in 2023. These will be decided over the medium term.

| ACTIONS | 2023 | TARGETS 2025 | TARGETS 2030 |
|---|-------|-----------------|-----------------|
| Training of the Codir on environmental responsibility | 100% | 100% | 100% |
| Percentage of turnover committed to a detailed Scope 3 assessment | 97% | 80% | 100% |
| SCOPE 1 : emissions from our vehicle fleet (tCO ₂ e/vehicle) | 2.58 | 2.19 | 1.38 |
| SCOPE 1 : heating and cooling of buildings (tCO ₂ e/1000m ²) | 3.95 | <5.70 | <4.44 |
| SCOPE 2 : energy consumption of buildings (tCO ₂ e/1000m ²) | 0.75 | <0.94 | <0.83 |
| SCOPE 3 : indirect emissions from our products and activities (tCO ₂ e/t of products shipped) | 6.20 | 5.95 | 5.05 |
| Waste from our activities (kg/t received) | 22.97 | <20.71 | <18.72 |
| % of waste sent for recycling | 99.4% | 80% | 95.8% |

3.2.3.1 - Our climate strategy

Thermador Groupe and its subsidiaries are committed to combating climate change. Our climate strategy is based on the three pillars outlined in this chapter: mitigating our carbon emissions and those of our value chain, compensating for emissions that we cannot reduce in the short term and adapting to the effects of climate change.

We made major progress in 2023 on carbon emissions from our upstream value chain, by developing a Scope 3 carbon objective linked to products and initiating work on our suppliers' commitment thereto, as well as mapping the exposure of our sites and those of our suppliers to physical risks according to the IPCC scenarios. Other areas for progress include the reliability of our carbon footprint - in continuous improvement - and our energy efficiency plans.

We have been measuring our carbon footprint since 2021. The methodology applied follows the requirements of ISO 14064 and is detailed in this chapter.

Our commitment is managed at the highest level of the company and deploys varied and substantial resources, such as:

- ❖ The creation of a sustainable development unit, attached to the Group's top management and made available to our subsidiaries to support them.
- ❖ The support of a specialised external agency.
- ❖ internal and external training on environmental issues.
- ❖ operational measures aimed at reducing our emissions, as set out below.

Details of these resources are given in section 3.1.6.

The Group is committed to limiting carbon emissions by acting on three levers:

- ❖ Reducing its own emissions.
- ❖ Offering its customers products and services to accelerate their transition.
- ❖ Encouraging all stakeholders to commit to the lowcarbon transition.

3. Extra-financial performance statement



A - Mitigating our carbon emissions

MEASUREMENT: OUR CARBON FOOTPRINT



We measure our carbon footprint on the 3 Scopes, as required by the ISO 14064 standard and the ADEME's (French environment agency) BGES methodology, with support from an independent agency, I Care.

Our calculation methodology is based on the turnover of each subsidiary, the weight of the products, the materials they are made of, the power consumed and rate of use (for products consuming energy) and origin.

We use the CO₂ emission factors defined and validated by ADEME, as we do not have access to more precise information.

The objective is for all subsidiaries to measure their carbon footprint, and then the footprint is extrapolated for the following two years and measured again in the fourth year. Each year, we broaden our scope by including new subsidiaries.

Scope

The measurement scope covers 97% of our consolidated sales. An extrapolation method is used for elements not analysed. We measure all the emissions items required by ISO 14064, specifically:

| Emission category. | Emission items | |
|---|--|---|
| SCOPE 1 Direct GHG emissions | <ul style="list-style-type: none"> ✦ Direct emissions from fixed combustion sources ✦ Direct emissions from the vehicle fleet owned or leased by the Group ✦ Direct fugitive emissions from air conditioning | |
| SCOPE 2 Indirect emissions linked to energy | <ul style="list-style-type: none"> ✦ Indirect emissions from electricity consumption | |
| SCOPE 3 Other indirect emissions | <ul style="list-style-type: none"> ✦ Energy-related emissions not included in Scope 1 and 2 categories ✦ Purchases of products or services (excluding products sold) ✦ Fixed assets ✦ Waste ✦ Business travel and home-to-work travel | <ul style="list-style-type: none"> ✦ Manufacture of products sold ✦ Inbound and outbound transport of products sold ✦ Use of products sold ✦ End-of-life of products sold |

To date, we have not measured Scope 4, which counts emissions avoided, thanks in particular to our range of products that save energy when they are used.

Each subsidiary has a carbon officer. This is not a full-time position in the subsidiary, but rather an assignment. The role is to act as a relay for the subsidiary, and to manage the measurement of the carbon footprint and the action plans concerning the items directly linked to the products.

Update of previous reports

In 2022, we reported 221 ktCo₂e. As part of our continuous improvement work to reduce the uncertainty factors in our calculations, we have reassessed our emissions at 264 ktCo₂e (for 2021, they were 269 ktCo₂ and not 211 ktCo₂e).

Our carbon footprint is therefore 44 ktCo₂e higher than that measured last year. This difference can be explained by:

The Product Purchasing (Manufacturing), Inbound Transport and End-of-Life item: we have included more subsidiaries, and therefore more products, in our detailed analysis. This has enabled us to add more detail to the data extrapolated in previous years. We have also improved our methodology for restating intra-Group transactions to avoid double-counting.

The Product use item: in expanding our analysis scope, we have also been able to create baseline scenarios and analyse the use of active products in greater detail. This figure has clearly risen since our subsidiary Mecafer completed its carbon footprint in 2023. Most notably in this regard, the subsidiary markets generator sets that run on petrol, an energy that has a much greater impact than electricity, and which power all our other active products.

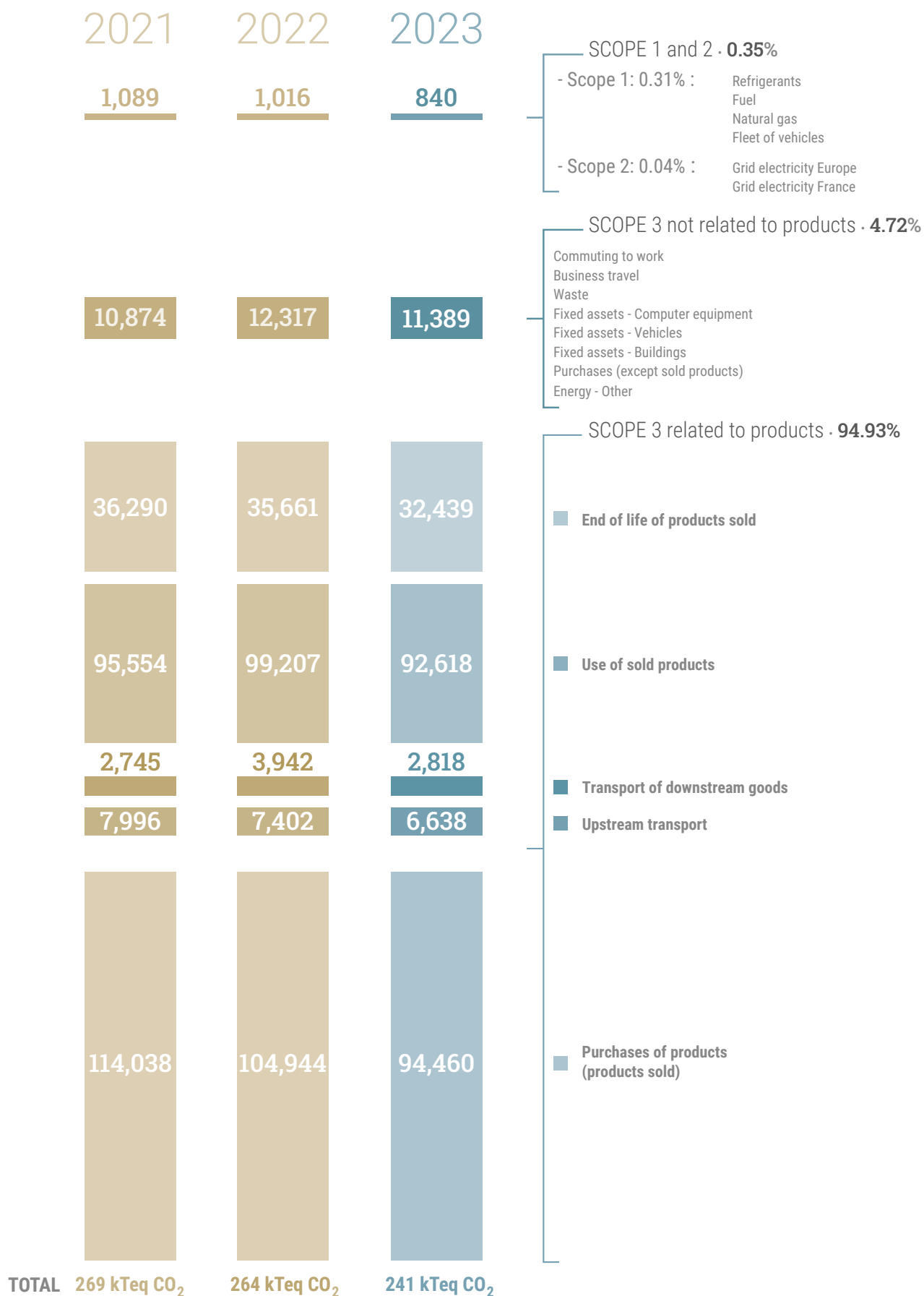
The Downstream Transport item: some emissions from our transport partners had been counted twice; these data have been corrected.

Uncertainty and emission factors

The measured uncertainty of our carbon footprint is 30%. It is calculated according to two factors:

We rely on the French environment agency's (ADEME) national database, which itself varies in reliability and relevance depending on the data. The other main change in terms of uncertainty is the reliability of the data source. Data derived from an assumption implies greater uncertainty than measured data. This is then related to the carbon weighting of the emissions item in order to define the uncertainty of Thermador Groupe's consolidated footprint. We carried out our first product LCAs (Life Cycle Analyses) this year. We found significant differences between the emissions factors derived from them and those from the ADEME database. For 2023, we kept the same emissions factors as the year before. We plan to make them more reliable in the coming years.

3. Extra-financial performance statement



3. Extra-financial performance statement



Our objectives

In 2021, we set ourselves four targets for reducing CO₂ emissions. To allow us to monitor our operational progress, we linked them to measurable actions, as shown in the table in the introduction. **In 2023, our carbon emissions were 20.8% lower than in 2022 in absolute terms. Concerning targets linked to our operations, in 2023, emissions are down by nearly 10% on Scopes 1 and 2; so, we have made progress on three of our four objectives.** This progress is linked to our investment policy to reduce energy consumption in our buildings as well as our efforts to contribute to the energy-saving plan, reflected in lower electricity and gas consumption. As for the decrease linked to travel, this trend should be reversed through the renewal of our fleet of vehicles with electric and hybrid vehicles. **In 2023, we set ourselves a Group-wide emissions reduction target for Scope 3 relating to products.** This is expressed in terms of carbon intensity, i.e. tonnes of carbon emissions per tonne of products shipped. This reduction is based on the work presented below and will be closely linked to the efforts made by and with our partners: our suppliers for the design, materials and manufacture of products, and our service providers for upstream and downstream transport. It will also depend on the national energy mix for the use of our active products and the end of the product's life. In 2024, each subsidiary will assess its reduction potential through its action levers.

Driving our strategy

The action plans are drawn up in collaboration with the operational functions involved (general management, purchasing, technical), the carbon officers and the support of the Sustainable Development Unit. They are reviewed by the subsidiaries' management committees. The heads of the subsidiaries are responsible for them. They contain actions relating to our operations and products. As more than 90% of the Group's carbon emissions come from product-related items (manufacturing, upstream and downstream transport, use, end-of-life), the main focus is on products. These plans are drawn up by estimating the reductions in carbon emissions, the costs involved and the estimated time needed to implement each action. Each subsidiary decides on its actions by prioritising product families or manufacturing partners.

Our action plan

DEVELOPING SKILLS

In 2023, we organised a number of training and awareness-raising events on various environmental topics. More than 600 people took part in the Fresques du Climat (R), organised in-house, which helped to generate ideas and raise awareness around the Group's targets. All subsidiary managers attended a two-day course on sustainable development, including a section on 'planetary limits' and the circular economy. The purchasing departments of all our operating subsidiaries attended a one-day course on responsible purchasing and the key role of the purchasing function in reaching our targets. The cross-functional group of carbon officers also had a day dedicated to climate issues. In addition, this group, which includes one person from each subsidiary, meets once per month to grow collective intelligence and share experiences to develop and improve our knowledge. We will continue to develop training in 2024 and extend it to sales and administration.

MAKING STRATEGIC CHOICES

As a distributor, one of our strengths is the wide range of products we offer our customers and users. We market a wide range of product families with different carbon impacts depending on their type and use. For example, active products have a higher carbon impact due to their energy-intensive use, but this type of product can also help our users to reduce their emissions. Our strategic role is to promote the most virtuous ranges, either through their design, which will reduce our upstream Scope 3 carbon emissions, or through our customers' more reasoned use of the products, which will not systematically reduce our Scope 3 carbon emissions.

PROMOTING ECO-DESIGN OF PRODUCTS

Over 90% of our carbon emissions come from the manufacture, use and end-of-life of the products we sell. Our emissions reduction trajectory will therefore largely depend on our ability to reduce the carbon emissions associated with these three stages of our value chain. For this reason, we launched an eco-design initiative in 2021, which is presented in section 3.2.3.2 Circular Economy.

DEVELOPING LONGEVITY AND REPAIRABILITY

Ensuring the repairability of our products enables users to extend their service life, which in turn reduces the environmental impact of manufacturing and maintains the product's functionality. Odra, Jetly, Sferaco and Sectoriel offer a range of spare parts with or without warranty. In their workshops, Odra and Jetly repair pumps returned by stores and users. Thermador will be launching a similar service in 2024.

ENGAGING OUR MANUFACTURER PARTNERS

Our position as distributors means that most of our subsidiaries do not have total control over the manufacturing processes. Odra controls the manufacturing process for its NF and 'Made in France' tap ranges at Etigny. Our technical knowledge and long-term relationships with our partners enable us to express our strategic intentions and get our manufacturers on board. We now know that the emission factors associated with manufacturing are linked to two predominant elements: raw materials and the energy used in production. In the coming years, we will determine the proportion of recycled materials in our products, and increase it where relevant. At the same time, we are encouraging our manufacturing partners to move towards renewable or less carbon-intensive energy sources.

| CARBON EMISSION INDICATORS | 2023 | 2022 | 2021 |
|---|------|------|------|
| Total carbon footprint (Scopes 1, 2 and 3) (in ktCo ₂ e) | 241 | 264 | 269 |
| Emissions from product manufacturing (in ktCo ₂ e) | 94 | 105 | 114 |
| Emissions from product use (in ktCo ₂ e) | 93 | 99 | 96 |
| Emissions due to product end-of-life (in ktCo ₂ e) | 32 | 36 | 36 |

3. Extra-financial performance statement



IMPROVING THE ENERGY PERFORMANCE OF OUR BUILDINGS

Two of our environmental objectives relate to our buildings. We significantly improved our performance in 2023.

The environmental performance of our buildings is steered by our Real Estate Manager, who works closely with the Sustainable Development and Finance divisions, as well as with all our subsidiaries, whether they are owners or tenants. He arrived at the end of 2022 and reports to the Group's top management. We own 83% of the surface area of the buildings we occupy, through our subsidiary Thely, as described in section 1.13.

Our experience in this area encourages us to go further, and several energy audits have been carried out. In 2023, Mecafer completed an energy audit of its building in Valence. We do not own this building, but that doesn't stop us from reducing our footprint. This was the most recent in a series of six audits of our subsidiaries in 2022 and 2020, covering 46% of them. The energy performance plan for our buildings is based on 3 improvement levers, which we are all working to implement, and an investment plan outlined in chapter 3.2.3.5 (sustainable investments):

✦ Reducing our consumption and keeping it low

Energy sobriety plans, applied in all our subsidiaries, were accelerated in 2022 and continued in 2023. These plans have produced good results in terms of reductions in gas and electricity consumption.

✦ Energy efficiency of our equipment

This is based above all on good building insulation. In 2023, the roof of the PBtub building, covering a surface area of 11,820m², was refurbished in line with the recommendations of the energy audit. It also uses energy-efficient technologies, which benefit many of the products marketed by the Group, such as radiant ceilings, accessories for heat pumps and rainwater harvesters. The Thermador Groupe and Opaline offices are now operational in a completely renovated building, benefiting from all these features.

✦ Renewable energies

The building housing our subsidiaries Aello, Axelair and Odra, with a total surface area of 18,019m², has photovoltaic panels, producing electricity that is fully self-consumed. In Belgium, Sodeco Valves has refurbished its roof, installing solar panels. For all these subsidiaries, 224,973 kWh were self-generated.

A photovoltaic tracker was installed at Sectoriel in 2023, enabling the site to consume its own electricity when sunlight permits. When the site is not in use, the energy produced is sold on, providing green energy to other users. Panels are also being installed in the new Thermador Groupe building for use from 2024. We are also studying the feasibility of installing several trackers, enabling all our sites in the Isère region to enable self-consumption electricity production.

From now on, each site under construction or renovation will be subject to specifications that include biodiversity, photovoltaic technologies and rainwater recovery requirements. We also set energy performance targets.



Radiant ceilings in the Thermador Groupe and Opaline building

| INDICATOR | 2023 | 2022 | 2021 |
|---|-----------|-----------|-----------|
| Gas consumption in kWh | 2,607,937 | 3,755,296 | 4,068,452 |
| Biogas as a proportion of gas consumption | 25.2% | - | - |
| Share of gas consumption under 'Carbon offset' contracts | - | 89% | 34% |
| Direct emissions from heating and cooling buildings (in tCO ₂ e per 1,000 m ²) | 3.95 | 5.01 | 6.37 |
| Electricity consumption in kWh | 2,156,733 | 2,378,488 | 2,599,795 |
| Percentage of electricity consumption using the 'Renewable Energy Option' | 99% | 92% | 69% |
| Share of LED lighting in our buildings (% of m ²) | 79% | 67% | 60% |
| Indirect emissions from electricity consumption (in tCO ₂ e per 1,000 m ²) | 0.75 | 1.03 | 1.25 |

REDUCING THE CARBON FOOTPRINT OF TRANSPORT

✦ Promoting soft mobility

One of our environmental objectives concerns mobility. We have far exceeded our mid-term targets for the number of employees covered by the Sustainable Mobility Package (SMP). We have paid out €146k to 269 beneficiaries.

We are continuing to roll out this initiative and have extended it to other neighbouring companies in our employment area. In addition to the financial benefits for our employees, this is a real way of raising awareness around more responsible ways of travelling that they can transfer to their personal lives. **Electric bicycles** are available for employees to move between the subsidiaries in Saint-Quentin-Fallavier. **Electric vehicle charging stations** have been installed on **Sodeco's Ternat site** and **at Sferaco in Saint-Quentin-Fallavier**. In 2023, new charging terminals were installed at our Syveco-Isocel, Jetly, Thermador Groupe-Opaline, Sectoriel and Mecafer sites.

3. Extra-financial performance statement



Mobility Day

In June, 264 people from the Saint-Quentin-Fallavier subsidiaries took part in the mobility challenge organised by the region (Auvergne-Rhône-Alpes). Participants use carpooling, bicycles or public transport. These efforts have been rewarded, with Thermador Groupe winning the special prize in the 'under 20 and up to 50 employees' category for the Nord Isère region.



Mobility challenge

Improving our vehicle fleet

Company cars for sales staff are gradually being replaced by **hybrid or electric vehicles**. In some subsidiaries, the variable earnings of sales staff is indexed to the number of kilometres travelled to encourage them to take the train whenever possible.

| INDICATOR | 2023 | 2022 | 2021 |
|---|------|------|------|
| Direct emissions from our vehicle fleet (in tCO ₂ e/vehicle) | 2.58 | 2.69 | 2.81 |
| Emissions from business travel (in tCO ₂ e) | 599 | 651 | 558 |
| Emissions due to commuting (in tCO ₂ e) | 831 | 923 | 947 |

B - Carbon contribution

In parallel with measures aimed at reducing carbon emissions, our subsidiary Sferaco wanted to set up a compensation process for part of its Scope 3 carbon emissions, for which reduction actions could not be implemented in the short term. Therefore, as in 2021 and 2022 in 2023, Sferaco made a donation of €30,000 to the Apprentis d'Auteuil, a non-profit organisation. This sum was used to finance insulation work on a building located in La Côte-Saint-André, as well as low-carbon building refurbishment of premises in Morestel, which will be submitted for low-carbon certification in 2024. These works will generate energy consumption reductions.

In addition, as part of European Mobility Week, for the second year in a row, 27 Syveco employees committed to an incentive mechanism: for every kilometre not covered (soft transport or home-working), the company donates €0.50 to an association selected by the employees. 4,571kms have been traveled. **€3,000 will be paid to ReforestAction at the beginning of 2024 as part of an assisted natural regeneration project in France, if possible in the Auvergne-Rhône-Alpes region, with 796 trees planted or protected.**

In 2023, **Sodeco Valves acquired 1 hectare of woodland** near its premises in Ternat. One of the aims is to protect this forest ecosystem. This wood absorbs carbon and will therefore contribute to our carbon sequestration in 2024.

| INDICATOR | 2023 | 2022 | 2021 |
|---------------------------------|---------|---------|---------|
| Carbon contribution paid (in €) | €30,000 | €31,995 | €30,000 |

C - Adapting to climate risk and developing a resilience plan

The effects of climate change are now significant and will become more so. Aware that such incidents could affect our value chain, we have initiated a mitigation approach which involves identifying and then mitigating or adapting to the risk.

CLIMATE RISK ASSESSMENT

✦ Identification of physical and transitional risks



As part of our involvement in the 5th 'Climate Promotion' event organised by WeCount, a Lyon-based company offering group programmes and a platform for defining and monitoring a climate strategy, we have listed the various physical and transitional risks to which we are already or could potentially be exposed. We have grouped them into closely-linked categories: physical, technological, regulatory and market constraints. The table at the end of this chapter summarises the Group's risks, opportunities and adaptation measures.

✦ Mapping our physical risks

In December 2023, using the ECLR tool developed by EcoAct and marketed by Eiffel, one of our investors, we mapped the exposure of our sites (offices and warehouses) as well as our suppliers, who account for 47.2% of our goods purchases, and key port areas. This analysis is based on the IPCC's SSP5-8.5 scenario for the period 2021-2040, covering 12 types of risk (cyclones, water stress, soil erosion, heat waves, frost, etc.).

This gives us a clearer picture of the potential risks. Our work in 2024 will, through dialogue with our partners, consist of translating these potential risks into real vulnerabilities, then checking the adaptation measures taken by countries, local authorities and businesses themselves.

3. Extra-financial performance statement



FINANCIAL ASSESSMENT OF TRANSITION RISKS

This assessment was modelled and implemented using Axylia's 'Carbon Score' tool.

The Paris Agreement recognises the incentive value of carbon pricing instruments for achieving climate goals. There is a patchwork of instruments that explicitly or implicitly price carbon at country, region or sector level. None of these instruments is currently applied on a global scale. To date, no carbon price has been set by the authorities.



Thermador Groupe, seeking to stay ahead of potential regulations and to check whether it would be able to pay for possible future costs, called on Axylia to assess its 'carbon levy'. Axylia, a consulting firm specialising in responsible finance, created the Axylia Carbon Score® two years ago. It evaluates companies' ability to pay their carbon levy on a scale from A to F. It indicates to investors and individuals whether the company is truly profitable and responsible, after debiting the cost of the CO₂ it emits.

Thermador Groupe obtained Carbon Score B, which illustrates its ability to pay its potential carbon bill. This bill is based on a carbon cost in line with IPCC publications, i.e. €123 per tonne of CO₂ for Scope 3, and €134 for Scopes 1 and 2. It includes our emissions from Scopes 1, 2 and 3 and is estimated at €29.7m for 2023. Our EBITDA would remain largely positive at €61m. In the event of a carbon tax, we would not in fact be required to absorb the full cost. The Axylia model's 'carbon breakeven point' (the carbon price at which the company would make a loss after paying its carbon bill), would be €419 per tonne of carbon emitted.

BUSINESS CONTINUITY PLANS (BCP)

We are working on our adaptation through the development of Business Continuity Plans (BCP). This work is currently being steered by top management and the Sustainable Development Unit, with contributions from the Supply Chain and Information Systems Departments, as well as the cross-functional Purchasing Group.

The IT department and the Group's top management have put in place measures to ensure the continuity of our activities in the event of breakdowns. We have our own fibre optic network and several computer rooms that replicate each other in the event of a failure in one of them. We have also installed a generator for our servers in the event of a power cut and have a virtualised server for back-up purposes.

Several of our subsidiaries have also started to formalise BCPs, whether to secure temporary electricity supplies or to secure their supplies in the event of supplier/supply chain failure.

Our strategy of maintaining a high level of stock remains a major differentiating asset for us, which enabled us to maintain an excellent level of activity in 2020 during the Covid period in particular.

Adaptation also involves enhancing the resilience of the buildings where we work and store goods. Our real estate company, Thely, has an ongoing investment plan to ensure that our buildings are better insulated, consume less energy and are less dependent on fossil fuels.

3.2.3.2 - Our contribution to the circular economy

A - Eco-design and life cycle of our products

Risks, opportunities and adaptation to transition

| Risks | Opportunities | Mitigation measures |
|---|--|--|
| <ul style="list-style-type: none"> ❖ Increased thermal, sanitary and water regulations. ❖ Prohibitions on the construction or filling of swimming pools. ❖ Bans or restrictions on the new-build market. ❖ Energy shortages or rising energy prices. ❖ Increase or decrease in government grants to help households (CEE, Prime Renov). ❖ Increasing scarcity or rising costs of materials and mined minerals. ❖ Rising costs, and even disruptions, in logistics and supply. ❖ Carbon taxes. ❖ Increased packaging constraints. | <p>To preserve water resources, development of:</p> <ul style="list-style-type: none"> ❖ metering, harvesting, ❖ treatment and filtration of rainwater and grey water, ❖ storage, ❖ drip irrigation, ❖ replacement of leaking pipes. <p>To preserve energy resources and reduce greenhouse gas emissions, developing markets in:</p> <ul style="list-style-type: none"> ❖ metering, ❖ energy-efficient equipment, ❖ solar energy, ❖ methanisation and heating networks, ❖ eco-designed, low-carbon products <p>To help people adapt to heat waves, developing markets offering cooling solutions.</p> <p>To grow the circular economy, developing repair, spare parts sales and second-hand markets.</p> | <p>For our staff:</p> <p>Adapting working hours to heat waves.</p> <p>For our buildings:</p> <p>Multi-year investment plans for insulation, photovoltaic panels, rainwater harvesting and landscaped car parks to drain rainwater</p> <p><i>These are presented in section 3.2.3.5.</i></p> <p>For waste reduction:</p> <p>Machinery to re-use packaging received for our shipments.</p> <p>For our products:</p> <p>Development of product LCAs, eco-design projects and low-carbon solutions, <i>presented in chapters 3.2.3.2 and 3.2.3.5.</i></p> <p>For our logistics and supply chains:</p> <p>Search for partners and alternative solutions to dilute risks.</p> |

3. Extra-financial performance statement

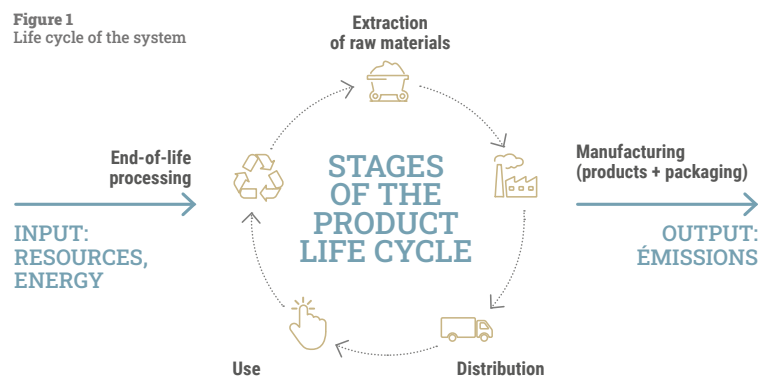


Group commitments

Having decided to launch an eco-design approach in 2021, five of our subsidiaries (Sferaco, Thermador, PBtub, Axelair and Sectoriel) volunteered to implement an eco-design approach for their products from 2022, thereby helping to improve the environmental performance of product ranges in their respective markets (buildings and industry). Eco-design is the integration of environmental aspects into product design and development, with the aim of reducing negative environmental impacts throughout the product's life cycle, while providing equivalent or better service. This approach aims to find the best balance between environmental, social, technical and economic requirements. To do this, Thermador Groupe has been using the services of an external LCA (Life Cycle Assessment) consultant two days per week since 2022. He reports to the sustainable development unit and works in codevelopment with the technical teams from each subsidiary.

Several of our subsidiaries have started to structure their activities accordingly. Sferaco has set up a design office and recruited a dedicated internal resource at the end of 2023 in order to proactively contribute to the eco-design of its products with its industrial partners. PBtub, Thermador and Sectoriel have each allocated dedicated resources internally. Sectoriel has also scheduled LCA training for all subsidiaries for early 2024.

To assess the environmental impact of a product, it is possible to carry out life cycle analyses (LCAs) or environmental and health data sheets (EHSDs). These two tools draw on data 'from the cradle to the grave'.



Following the assessments, the subsidiaries will work with their suppliers to draw up plans to reduce their impact.

In 2023, we drew up **a shared vision for eco-design**, including our priorities and roadmap for 2023-2024. This includes 3 action pillars:

- ✦ **eco-design of our products**, focusing on the 3 stages with the greatest impact, i.e. manufacture, use and end-of-life,
- ✦ **supporting our suppliers** and managing our product portfolio,
- ✦ **communicating with our customers** through transparent labelling.

Deploying eco-design and the circular economy across our subsidiaries and suppliers will enable us to help reduce our carbon emissions and preserve non-renewable resources.

Action plans

Our work during 2023 consisted mainly of:

- ✦ the continuation of the mapping of environmental issues (presented at the beginning of this Environment chapter) per subsidiary, in order to identify priority impacts and issues per product family,
- ✦ product analysis,
- ✦ staff training, through an external training day for our purchasing departments and internal sessions with our carbon officers and all ExCom members,
- ✦ formalising and distributing EPPs (eco-design prevention plans) to our eco-organisations,
- ✦ support for our suppliers.

By 2023, **Sferaco** had carried out LCAs on its priority products, covering 3.6% of its sales, and published its first five environmental product declarations (EPDs). The aim, with the arrival of a full-time materials engineer in January 2024, is to roll out and sustain the approach on a larger scale. **Thermador** is continuing and consolidating its approach with its main suppliers on priority products, to improve their environmental profiles and publish their first EPDs in 2024.

PBtub and **Thermacome** have 4 collective EPDs through the Cochebat trade association. In response to RE2020 and the need to assess the environmental impact of any new process in a building, **Thermacome** published its first environmental product declaration (EPD) for the ACOSI+ climatic ceiling at the end of 2023, in accordance with the new EN 15804-A2 standard. This Environmental Product Declaration (EPD) - a first in France - is a major tool to help professionals design structures to make buildings more sustainable, with limited impact on the environment, while creating a healthy environment for future users. **Products covered by environmental product declarations represent 79.9% and 90.3% of PBtub and Thermacome sales respectively.**

3. Extra-financial performance statement



Sectoriel and **Sodeco Valves** are planning to publish these documents in 2024, either with the support of a consultancy firm or by having our manufacturing partners carry out the work.

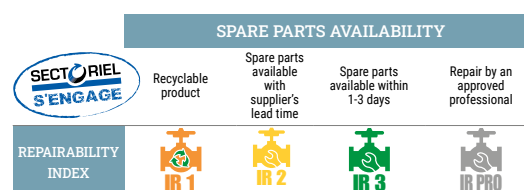
By 2023, this approach covered approximately 8% of Thermador Groupe's turnover.

The products have been selected either because they represent a significant proportion of the subsidiary's sales, or because they offer interesting potential in terms of RE2020 and government subsidies in line with the environmental transition, or to meet customer demand for eco-designed products.

The data collected will enable us to target areas for improvement in our products. Our actions will be of various kinds and adapted according to their relevance for each product. The main levers we have identified are:

- ✦ **choosing materials that** contain less carbon,
- ✦ **increasing the percentage of recycled raw materials** incorporated into products,
- ✦ **extending the life of products** by increasing their reparability and making spare parts readily available and affordable,
- ✦ **improving the recyclability of products**, through the choice of materials and their demonstrability.
- ✦ **accelerating the circular economy** by developing our repair networks and our presence in second-hand channels.

This can only be achieved by engaging our suppliers, starting with the signing our Responsible Purchasing Charter, which includes environmental responsibility criteria. Suppliers will be rated on these criteria, on the basis of an internal rating system, from 2024 onwards. Our progress depends on their level of maturity. For some of them, it is a question getting them up to speed, while for others we get to see commitments they are already well advanced with. For example, discussions with one of the Group's main suppliers, DAB, have shown us that it is already working to reduce the environmental impact of its infrastructure, industrial equipment and processes.



Sectoriel's voluntary reparability index

When it comes to product communication, we commit our subsidiaries to communicating preferentially with official labels. For example, Thermador has adjusted the criteria for products bearing its 'IPE' logo to bring them into line with the European green taxonomy. Mecafer and Jetly have deployed the French environment agency's (ADEME) official reparability index. Sectoriel has anticipated the regulations by proposing a simplified reparability index based on the same criteria. Axelair has updated its Eco-score, a system for assessing products' environmental impact, designed to help customers reduce the impact of their installations. Based on internal specifications, it includes as many criteria as possible: recycled and recyclable materials, water and energy consumption, reparability, carbon footprint and country of manufacture. This Eco-score is a self-label issued in compliance with the ISO 14021 standard.

The approach of Thermador Groupe and its subsidiaries has a twofold objective: reducing the impact of their products, and minimising the impact of the systems into which they are integrated at the user's premises.

B - Contributing to the circular economy of the building sector

EPR (Extended Producer Responsibility) requires all entities putting building products or materials on the French market to organise or finance the prevention and management of waste from their products and materials at the end of their life. France has more than 30 EPR channels (household packaging, electrical and electronic equipment, paper, etc.) and new ones will come on stream within the next five years.

With the promulgation of the French act of law against waste and for a circular economy of February 10, 2020, the 'AGEC law', building products and materials for the construction sector are in turn affected by this measure, as well as DIY and garden items. From 2022 onwards, those putting such building products and materials on the market must join an eco-organisation approved by the public authorities, to which they transfer their obligation by paying a financial contribution. The subsidiaries concerned have signed up to approved eco-organisations, Valdelia or Valobat for Building products and materials for the construction sector (PMCB) and Ecologic or Ecomaison for DIY; they will be responsible for organising the prevention and management of waste from their products and materials.

The other legal obligation relating to eco-organisations is the contribution to the processing of waste from electrical and electronic equipment (WEEE), whether for the construction market or the industrial market, which is entrusted to Ecosystem.

| INDICATORS | 2023 | 2022 | 2021 |
|---|------|------|------|
| Amount paid to WEEE REP (polluter-pays principal - elec) in €k | 425 | 393 | 409 |
| Amount paid to PMCB REP (polluter-pays principal - construction) in €k | 83 | NA | NA |
| Amount paid to ABJ REP (polluter-pays principal - DIY and garden) in €k | 44 | 22 | 0 |

3. Extra-financial performance statement



C - Reducting waste on our sites

Two of our environmental objectives relate to waste, which comes mainly from our logistics warehouses and to a lesser extent from our offices. Namely:

- ✦ Metals (engines and equipment from after-sales services that cannot be repaired).
- ✦ OIW (ordinary industrial waste): plastic straps, unrecyclable polystyrene or household waste from offices.
- ✦ Secondary packaging (wooden pallets, crates, cardboard, film) or household packaging (trays, cardboard).
- ✦ Waste from electrical and electronic equipment (WEEE).
- ✦ A very small proportion of hazardous waste (oils).

We strive to apply the 3Rs principle (Reduce, Re-use, Recycle).

Our actions:

- ✦ The installation of shredders that convert used cardboard into cushioning elements for shipments at the warehouses of FG inox, Thermador and Sferaco.
- ✦ Jetly's introduction of the re-use of angle irons from Sferaco and Thermador in 2023.
- ✦ Careful management through the search for re-use and recycling channels, which has enabled Jetly to absorb 70% of its management costs by buying back some of its waste.



Re-used packaging residues (Thermador shredder)

| INDICATORS | 2023 | 2022 | 2021 |
|--|-------|--------|--------|
| Kgs of waste / tonnage received | 22.97 | 22.83 | 20.28 |
| % of waste sent for recycling or energy recovery | 99.4% | 95.70% | 90.70% |
| Share of hazardous waste | 0.4% | 0.3% | 0.0% |

Our indicator n°15 ('waste recovery') includes recycled waste as well as energy recovery. The materials recycled are metals, plastics, cardboard and paper. As part of our approach, we regularly meet with **our main partner, Briordures, a subsidiary of the Cofibex group based in Ain county**, on its premises. The service provider gives us monthly reports on the channels chosen for optimal recovery of our waste, processing flows, types of recovery of our waste and corresponding tonnage. In 2023, our total waste volume will be down by more than 10% compared to 2022, and the volume per tonne of product received will be up slightly, by 0.6%.

3.2.3.3 - Ours actions to preserve water resources

The droughts of the summer of 2022 and 2023 reminded us how precious water resources are. Our actions to preserve the resource concern our own operations and our customers', through the use of the products we sell. Indeed, several of our subsidiaries are experts in water management and recovery.

A - Optimising our water consumption

Water recovery

The rainwater harvesting system sold by Jetly has been operating in its building since its creation in 2009. The recovered water is used to supply sanitary facilities in Jetly's offices. In the recent building housing Aello, Axelair and Odrea, the same technology has been installed. The recovery tank, combined with a pumping system and a UV wastewater treatment system, kicks in ahead of the drinking water supply. Hence, recycled water is used instead of clean water when it is not intended for human consumption. The use of this technology in our subsidiaries limits the consumption of drinking water by re-using the resource on a significant scale, since one flush adds up to 6-9 litres of water. The new FGinox building in Saint-Quentin-Fallavier was kitted out in 2022, like the Thermador Groupe and Opaline buildings in 2023.

Optimisation of sprinkler systems

We have changed our methodology for upgrading sprinkler systems by taking samples of glycol water rather than draining the tanks completely, thus avoiding the waste of large quantities of drinking water.



Globus Rainwater harvesting.

| INDICATORS | 2023 | 2022 | 2021 |
|---|--------|--------|--------|
| Water consumption (m³) | 5,364 | 6,007 | 7,928 |
| Surface area covered by rainwater harvesting (m²) | 44,063 | 38,926 | 12,833 |

3. Extra-financial performance statement



B - Products to preserve water resources

Rainwater harvesting

Preserving, managing and developing water resources is a priority for our subsidiary Jetly, among others. Rainwater harvesting tanks not only store rainwater but also regulate it for domestic or collective use.

We make a clear distinction between the residential range (1,000-8,000 liters) and the collective range (10,000-60,000 liters). The tanks are equipped with pre-filters to divert macro waste (leaves, twigs, stones, etc.) to the overflow.

Once underground, the tank is linked up to a pump, which is specified according to the needs of the facility (house, garden, individual or collective dwelling). The pumping system can be automated with a solenoid valve to ensure permanent water supply with priority given to rainwater.

In addition, the most recent innovations in electric motors speed variation control have brought silent operation and energy savings. For local authorities, the Aquatwin management system (2 pumps) is designed to autonomously service schools, hotels, hospitals, parks and gardens. We also supply a range of filtration systems, which can treat particles, volatile organic compounds and bacteria in water.

Health-conscious consumption

Our subsidiary Odra, a French company founded in 1934 and employing around 100 people, assembles its NF taps on a 10,000 m² site in Sens, Burgundy. Its products are designed to reduce water consumption for users. They incorporate components and functions which include:

- ❖ An 'Eco-stop' lever that halves the water flow of a tap when opened. The same principle is found on a thermostatic valve whose 'Eco-stop' ceramic cartridge is equipped with a flow-rate blocking button when half-open, thus limiting water consumption.
- ❖ A flow-reducing aerator that partially obstructs the water flow and reduces water consumption by 50%.
- ❖ Timed or infrared systems that stop the flow of water after a certain time. This prevents unnecessary water flow, for example, during hand-washing.
- ❖ The new EKOGEST shower head does not directly affect consumption itself, but rather educates the consumer. The shower head is equipped with a dynamo system that calculates water consumption. On the shower head, an LED display shows the number of litres of water consumed, along with a traffic-light system: green for consumption of less than 25 litres, orange from 25 to 50 litres and red over 50 litres. By reducing the time spent in the shower, it actually reduces consumption.

Low-consumption swimming pools

Aello, which distributes swimming pool equipment to professionals, is working towards making the swimming pool of the future autonomous in terms of water and energy consumption. To save water, it has solutions such as rainwater harvesting tanks and overflows, temporary tanks for maintenance operations and shade sails to limit evaporation. As a champion of renewable energies, it proposes photovoltaic panels and batteries to capture solar energy to supply the pump room, and solar panels to produce domestic hot water.

These products contribute substantially to our estimated green turnover as presented in section 3.2.3.5.



Rainwater harvesting in Jetly and Aello

3. Extra-financial performance statement



3.2.3.4 - Our actions to preserve biodiversity

Group policy

We have always been mindful of our surroundings and protected the ecosystems around our sites. We work with local stakeholders: municipalities, local communities, our neighbours and associations.

Since 2015, the Association Porte d'Isère Environnement (APIE) has been supporting most of our subsidiaries located in Saint-Quentin-Fallavier within the framework of a long-term partnership providing the services of nature experts. APIE is the environmental protection association for the Nord Isère region, a member of FNE (France Nature Environment) and a contact for local authorities, administrations and companies. APIE's three main lines of action are: learning about the territory in order to preserve it, preventing and reducing environmental damage, and improving the living environment.

In 2020, the **cross-subsidiary environmental group Thermavert** was set up, as described in section 3.1.6. Its members are in direct contact with the association, which enables the subsidiaries to make progress on projects related to their ecosystems.

In 2023, we introduced an internal biodiversity charter, based on the recommendations of the APIE, the local environment agency. The Charter lists all the recommended actions for managing our green spaces with a view to preserving local flora and fauna. The recommendations are applied according to their local relevance for each site and communicated to our service providers.

In November 2023, the French government published the '**national strategy for biodiversity**' (SNB) 2030. The plan presented is structured around its key priorities.

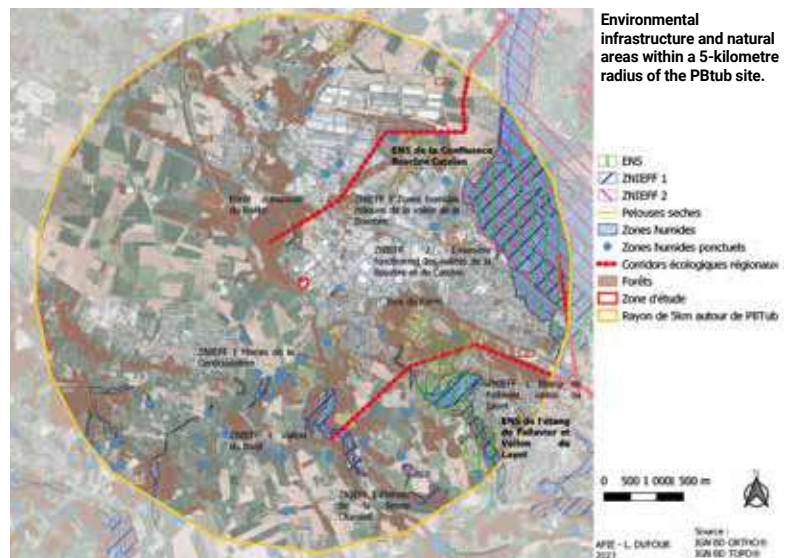
In 2024, as part of the implementation of the CSRD regulations, a dual materiality analysis will be carried out to assess our risks and capacity of resilience.

Action plans

MAPPING OUR SITES

Our sites in Saint-Quentin-Fallavier are less than 5km from protected natural areas: 2 sensitive natural areas (ENSs), 5 natural areas of ecological, faunistic and floristic interest (ZNIEFFs) and 2 regional ecological corridors.

The studies carried out by APIE for the Group's subsidiaries contribute to our shared ambition to protect biodiversity and improve the quality of life. The work includes **an initial environmental assessment and recommendations for the sites' ecological development**. The initial assessment provides an inventory of the area's flora and fauna and a map of its habitats. It is based on existing bibliography and field surveys carried out in the spring. It includes protected species according to public databases and highlights certain local issues (e.g. ecological corridors or key species).



PILLAR 1: REDUCING PRESSURE ON BIODIVERSITY

We ensure that our operations do not harm the ecosystems around us and that these are respected in our upstream value chain through our Responsible Purchasing Charter.

Reducing pollution from pesticides in accordance with regulations and combating invasive exotic species are part of our internal Biodiversity Charter.

Plastic pollution is tackled locally by sorting and recycling over 95% of our waste.

PILLAR 2: RESTORING BIODIVERSITY WHERE POSSIBLE

According to field surveys carried out by APIE, the habitats identified on these sites are mainly artificial, with low heritage and ecological value. These habitats have generally been planted with horticultural species and contain common flora and fauna, sometimes accompanied by protected or endangered species (hairy carnations, orchids, natterjack toads, house sparrows and barn swallows) or invasive exotic species. Significant biodiversity potential has been identified on these sites. The recommendations for ecological development consist of the creation of biotopes essential for local species as well as developments to improve exchanges through ecological corridors.



Visit of the oak grove with APIE

3. Extra-financial performance statement



Preservation of biodiversity on Thermador Groupe sites to Saint-Quentin-Fallavier

These recommendations are presented in 'action forms' which detail the actions to be taken, via maps, the necessary means and costs. The following measures were taken:

- Rehabilitation of ecological corridors: creation of small fauna passages along fences: installation of wildlife escape routes along the edge of the retention tank.
- Creation of refuges for many species: planting of countryside hedges, building of stone shelters and nesthouses for fauna.
- Enhanced attraction for insects and avifauna: planting of fruit trees, aromatic herbs, flowering meadows.
- Limiting invasive species: removal.

After the 'initial assessment', an inventory is planned over time to monitor changes in biodiversity. PBtub performed a second assessment, which revealed changes, particularly in response to developments since the first one. A diversification of habitats was noted in favour of tree plantations, hedges and meadows. These changes, together with the improvements made for wildlife, have enabled low and medium priority species to be accommodated, as well as a few high priority species such as the Natterjack Toad. The appearance of new predators such as hedgehogs, weasels and foxes implies the presence of an appropriate food resource.

In 2023, Sodeco Valves acquired a wooded area close to its site in Ternat. The aim is to protect and conserve the forest ecosystem and provide activities for employees to recharge their batteries.

Each of our companies is free to take voluntary initiatives, such as the creation of a vegetable garden by employees at Syveco and Isocel, or the creation of a permaculture vegetable garden at Sectoriel, where the Ouessant sheep are still present, preferring organic grazing to traditional shearing. Last year they welcomed two newborn lambs.

PILLAR 3: MOBILISING ALL STAKEHOLDERS

We strive to be exemplary in our practices and to promote the services and actions of APIE in our local relationship network.

Awareness-raising initiatives are offered to all staff in the field. In 2023, APIE organised a workshop on rational mowing on the PBtub site and a nature walk in the Ballier forest to discover the flora and fauna close to our workplace.

New developments

All new buildings now include the planting of local species in their specifications. APIE helps each future tenant to make responsible choices in the management of green spaces. The building that welcomed Thermador Groupe and Opaline in 2023 includes a landscaped car park, encouraging the development of flora and fauna, while fulfilling its practical function.

INDICATORS

| | |
|---|-------------------|
| Woodland acquired in Ternat in 2023 | 2.5 acres |
| Ecological diagnosis and development (m ² processed with APIE) | 67,912 |
| Number of officers and Thermavert meetings | See section 3.1.6 |
| % of employees with access to nature in less than 15 minutes | 92% |
| Number of species inventoried | 305 |

3. Extra-financial performance statement



3.2.3.5 - Our solutions contributing to the ecological transition

Green products and services

Our activity contributes to 4 SDGs (Sustainable Development Goals): water preservation, energy savings, resource conservation and health & well-being.

In order to contribute to the ecological transition, Thermador Groupe must accelerate the provision of eco-efficient and renewable energy solutions to its customers. The Group is well-placed to make eco-responsible solutions known to, understood and adopted by its professional customers. Its responsibility as a distributor is to seek out and encourage solutions that are more resource-efficient and less impactful on the planet. They must also enable end-users to reduce energy bills and rationalise costs. The renewal and diversification of the product and service portfolio in favour of these solutions also contributes to the Group's economic performance.

These solutions respond to structural trends in the market: the need for energy management to reduce water and energy consumption, and the development of renewable energies. The comfort, safety, ergonomics and energy efficiency of equipment are now actual customer demands. By keeping pace with changes in usage and consumption patterns, Thermador Groupe is enabling installers to expand into new markets such as energy saving certificates and consumption metering and control.

Our subsidiaries offer a number of services that enable our customers to install the most appropriate products and ultimately reduce water and energy consumption and prolong product life cycles:

- ✦ large in-house sales departments that answer the phone every day to advise and guide our customers on the products best suited to their needs,
- ✦ design offices,
- ✦ repair services,
- ✦ affordable spare-part sales,
- ✦ easy identification of green products via labels on catalogues.

Some of these products and services are eligible for the taxonomy regulation and some are not, as shown below.

Taxonomy

ELIGIBILITY OF THE GROUP FOR EUROPEAN GREEN TAXONOMY

Thermador Groupe is covered by European Regulation (EU) 2020/852 'taxonomy', which establishes a classification of economic activities considered to be environmentally sustainable.

In turnover terms, Thermador Groupe's main business, distribution, was not eligible in 2022 for the first two climate-related objectives as part of the taxonomy regulation. Only these activities were:

- ✦ 7.7. Acquisition and ownership of buildings by the subsidiary Thely.
- ✦ 9.3. Specialist services relating to the energy performance of buildings, provided by PBtub.

After examining the new Delegated Regulation (EU) 2023/2485, which amends the Climate Delegated Regulation (EU) 2021/2139, and the new Delegated Acts (EU) 2023/2486, relating to the four other environmental objectives, it appears that certain activities linked to the distribution and repair of products sold by the company, which make a substantial contribution to the objective of Transition to a circular economy, are eligible. These activities are detailed in the tables on page 100.

In accordance with article 8 of the taxonomy regulation, Thermador Groupe publishes its eligibility ratios (turnover, capital expenditure and operating expenditure) with regard to the 6 environmental objectives.

For 2023, the alignment indicators are expected to cover the 2 climate objectives only. **However, we have decided to anticipate application by one year by already publishing the sales figures for the 4 other environmental targets.**

The scope of our analysis corresponds to that of this URD, i.e. all our activities excluding DPI, a company acquired on October 31, 2022, which will be included in 2024. The turnover figure taken into account is €539m, in line with our financial statements on page 154 of this URD, i.e. €580.5m for our commercial structures, and €0.4m for our other structures, less €41.9m for DPI.

ACTIVITIES ALIGNMENT WITH EUROPEAN GREEN TAXONOMY CRITERIA

Turnover aligned with the Climate Change Mitigation objective amounted to €83.8k, i.e. less than 0.02% of our sales. Voluntarily published sales (one year in advance) aligned with the 'Transition to a circular economy' objective amounted to €767k, i.e. 0.14% of our sales.

This work was based on the following documents:

- ✦ Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020.
- ✦ Delegated Regulation 2021/2178 of the European Commission of July 6, 2021 and its annexes supplementing Regulation (EU) 2020/852 by specifying how to calculate the KPIs and the narrative information to be published (known as 'Article 8').
- ✦ Delegated Regulation of the European Commission of June 4, 2021.
- ✦ Final report by the Platform for Sustainable Finance (PSF) on Minimum Safeguards and the Data usability of the EU Taxonomy in 2022.
- ✦ Publication of two FAQs by the European Commission on December 19, 2022 on the interpretation and implementation of the Climate Delegated Acts and Article 8 of Commission Delegated Regulation (EU) 2023/2486 of June 27, 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council Commission Delegated Regulation (EU) 2023/2485 of June 27, 2023 amending Delegated Regulation (EU) 2021/2139 by additional technical review criteria to determine under which conditions certain economic activities may be considered to contribute substantially to climate change mitigation or adaptation.

3. Extra-financial performance statement



| | Substantial contribution criteria | | | | | | | | | | 'No Significant Harm' criteria | | | | | | | | | |
|-------------------------|-----------------------------------|-----------------------|----------------|-------------------------------|-------------------------------|--------------------------------|----------------------|---------------|----------------------------------|--------------------------------|--------------------------------|---------------------------------|-----------------------|----------------|----------------------------------|-------------------------|--|---|--------------------------------------|---------------------------------------|
| | Code(s) (2) | Absolute currency (3) | Proportion (4) | Climate change mitigation (5) | Climate change adaptation (6) | Water and marine resources (7) | Circular economy (8) | Pollution (9) | Biodiversity and ecosystems (10) | Climate change mitigation (11) | Climate change adaptation (12) | Water and marine resources (13) | Circular economy (14) | Pollution (15) | Biodiversity and ecosystems (16) | Minimum safeguards (17) | Taxonomy aligned proportion of turnover year 2023 (18) | Taxonomy aligned proportion of turnover year (19) | Category (enabling activity on) (20) | Category (transitional activity) (21) |
| Economic activities (1) | | €k | % | % | % | % | % | % | % | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | % | H | T |

Taxonomy: sustainable turnover

A. TAXONOMY - ELIGIBLE ACTIVITIES

| | | | | | | | | | | | | | | | | | | | | |
|--|-----|---------|------|-----|---|---|-----|---|---|---|---|---|---|---|---|---|------|-----|-----|----|
| A.1 Environmentally sustainable activities (taxonomy-aligned) | | | | | | | | | | | | | | | | | | | | |
| Repair, refurbishment, remanufacturing | 5.1 | 710.2 | 0.13 | 0 | 0 | 0 | 100 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 0.13 | N/A | no | no |
| Sale of spare parts | 5.2 | 56.8 | 0.01 | 0 | 0 | 0 | 100 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 0.01 | N/A | no | no |
| Acquisition and ownership of buildings | 7.7 | 0 | 0 | 100 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 0 | N/A | no | no |
| Professional services related to the energy performance of buildings | 9.3 | 83.8 | 0.02 | 100 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 0.02 | N/A | yes | no |
| Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1) | | 850.8 | 0.2 | 10 | 0 | 0 | 90 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 0.2 | N/A | | |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | | |
| Repair, refurbishment, remanufacturing | 5.1 | 0 | 0 | | | | | | | | | | | | | | | | | |
| Sale of spare parts | 5.2 | 7,565.1 | 1.4 | | | | | | | | | | | | | | | | | |
| Acquisition and ownership of buildings | 7.7 | 306.1 | 0 | | | | | | | | | | | | | | | | | |
| Professional services related to the energy performance of buildings | 9.3 | 0 | 0 | | | | | | | | | | | | | | | | | |
| Turnover of Taxonomy-Eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2) | | 7,871.2 | 1.4 | | | | | | | | | | | | | | | | | |
| Turnover from activities eligible for the taxonomy (A1+A2) | | 8,722.0 | 1.6 | | | | | | | | | | | | | | 0.2 | | | |

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

| | | |
|--|---------|------|
| Turnover of taxonomy-non-eligible activities | 530,278 | 98.4 |
|--|---------|------|

Total (A+B)

| | | |
|--|---------|-----|
| | 539,000 | 100 |
|--|---------|-----|

| | | | | | | | | | | | | | | | | | | | | |
|-------------------------|--|----|---|---|---|---|---|---|---|-----|-----|-----|-----|-----|-----|-----|---|---|---|---|
| Economic activities (1) | | €k | % | % | % | % | % | % | % | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | % | H | T |
|-------------------------|--|----|---|---|---|---|---|---|---|-----|-----|-----|-----|-----|-----|-----|---|---|---|---|

Taxonomy: sustainable CapEx

A. ELIGIBLE ACTIVITIES FOR THE TAXONOMY

| | | | | | | | | | | | | | | | | | | | | |
|--|-----|---------|------|-----|---|---|---|---|---|---|---|---|---|---|---|---|------|-----|-----|-----|
| A.1 Environmentally sustainable activities (taxonomy-aligned) | | | | | | | | | | | | | | | | | | | | |
| Operation of personal mobility devices, cycle logistics | 6.4 | 1.9 | 0.02 | 100 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 0.02 | N/A | no | no |
| Transport by motorbikes, passenger cars and light commercial vehicles | 6.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 0 | N/A | no | no |
| Renovation of existing buildings | 7.2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 0 | N/A | no | yes |
| Installation, maintenance and repair of energy-efficient equipment | 7.3 | 1,839.1 | 24 | 100 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 24 | N/A | yes | no |
| Installation, maintenance and repair of charging stations for electric vehicles | 7.4 | 79.3 | 1.03 | 100 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 1.03 | N/A | yes | no |
| Installation, maintenance and repair of instruments and devices for measuring, regulating and monitoring the energy performance of buildings | 7.5 | 5.0 | 0.06 | 100 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 0.06 | N/A | yes | no |
| Installation, maintenance and repair of renewable energy technologies | 7.6 | 288.2 | 3.76 | 100 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 3.76 | N/A | yes | no |
| CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1) | | 2,213.5 | 28.9 | 100 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 28.9 | N/A | | |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | | |
| Operation of personal mobility devices, cycle logistics | 6.4 | 0 | 0 | | | | | | | | | | | | | | | | | |
| Transport by motorbikes, passenger cars and light commercial vehicles | 6.5 | 30.0 | 0.39 | | | | | | | | | | | | | | | | | |
| Renovation of existing buildings | 7.2 | 2,581.3 | 33.7 | | | | | | | | | | | | | | | | | |
| Installation, maintenance and repair of energy-efficient equipment | 7.3 | 105.0 | 1.37 | | | | | | | | | | | | | | | | | |
| Installation, maintenance and repair of charging stations for electric vehicles | 7.4 | 150.8 | 1.97 | | | | | | | | | | | | | | | | | |
| Installation, maintenance and repair of instruments and devices for measuring, regulating and monitoring the energy performance of buildings | 7.5 | 0 | 0 | | | | | | | | | | | | | | | | | |
| Installation, maintenance and repair of renewable energy technologies | 7.6 | 19.6 | 0.25 | | | | | | | | | | | | | | | | | |
| CapEx of Taxonomy-Eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2) | | 2,886.7 | 37.7 | | | | | | | | | | | | | | | | | |
| (A1+A2) | | 5,100.2 | 66.6 | | | | | | | | | | | | | | 28.9 | | | |

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

| | | |
|---|---------|------|
| CapEx of taxonomy-non-eligible activities | 2,554.8 | 33.4 |
|---|---------|------|

Total (A+B)

| | | |
|--|-------|-----|
| | 7,655 | 100 |
|--|-------|-----|

| | | | | | | | | | | | | | | | | | | | | |
|-------------------------|--|----|---|---|---|---|---|---|---|-----|-----|-----|-----|-----|-----|-----|---|---|---|---|
| Economic activities (1) | | €k | % | % | % | % | % | % | % | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | % | H | T |
|-------------------------|--|----|---|---|---|---|---|---|---|-----|-----|-----|-----|-----|-----|-----|---|---|---|---|

Taxonomy: sustainable Opex

A. TAXONOMY - ELIGIBLE ACTIVITIES

| | | | | | | | | | | | | | | | | | | | | |
|--|-----|-------|-----|---|---|---|---|---|---|---|---|---|---|---|---|---|-----|---|----|-----|
| A.1 Environmentally sustainable activities (taxonomy-aligned) | | | | | | | | | | | | | | | | | | | | |
| Renovation of existing buildings | 7.2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 0 | 0 | no | yes |
| Opex of environmentally sustainable activities (taxonomy-aligned) (A.1) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Y | Y | Y | Y | Y | Y | Y | 0 | 0 | | |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | | |
| Renovation of existing buildings | 7.2 | 952.3 | 2.1 | | | | | | | | | | | | | | | | | |
| Opex of Taxonomy-Eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2) | | 952.3 | 2.1 | | | | | | | | | | | | | | | | | |
| (A1+A2) | | 952.3 | 2.1 | | | | | | | | | | | | | | 2.1 | | | |

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

| | | |
|--|----------|------|
| Opex of taxonomy-non-eligible activities | 44,490.7 | 97.9 |
|--|----------|------|

Total (A+B)

| | | |
|--|--------|-----|
| | 45,443 | 100 |
|--|--------|-----|

Share of sales/total sales

Aligned with the taxonomy by target Eligible for taxonomy by target

| | | |
|------------------|------|-------|
| CC ADAPTATION | 0% | 0% |
| CC MITIGATION | 0% | 0.14% |
| WATER | 0% | 0% |
| CIRCULAR ECONOMY | 0.1% | 1.5% |
| POLLUTION | 0% | 0% |
| BIODIVERSITY | 0% | 0% |

Source: Delegated Regulation (EU) 2023/2486 of June 27, 2023 published in the Official Journal on 21/11/23.

3. Extra-financial performance statement



Criteria for making a substantial contribution to environmental targets

To determine the alignment of our products and services with these criteria, we took the following approach:

- ✦ Identification of eligible products from the activities listed above, based on the catalogues of the Group's subsidiaries and the extraction of sales figures, with details generally provided at product sub-family level and sometimes, where necessary, at more granular levels (sub-sub-family or products),
- ✦ Examination of the technical criteria used to select the products that meet the criteria, based on specific interviews with each subsidiary.

Verification that activities Do Not Significant Harm to other environmental targets (DNSH)

The examination of the DNSH criteria was divided into different approaches according to their nature:

- ✦ The criteria referring to the generic annexes of the various delegated acts are validated in part thanks to the environmental legislation currently in force in France, the main country in which these various activities are carried out. This applies in particular to the DNSH relating to the protection and sustainable use of water and marine resources and to the prevention and control of pollution.
- ✦ For the criterion relating to adaptation to climate change, the aim is to demonstrate how the activities enabling a transition to the circular economy have been subject to an assessment of the physical risks deemed significant. These risks were identified as part of an analysis of the various ESG risks. In addition, Eiffel Investment Group, asset manager and shareholder, worked with Thermador Groupe to map the physical risks.

The Group has checked the policies relating to adaptation to climate change on the territories of its various production and distribution sites, located in the following towns, departments and regions:

Saint-Quentin-Fallavier, in Isère, in the Auvergne-Rhône-Alpes region, Etigny, in Yonne, in the Bourgogne Franche-Comté region, Vierzon, in Cher, Centre Val-de-Loire, Brignais, in Rhône, Auvergne-Rhône-Alpes, Monaco, in the Principality of Monaco, Ternat, in Belgium, Madrid, in Spain.

For these locations, the local authorities have set up adaptation plans to identify and reduce the physical climate risks to which they are exposed. For example, the territorial climate air energy plan for Isère county (which encompasses the vast majority of Thermador Groupe sites) sets out the main risks to which the region is exposed, taking into account prospective scenarios up to 2050. It draws the necessary conclusions regarding human health and activities.

As part of its commitment to transposing the national climate change adaptation plan (PNACC-II) to the regional level, the Auvergne-Rhône-Alpes region is implementing an action plan to promote alternative risk management methods, support integrated climate change adaptation strategies and promote structuring partnerships at regional level.

Generic criterion relating to sustainable use and protection of hydrological and marine resources

- ✦ Article 2(22) and (23) cited in the criterion refer directly to definitions set out in Directive 2000/60/EC, known as the 'Water Framework Directive'. This directive was transposed into French law by Law no. 2004-338 of April 21, 2004. This criterion is validated by the application of French regulations. In addition, Directive 2011/92/EU was transposed by Order no. 2016-1058 of August 3, 2016 (ratified by Law no. 2018-148 of March 2, 2018, which made a few amendments) and by Decree no. 2021-837 of June 29, 2021 and Decree no. 2022-422 of March 25, 2022.

- ✦ Generic criteria relating to pollution prevention and control.

Regulation (EC) No 1005/2009 concerns substances that deplete the ozone layer. Directive 2011/65/EU, the ROHS Directive, on hazardous substances in electrical and electronic equipment.

Regulation (EC) no. 1907/2006, the REACH regulation, relates to the safety, manufacture and use of chemical substances in European industry. The Observatoire de l'Immobilier Durable states that 'In the context of the DNSH pollution, French regulations already anticipate sufficient monitoring of the risks of contamination and noise nuisance taken into account for the construction sector in the taxonomy'. It also lists the regulatory texts in force in France to ensure the validity of this criterion: POP:

<https://www.ecologie.gouv.fr/polluants-organiques-persistants-pop>, REACH: <https://www.ecologie.gouv.fr/reglementation-reach>

Order of April 19, 2011 on the labelling of construction products: <https://www.legifrance.gouv.fr/loda/id/JORFTEXT000023991852/>

Order of March 5, 2020 on limiting the use of certain hazardous substances:

<https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000041731792>

Generic criterion relating to the preservation of biodiversity.

Directive 2011/92/EU has been transposed into French law and amends the ICPE regime to bring it into line with the required prerogatives.

Meeting minimum social guarantees

The criterion relating to minimum social guarantees was validated at Group level, based in particular on the European Commission's latest notice document on this subject. In particular, the Group ensures that due diligence and redress procedures have been implemented to ensure alignment with the standards of responsible business conduct set out in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In line with the principle of consistency with EU legislation, and under the SFDR Regulation, it has ensured that due diligence and redress procedures identify, prevent, mitigate or remedy any actual or potential exposure to the manufacture or sale of



Spare parts and repairs at Jetly

3. Extra-financial performance statement



controversial arms. In the final report of the European Platform on Sustainable Finance published in October 2022, the scope of the requirements to be verified was specified and concerns 4 areas in particular: human rights (including workers' and consumers' rights), corruption, taxation and competition law. Thermador Groupe and its directors have not been convicted of any of these offences.

Products and services included in our sustainable turnover

Our sustainable turnover is primarily made up of sales of spare parts by our subsidiaries Aello, Sferaco, Jetly, Sectoriel, Sodeco Valves, Isocel, Syveco, Mecafer, Thermador, Domac, Axelair and PBtub, as well as repair services provided by Jetly, Aello and Mecafer.

CAPITAL AND OPERATING EXPENDITURE

In particular, Thermador Groupe has followed the recommendations set out in the delegated act on Article 8 of the Taxonomy Regulation to identify eligible and aligned expenditure according to the definition given, or according to the IFRS standards indicated therein. Each subsidiary identified and reported the capital and operating expenditure likely to be eligible for the taxonomy, together with the technical documents needed to analyse it. The work of analysing compliance with the alignment criteria was then carried out and consolidated at Group level. The expenditure included in this section covers the following sections of the European taxonomy:

6.4 Operation of personal mobility devices, 6.5 Transport by motorbikes, passenger cars and light commercial vehicles, 7.2 Renovation of existing buildings, 7.3 Installation, maintenance and repair of energy efficiency equipment, 7.4 Installation, maintenance and repair of electric vehicle charging stations, 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings, 7.6 Installation, maintenance and repair of renewable energy technologies.

The investments taken into account total €7,655k, in line with our cash flow statements on page 148 of this URD.

In the case of OpEx, the €952,3k has been accounted for under the 7.2 activity of the climate change mitigation strand of the European taxonomy. These €952,300 are included in external charges totalling €45,443k (p. 146 of this URD).

Alternative performance indicator taxonomy

This indicator is not established in accordance with the taxonomy regulation, as it is not calculated on the basis of activities that are currently eligible for the taxonomy. For the second consecutive year, Thermador Group has undertaken to identify and report its environmentally sustainable sales using the criteria of the European Taxonomy on the objectives of mitigating climate change and the sustainable use and protection of aquatic resources, in addition to those of the transition to a circular economy. Although the Group's main activity as a distributor is not eligible under these two aspects of the taxonomy, some of the products sold meet the criteria for a substantial contribution to other eligible sectors. The substantial contribution criteria have been studied and applied to the Group's products in order to derive green sales. More specifically, products sold that directly enable the substantial contribution criteria to be met, or that are a key component of products and systems that meet these criteria, have been accounted for. These are as follows:

Mitigating climate change:

3.5. Manufacture of energy-efficient equipment for building construction, 3.6. Other low-carbon manufacturing technologies, 7.3. Installation, maintenance and repair of energy efficiency equipment, 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings, 7.6. Installation, maintenance and repair of renewable energy technologies.

Sustainable use and protection of aquatic resources:

2.2. Urban wastewater treatment

This work was carried out with the support of I Care, on all the Group's subsidiaries excluding DPI, via various interviews with each subsidiary to map the products at the level of the sub-family or sub-sub-family. The table below provides a complete overview, including the alternative performance indicator (climate change mitigation and sustainable use and protection of water resources) and the regulatory indicator (transition to a circular economy).

Estimated sustainable turnover is **12.93%**, including **0.14%** for the circular economy, **0.39%** for aquatic and marine resources and **12.40%** for climate change mitigation.

| Alternative sales (in line with taxonomy criteria) | Mitigating climate change | | Aquatic and marine resources | | Circular economy | |
|--|---------------------------|--------------|------------------------------|--------------|----------------------|---------------|
| | Absolute currency k€ | Proportion % | Absolute currency k€ | Proportion % | Absolute currency k€ | Proportion % |
| ACTIVITIES ELIGIBLE FOR THE TAXONOMY | 83.8 | 0.02 | | | 767 | 0.14 |
| ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY | 66,733.2 | 12.38 | 2,111 | 0.39 | | |
| Total | | | | | 12.93% | 69,695 |

Sales were driven in particular by energy-efficient products such as Thermacome's NOVACOME floor panels, Thermador's solar kits and Axelair's efficient ventilation systems.

3. Extra-financial performance statement



3.2.4 - SOCIETAL: BEING A RESPONSIBLE AND COMMITTED PARTNER FOR OUR STAKEHOLDERS



| ACTIONS | 2023 | TARGETS 2025 | TARGETS 2030 |
|---|-------|--------------------------------------|--------------|
| SHARING OUR ETHICAL REQUIREMENTS WITH OUR SUPPLIERS: ❖ Percentage of turnover from suppliers who are signatories to our Responsible Purchasing Charter or an equivalent one. | 92.1% | ≥85% | ≥90% |
| DEVELOPING OUR COMMITMENT TO SOLIDARITY ACTIONS: ❖ Number of subsidiaries involved. | 12 | 100% of subsidiaries involved | |
| CONTINUING OUR JOB CREATION EFFORT IN FRANCE | 29 | Positive net balance of job creation | |

Nurturing quality relationships with our partners, be they suppliers, customers or any other stakeholder, is part of our daily practice. In order to formalise this commitment, one of 19 key objectives is based on the percentage of turnover generated by ISO 9001 or 14001-certified subsidiaries. By 2023, eight of our subsidiaries were certified, two more than in 2022.

| INDICATORS | 2023 | 2022 | 2021 |
|--|-------|-------|-------|
| % of sales generated by ISO 9001 or 14001 subsidiaries | 65.1% | 34.1% | 32.6% |
| % of sales from ISO 9001 or 14001 certified suppliers | 90.2% | 87.4% | 80.4% |

3.2.4.1 - Supplier relationships and responsible purchasing

Group policy

Our business conduct is based on these simple principles:

- ❖ Provide a medium- to long-term vision.
- ❖ Give priority to transparency with regard to our suppliers.
- ❖ Pay attention to their sustainability, the quality of their products or services, and their ethics.

Three of our key extra-financial performance indicators are based on our relationships with our suppliers.

Because they provide the goods and services our business relies on, our suppliers feature amongst our most important stakeholders. Key figures are presented on chapter 1.8.

The subsidiary managers are responsible for supplier relationships.

We strive to maintain **long-term, trusting relationships** based on transparency. For example, 21% of our purchases have been bought **from the same suppliers for over 40 years**.

Duty of care

The Group and its subsidiaries are currently below the thresholds of the French regulation regarding duty of care, adopted in 2017. Nonetheless, we have long been attentive to our suppliers' and partners' **respect of human and employment rights**. This vigilance is made possible by our long-term relationships and familiarity with our suppliers, whom we visit regularly and who are audited, either by our own teams or by third-party organisations commissioned for the purpose.

For some years now, we have been progressively putting in place a set of means, presented below, enabling us to ensure their compliance and good practices.

For our suppliers of goods, the due diligence process in place can be summarised as follows:

- ❖ In 2019, we set up an **early-warning system** (chapter 3.2.1.) which allows any internal or external person to report any irregular situation.



- ❖ In 2021, we drafted our **Responsible Purchasing Charter**.

- ❖ In 2022, within the inter-subsidary cross-functional purchasing group, we deployed a common rotation grid. The working group drew on practices that already existed in some of our subsidiaries, standardised them and supplemented them.

So, in addition to the criteria linked to the purchasing function (quality, deadlines, costs, etc.), CSR criteria have been added to this common grid. The grid was deployed in 2023. Ratings based on CSR criteria will be included in the next financial year.

3. Extra-financial performance statement



✦ In 2023, we tested a **compliance tool** (Compliance Catalyst, marketed by Bureau van Dijk, a Moody's Analytics company) which is a global database containing information on more than 400 million companies in every country in the world, providing a source of unlisted company data. This tool allows us to check that our suppliers are not involved in controversial practices, and gives us a financial rating and a better understanding of their governance.

✦ A working group has also been set up to formalise the CSR aspects of supplier audits.

Entrusting CSR audits to a third-party organisation does not in any way prevent each subsidiary from performing its own audits.

CSR audits may be carried out by third-party organisations. The working group must continue its work in 2024 in order to determine an audit standards and frequencies, and to select the most appropriate bodies to carry them out.

| INDICATORS | 2023 | 2022 | 2021 |
|------------------------------------|-------|-------|-------|
| % of turnover from rated suppliers | 89.9% | 74.1% | 17.1% |

Responsible Purchasing Charter

Our Responsible Purchasing Charter covers 5 aspects of our relations with our suppliers:

Human rights, labour rights and the development of human potential - Business ethics - Confidentiality and intellectual property - Environment, health and safety - Supply chain.

All the departments of our operational subsidiaries implemented this Charter in 2022 with their goods suppliers.

We have already reached our target of having over 80% of our suppliers sign up to our Charter, so we have raised our targets for 2023. The new targets are as follows: over 85% of purchases from suppliers who are signatories to our Responsible Purchasing Charter or an equivalent charter by 2025 and over 90% by 2030.

With regard to our non-goods suppliers, our purchases are mainly made from logistics providers (our logistics are presented on chapter 1.7 of this report).

For inbound transport, from our suppliers to our warehouses, a cross-subsidiary team was set up in 2022 to have a more global approach and standardise our requirements, which will help to reinforce our vigilance.

For downstream transport, those who work with the Saint-Quentin-Fallavier subsidiaries are already subject to vigilance regarding their practices: **Quality monitoring sessions** are held twice per year with all user subsidiaries.

Feedback from the sessions leads to dedicated workshops with each of our partners to establish action plans where necessary.

In order to ensure **respect for human rights** and regulatory compliance, we made the following requests of our downstream transport partners in 2022:

- ✦ The signing of our sustainable Responsible Purchasing Charter and/or the application of an equivalent one. This request was made in the context of our 2023 transport tender and will be reiterated in future tenders.
- ✦ The signing of our anti-bribery code of conduct and/or the implementation of an equivalent one from 2023.
- ✦ Including environmental and social criteria in our calls for tenders. These and other criteria were taken into account when awarding 2023 contracts.

Environmental practices of our suppliers

As the products we buy and their end-of-life (excluding transport) account for more than 70% of our carbon emissions, we can only manage the reduction of our indirect emissions in consultation and in partnership with our suppliers. Our ecodesign projects are presented chapter 3.2.3.1 Climate strategy and 3.2.3.2 Circular economy.

3.2.4.2 - Contribution to economic activity and to maintaining employment in France

Creating and maintaining jobs in France

We are a socially responsible company that pays taxes in France and has been creating jobs continuously since our foundation in 1968. We have never implemented any restructuring that led to redundancies (see the graph showing workforce trends over the past 10 years on chapter 1.11).

FRANCE

| AURA* | Burgundy Franche Comté | Ile-de-France | Normandy | Grand Est | Centre Val de Loire | Others regions |
|-------|------------------------|---------------|----------|-----------|---------------------|----------------|
| 574 | 40 | 15 | 29 | 23 | 11 | 10 |

EUROPE OUTSIDE FRANCE

| Belgium | Netherlands | Hungary | Spain | China |
|---------|-------------|---------|-------|-------|
| 47 | 3 | 1 | 13 | 10 |

*Auvergne-Rhône-Alpes

| INDICATORS | 2023 | 2022 | 2021 |
|-----------------------------|------|------|------|
| Job creations (total Group) | 31 | 41 | 39 |
| Job creations in France | 29 | 38 | 36 |

We are aware of the strong attachment of our employees to the region they live in, and our wish is to encourage employee loyalty. Each time we acquire a new company, we promise to respect employees' regional roots.

3. Extra-financial performance statement



Contribution to local economic activity

We regularly use local companies: transport, architecture, masonry, public works, finishing works, IT, health insurance and a centre reintegrating people into the employment market (employment re-insertion centres).

At our historic site in Isère, we provide our employees with a canteen service. In 2021, following the health crisis, footfall fell sharply. However, we have decided to persist with this service, investing in the renovation of the building and focusing on improving the quality of the menus on offer (diversity of dishes and use of local produce).

To date, we do not have any employees who are part of the operational reserves of the military or national police. Aware of the importance of their commitment to our country, we will give careful consideration to any application that would enable us to welcome them into our workforce.

3.2.4.3 - Relations with our business sector

The managers of our subsidiaries and their teams are active in the professional associations representing our business sectors. Going that extra yard, our managers have taken on governance responsibilities within these professional associations. They contribute their time and experience. Through their representation at the CSTB (scientific and technical centre dedicated to the building industry) and in professional unions, they participate in the evolution of building and industry standards to promote healthier, more environmentally friendly products. In this way, our subsidiaries are present in nine unions: AF Ventilation, INOHA, ADFRI, COCHEBAT, COEDIS, IFEP, SYNAA and SYNASAV, UPB.

| MANAGER | SUBSIDIARY | PROFESSIONAL ASSOCIATIONS | FUNCTION |
|------------------------|---------------|--|------------------|
| Laure Empereur | Odrea | INOHA (new housing industrialists) | Administrator |
| Philippe Bories | Mecafer Domac | INOHA (new housing industrialists) | Member |
| Christophe Arquillière | Sferaco | ADFRI (French industrial valve distribution association) | Deputy Secretary |
| | | ASTEE (scientific and technical association for water and the environment) | |
| Xavier Isaac | Sectoriel | ADFRI (French industrial valve distribution association) | Member |
| | | Bureau de Normalisation du Gaz, an AFGAZ standardisation body (www.afgaz.fr) | |
| Anne-Sophie Bultey | Disrilabo | UNM (mechanical standards union), section 76 | Member |
| | | Réseau Mesure, a network of companies specialising in instrumentation and measurement | |
| Yves Ruget | Thermador | COEDIS (federation of distributors of electrical, HVAC and sanitary equipment and solutions). | Partner |
| | | SYNASAV (national energy efficiency maintenance and service syndicate) | |
| Florent Kieffer | Thermacome | UPB (building plastics syndicates union) | Chairman |
| | | COCHEBAT (national union of manufacturers of integrated heating, cooling and sanitary components and systems) | |
| Éric Mantione | PBtub | CCOCHEBAT (national union of manufacturers of integrated heating, cooling and sanitary components and systems) | Deputy secretary |
| Lionel Grès | Axelair | Association Française de Ventilation (French ventilation association) | Member |
| Frank Bourgois | Jetly | IFEP (French rainwater industries) | Member |
| | | SYNAA (national automatic watering syndicate) | |

3.2.4.4 - Data privacy and computer security

IT security and the protection of our data are among our priorities. We have set up a dedicated organisation which includes:

- ❖ **An IT charter**, distributed to all Group employees and covering all the rules governing IT use: security of equipment, security and caution in the use of email, the Internet, file transfers, remote connections and data protection. It also reiterates offences and penalties.
- ❖ **Training**, provided to all our employees who use the Group's network environment.
- ❖ **A Data Protection Officer (DPO)** at Group level, whose remit is to ensure the coherence of our practices and their implementation in the subsidiaries; ensure the regulatory watch and the dissemination of GDPR best practices; update the processing registers, information notices and the deployment of the data protection policy in collaboration with operational staff.
- ❖ **A data protection system** covered by an awareness-raising campaign for the Group's employees since 2018, training, a data protection policy, an update of our General Terms and Conditions, processing registers for each subsidiary and mechanisms for informing people when new data processing operations are implemented. The security and protection of our data is guaranteed by storing it as far as possible on our own servers or by hosting it on servers based in Europe.
- ❖ **IT security audits**, are carried out regularly and result in follow-up action plans.

| INDICATORS | 2023 | 2022 | 2021 |
|---|------|------|------|
| IT security training for users of the Group's network environment | 100% | 100% | NA |
| Requests to the DPO from officers in subsidiaries | 13 | 22 | 19 |

3. Extra-financial performance statement



3.2.4.5 - Solidarity with the most vulnerable

Group policy

A donation and sponsorship policy has been drawn up at Thermador Groupe level. It is public and available for consultation on our website. In 2019, we initiated a partnership with the Apprentis d'Auteuil foundation. This choice was made at Group level.

In 2023, the Executive Committee decided to go even further by committing all its subsidiaries to charity work and by adopting a number of guiding principles that are linked to our historic partnerships and our businesses: education, which is our historic guiding principle, employee initiatives to support their involvement and the circular economy linked to our products. Through these various types of action, our companies aim to provide financial or material support to charities and social, cultural or sporting initiatives in order to promote our values. Patronage and sponsorship initiatives are the responsibility of the CEO and MD of each subsidiary. They are free to choose their charities in consultation with their employees.



Commitment to the Apprentis d'Auteuil.

Founded in the middle of the 19th century, the Apprentis d'Auteuil Foundation is committed to helping the most vulnerable young people and families. Its mission is to protect children, provide professional training, promote social and professional insertion and support families. More than 7,000 employees and 1,600 volunteers support 40,000 young people and 8,000 families every year in 400 establishments (from nurseries to further education centres).

Our partnership with Apprentis d'Auteuil continued in 2023 through various actions.

Employees from FGinox, Syveco, Thermador and Thermador Groupe gave English lessons (via sales simulations) to young people seeking to get into sales, as part of the Prépa'venir scheme run by Pôle Avenir Emploi in Villeurbanne (Rhône). English lessons were given as part of SKOLA Restauration training courses, in Salle à Manger restaurants, during breakfast simulation exercises for apprentice waiters.

One of our executives helped out on a **selection panel at l'Ouvre Boîte**, a scheme for insertion through entrepreneurship.

Our subsidiaries Isocel, PBtub, Sferaco and Thermador welcomed young people from the Jean-Marie Vianney technical college in La Côte-Saint-André (Isère), who are currently in the second year of their CAP (vocational training certificate) in building maintenance. The aim was **to introduce them to the main professions in our companies** (sales, marketing, sedentary sales, quality, accounting) and in particular that of warehouseman, with a presentation of our products and their applications.

Four subsidiaries (Aello, Jetly, PBtub, Sectoriel) have committed to **training four trainees currently in the reintegration phase as part of the Skola Logistics system in early 2023**. The aim of the scheme is to increase the employability of people who find themselves detached from employment by identifying the obstacles to employment. This initiative is designed to help them to obtain a level III professional qualification as a warehouse order picker.

One of the four trainees was offered a contract of employment and is now an employee in PBtub's warehouse.

In 2023, as in the previous 2 years, Sferaco donated €30,000 to finance further insulation work at a secondary school in La Côte-Saint-André, as well as its low-energy-consumption building renovation.

Some of our 2023 initiatives



The Pelicano Foundation is a fund that fights child poverty in Belgium, using the money to meet the basic needs of children living in poverty in the country: meals, clothes, school supplies, doctor visits for example. In 2021 Sodeco Valves signed a partnership with Pelicano. To raise funds, the subsidiary organises an action throughout the year: Sodeco employees are encouraged to cycle or walk to work, and each kilometre covered earns Pelicano €0.25. In 2023, about 7,500km were covered for a donation of about €1,850 which will be paid in 2024.



Several Syveco subsidiaries took action to help the Ukrainians by organising a collection of donations in kind. In 2023, as in 2022, Syveco supported an association that sends supplies to Ukraine. 200 kg of medicines, clothes and hygiene products for children were sent over the period. The pallets were transported to Warsaw at Syveco's expense and then transferred to Ukraine, where they are most needed.



The association MadaSphère is the result of a humanitarian project whose objective is to help the orphanage and the population of the town of Mananjary, in the south east of Madagascar. In February 2022, the city was hit hard by tropical cyclone Batsirai, with over 94,000 people affected.

The CATJA orphanage and high school still face major challenges, including access to drinking water and electricity. Our subsidiary Jetly, which markets products that contribute to the 6th SDG (Sustainable Development Goal) of the United Nations (ensure access to sustainable water and sanitation for all), was mobilised from the outset to provide equipment and help the population rebuild the town and the orphanage. Following the work carried out on the ground since 2018 and the container sent by Madasphere in 2022, the aim of the mission was to monitor the deployment of the equipment (filters, pumps, pipes, solar panels) and continue the work to improve access to water and electricity.



Since 2020, we have organised a food drive every December for the benefit of the Restaurant du Cœur in Villefontaine. This year, more than 400 kg of food and cleaning and personal care products were collected.

3. Extra-financial performance statement



3.3

SUMMARY OF INDICATORS AND CROSS-REFERENCE TABLE


The information presented below concerns consolidated companies of Thermador Groupe on December 31, 2023 with the exception of DPI, a company acquired on October 31, 2022.

External verification process

The social, environmental and societal information published in our extra-financial performance statement has been verified by an independent third-party organisation, in order to issue an opinion on:

✦ Compliance of the Declaration with the provisions of Article R.225-105 of the French Companies' Code;

The sincerity of the information provided pursuant to 3° of I and II of Article R.225-105 of the French Companies' Code, i.e. the results of policies including key performance indicators and actions relating to key risks. The nature of the work carried out and the conclusions are set out in the paragraph 'Report from the verification agency' on page 111.

| GOVERNANCE  | 2023 | 2022 | 2021 | PAGES |
|--|--------------|--------------|----------------|-------|
| Corporate governance | | | | |
| Compliance with a code of governance | Middlenext | Middlenext | Middlenext | 76 |
| Signatory to the United Nations Global Compact | YES | YES | YES | 67 |
| Number of Executive Committee members | 16 | 17 | 16 | 29 |
| Proportion of women on our Executive Committee | 31.3% | 29% | 25% | 29 |
| Transparency on the earnings of Thermador Groupe CEOs and Deputy CEOs | YES | YES | YES | 44-46 |
| Declaration of the earnings of Thermador Groupe CEOs and Deputy CEOs | YES | YES | YES | 44-46 |
| Participation rate at the AGM | 76.3% | 74.1% | 71.52% | 57 |
| Rate of approval of the CEO's earnings at the last AGM | 99.1% | 99.9% | 90.9% | 57 |
| Percentage of employee shareholding, excluding former executives | 6.7% | 7.0% | 7.0% | 54 |
| Proportion of employee shareholders (individual or through the company saving scheme - PEE) | 77.5% | 84.7% | 71.2% | 54 |
| Board of Directors | | | | |
| Number of independent directors | 5 | 5 | 5 | 35 |
| Percentage of independent directors | 41.7% | 41,7% | 45,5% | 33-35 |
| Proportion of women on our Board of Directors | 41.7% | 41,7% | 45,5% | 33-35 |
| Directors representing employees | 2 | 2 | 1 | 34 |
| Attendance of board members | 95.2% | 98.8% | 100.00% | 36 |
| Audit committee | YES | YES | YES | 37 |
| Earnings committee | YES | YES | YES | 39 |
| Sustainable development committee | YES | YES | YES | 38 |
| Number of training courses attended by directors | 16 | 15 | 6 | 36 |
| Percentage of directors trained during the year | 100% | 100% | 90.9% | 36 |
| Publication of the Board's internal rules | YES | YES | YES | 36 |
| Assessment of the functioning of the Board | YES | YES | YES | 36 |
| Equity | | | | |
| Fairness ratio (median salary) | 5.97 | 6.32 | 5.39 | 48 |
| 10% highest vs. 10% lowest | 4.70 | 5.30 | 5.45 | 49 |
| Ethics and anti-corruption | | | | |
| Ethics committee | YES | YES | YES | 75 |
| Number of reports / alerts | 7 | 2 | 7 | 76 |
| - of which HR alerts | 7 | 1 | 6 | 76 |
| Formalisation of a business conduct and anti-corruption policy | YES | YES | YES | 76 |
| Percentage of exposed employees trained in anti-corruption over the last 3 years | 98.7% | 96.9% | 98.9% | 75 |

3. Extra-financial performance statement

HUMAN

| | 2023 | 2022 | 2021 | PAGES |
|---|--------------|--------------|--------------|-------|
| Headcount according to gender | | | | |
| Percentage of women | 36% | 36% | 36% | 77 |
| Percentage of men | 64% | 64% | 64% | 77 |
| Total number of employees (excluding temps) | 777 | 753 | 712 | 77 |
| Workforce by geographical area | | | | |
| France | 90% | 89% | 90% | 104 |
| Outside France | 10% | 11% | 10% | 104 |
| Headcount per contract type | | | | |
| Permanent contract (CDI) | 742 | 713 | 678 | 77 |
| Fixed-term contract (CDD) | 35 | 40 | 34 | 77 |
| Percentage of permanent contracts (CDI) | 95% | 95% | 95% | 77 |
| Temps | | | | |
| Number of temp. hours | 92,792 | 80,198 | 95,576 | 77 |
| As a % of the number of hours worked | 6,6% | 6.0% | 7.6% | 77 |
| Employee loyalty | | | | |
| Average length of service | 9,64 | 9.70 | 9.68 | 77 |
| Staff turnover rate | 15,70% | 16.67% | 12.92% | 81 |
| Recruitments | 134 | 146 | 114 | 77 |
| - of which, jobs created in France | 29 | 38 | 36 | 77 |
| - of which, jobs created outside France | 2 | 3 | 3 | 77 |
| Departures (excluding end of fixed-term contracts and retirement) | 70 | 69 | 48 | 81 |
| Earnings | | | | |
| Average salary | €54,779 | €53,984 | €50,254 | 85 |
| - of which variable compensation | 21% | 21% | 20% | 84 |
| Number of employees benefiting from profit-sharing or incentive agreements | 196 | 197 | 181 | 85 |
| Percentage of employees receiving variable components of salary | 96% | 97% | 86% | 85 |
| Health: % of absences not related to the COVID crisis | | | | |
| Linked to maternity / paternity leave | 16% | 3% | 11% | 78 |
| Linked to workplace and commuting accidents | 5% | 10% | 4% | 78 |
| Linked to work-related illness | 3% | 2% | 15% | 78 |
| AVERAGE GROUP ABSENTEEISM RATE | 5.55% | 3.52% | 3.4% | 78 |
| Diversity | | | | |
| Professional equality index | 89 | 86 | 88 | 82 |
| Gender pay gap | -1% | -3.2% | -1.9% | 83 |
| Percentage of women in management positions | 42.9% | 41.5% | 39% | 77 |
| Percentage of employees over 50 years of age in the workforce | 33% | 33% | 31% | 83 |
| Employees with disabilities (in number) | 24 | 22 | 18 | 84 |
| Training | | | | |
| Training budget as % of payroll | 2.64% | 2.35% | 1.86% | 82 |
| Percentage of permanent employees trained per year (including internal training) | 96.4% | 80.8% | 72.1% | 82 |
| Number of employees attending at least one training session during the year | 717 | 576 | 489 | 82 |
| - of whom, managers (%) | 35% | 37% | 36% | 82 |
| - of whom, non-managers (%) | 65% | 63% | 64% | 82 |
| Number of hours of training | 14,677 | 12,754 | 10,013 | 82 |
| Number of sandwich course students, apprentices and trainees present during the year | 56 | 56 | 60 | 83 |
| Social dialogue and labour relations | | | | |
| Number of subsidiaries with ESC / staff-representative bodies | 13 | 11 | 11 | 80 |
| Percentage of employees represented by a staff-representative body | 84% | 71% | 75% | 80 |
| Number of company agreements in place | 75 | 53 | 27 | 80 |
| Percentage of employees who have responded to the QLV survey over the last 3 years | 69% | 77% | 93% | 80 |
| Percentage of employees who were able to meet their manager during an annual interview | 85% | 90% | 72% | 80 |
| Number of labour disputes initiated during the year | 1 | 1 | 3 | 76 |

3. Extra-financial performance statement



| | 2023 | 2022 | 2021 | PAGES |
|---|---------|----------|----------|-------|
| Donation amounts including carbon offsets | €91,185 | €103,457 | €106,075 | 106 |
| Board commitment to fiscal responsibility | OUI | OUI | OUI | 75 |
| Certifications | | | | |
| Number of our subsidiaries ISO 9001 or ISO 14001 certified | 8 | 6 | 5 | 103 |
| Percentage of turnover generated by ISO 9001 or 14001 subsidiaries | 65.1% | 34.1% | 32.6% | 103 |
| Supplier relations | | | | |
| Percentage of turnover from ISO certified suppliers | 90.2% | 87.4% | 80.4% | 103 |
| Percentage of turnover from rated suppliers in the year | 89.9% | 74.1% | 17.1% | 103 |
| Percentage of turnover from suppliers who have signed our Responsible Purchasing Charter or a similar charter | 92.1% | 85.5% | 4.8% | 104 |
| Inc-VAT amount of supplier invoices whose term has expired as a % of ex-VAT purchases for the FY | 1.17% | 0.64% | 0.07% | 15 |
| Customer relations | | | | |
| Number of customers who responded to a satisfaction survey | 1,127 | 262 | 1,576 | 13 |

ENVIRONMENTAL DATA

| | | | | |
|---|--------------|---------------|--------------|----|
| CSR governance within the Group | | | | |
| People belonging to an environment group in the subsidiaries | 36 | 40 | 38 | 71 |
| Number of people in the Thermavert cross-functional group | 27 | 29 | 22 | 71 |
| Biodiversity | | | | |
| Number of m ² of green spaces under FIPA collaboration | 67,912 | 68,200 | 71,300 | 98 |
| Number of species logged | 305 | 269 | 292 | 98 |
| Energy consumption - gross value | | | | |
| Water consumption (in m ³) | 5,364 | 6,007 | 7,928 | 95 |
| Gas consumption (in kWh) | 2,607,937 | 3,755,296 | 4,068,452 | 90 |
| Electricity consumption (in kWh) | 2,156,733 | 2,378,488 | 2,599,795 | 90 |
| Energy consumption - relatives value | | | | |
| Water (in L/m ²) | 42.9 | 47.3 | 70.5 | 95 |
| Gas consumption (in kWh/m ²) | 20.9 | 29.6 | 36.2 | 90 |
| Electricity consumption (in kWh/m ²) | 17.3 | 18.7 | 23.1 | 90 |
| Percentage of LED lighting in our buildings (in % of m ²) | 79% | 67% | 60% | 90 |
| Percentage of gas consumption using the 'Carbon offset' option | - | 89% | 34% | 90 |
| Percentage of gas in 'carbon offset' option | 25.2% | - | - | 90 |
| Percentage of electricity consumption using the 'renewable | 99% | 92% | 69% | 90 |
| Total energy consumption (in kWh/m²) | 38.1 | 48.3 | 59.3 | 90 |
| Activity-related waste (as a % of purchased tonnage) | | | | |
| Total industrial waste (in tonnes) | 941 | 1,059 | 1,031 | 95 |
| Activity-related waste (in kg/tonne of product received) | 22.97 | 22.83 | 20.28 | 95 |
| Percentage of non-hazardous industrial waste | 99.6% | 99.7% | 100% | 95 |
| Percentage of hazardous industrial waste | 0.4% | 0% | 0% | 95 |
| Percentage of waste sent to a recycling facility | 99.4% | 95.70% | 90.7% | 95 |

ENVIRONMENTAL DATA - CARBON ACCOUNTING

| | | | | |
|---|----------------|----------------|----------------|----|
| Scope 1 direct emissions (in tCO₂eq) | 747 | 886 | 949 | 91 |
| Emissions due to company vehicle travel (per vehicle) | 256 | 255 | 233 | 91 |
| Direct emissions from vehicle fleet / vehicles | 2.58 | 2.69 | 2.81 | 90 |
| Emissions from burning natural gas on site | 473 | 620 | 692 | 90 |
| Emissions from burning domestic fuel on site | 19 | 16 | 24 | 90 |
| Emissions from refrigerants | 0 | 0 | 0 | 90 |
| Direct emissions from heating and cooling of buildings (tCO₂eq per 1,000 m²) | 3.95 | 5.01 | 6.37 | 90 |
| Scope 2 - indirect emissions (in tCO₂eq) | 93 | 130 | 140 | 90 |
| Emissions due to the purchase of electricity | 93 | 131 | 140 | 90 |
| Indirect emissions due to the purchase of electricity (tCO₂eq per 1,000 m²) | 0.75 | 1.03 | 1.25 | 90 |
| Scope 3 - Indirect emissions from our products and activities (in tCO₂eq) | 240,362 | 263,473 | 267,498 | 88 |
| of which, product purchases (products sold) (in tCO ₂ eq) | 94,460 | 104,944 | 114,038 | 88 |
| of which, use of products sold (in tCO ₂ eq) | 92,618 | 99,207 | 95,554 | 88 |
| of which, end-of-life of products sold (in tCO ₂ eq) | 32,439 | 35,661 | 36,290 | 88 |
| Total Scopes 1,2,3 (in tCO₂eq) | 241,203 | 264,489 | 268,587 | 88 |

3. Extra-financial performance statement

CONCORDANCE TABLE WITH THE INFORMATION REQUIRED IN THE EFPS

| | THEME | Correlation with the 2023 Universal Registration Document | SDG* | PAGES |
|-----------------------------------|--|---|--------|-----------|
| | Presentation of our business model | Our business model. | | 64 |
| | Presentation of our major Corporate Social Responsibility risks and challenges | • Our ecosystem. • Main risks and opportunities. | | 66 - 69 |
| | Description of our approach to societal and environmental responsibility | • CSR organisation and governance. • Our 19 medium- and long-term priorities. | | 70 - 73 |
| SOCIAL INFORMATION | Employment | Total headcount and distribution of employees by gender, age and geographical area. | 8 5 | 77 |
| | | Hiring and Firing. | 3 8 | 77 & 81 |
| | | Salary trends and their evolution. | 8 | 84 |
| | Work organisation | Organisation of working time. | 3 | 79 |
| | | Absenteeism. | 3 | 78 |
| | Health and safety | Health and safety conditions at work. | 3 | 78 - 79 |
| | | Work-related accidents, in particular frequency and seriousness, as well as work-related illnesses. | 3 | 79 |
| | Labour relations | Organisation of social dialogue, in particular staff information and consultation procedures and bargaining. | 3 8 4 | 80 |
| | | Reviews of collective agreements, particular in the field of health and safety at work. | 3 | 80 |
| | Training | Policies implemented in terms of training, in particular environmental protection. | 4 | 81 & 82 |
| | | Total number of training hours. | 4 | 82 |
| | Equal treatment | Measures taken in favour of equality between men and women. | 5 | 82 |
| | | Measures taken in favour of employment of disabled people. | 8 | 83 - 84 |
| | | Anti-discrimination policy. | 5 3 | 82 - 83 |
| ENVIRONMENTAL INFORMATION | General environmental policy | Organisation of the company to take environmental issues into account, and where applicable, approaches adopted to assess or certify in the environmental field. | 13 | 86 - 102 |
| | | Resources dedicated to the prevention of environmental risks and pollution. | 6 7 | 86 - 102 |
| | | Scale of risk provision and guarantee in the environmental field, on condition that this information is not seriously detrimental to the company in a current dispute. | N/A** | N/A** |
| | Pollution | Prevention, reduction or resolution of measures for rejects in the air, water and ground seriously affecting the environment. | 6 13 | 86 - 102 |
| | | Taking into account any other form of pollution that is specific to an activity, and in particular sound and light pollution. | 13 | 86 - 102 |
| | Circular economy | Waste prevention and management. | 12 | 94 - 95 |
| | | Sustainable use of resources. | 11 6 7 | 86 - 102 |
| | | Use of land. | 15 | 86 - 102 |
| | Climate change | Items that are substantial greenhouse gas emission generators because of the company's activity, in particular on account of the use of the goods and services it produces. | 13 | 86 - 102 |
| | | Measures taken to adapt to the consequences of climate change. | 13 | 86 - 102 |
| | | The objectives of voluntarily medium and long term objectives to reduce greenhouse gas emissions and the means used to achieve it. | 13 | 86 - 91 |
| | Protection of biodiversity | Measures taken to protect or develop biodiversity. | 15 | 97 - 98 |
| SOCIETAL INFORMATION | Societal commitments in favour of sustainable development | The impact of the company in terms of employment and local development. | 16 | 104 |
| | | The impact of the company's business on local or neighbouring populations. | 16 | 105 |
| | | Relations with stakeholders in society and how dialogue works. | 16 | 66 & 105 |
| | | Partnership or sponsorship actions. | 16 | 106 |
| | Subcontracting and suppliers | Taking social and environmental challenges into account in the purchasing policy. | 12 | 104 |
| | | Taking relationships with suppliers and subcontractors into account as far as their social and environmental responsibilities are concerned. | 16 | 104 |
| | Fair practices | Measures taken in favour of health and safety of consumers. | 12 | 104 |
| | Societal commitments against food waste and food shortage and in favour of responsible, fair-trade, sustainable food | Not applicable. | 16 | |
| THE FIGHT AGAINST CORRUPTION | Societal commitments to respect animal welfare | Not applicable. | 15 | |
| | Actions undertaken to prevent corruption | Measures to prevent and combat corruption. | 16 | 75 - 76 |
| ACTIONS IN FAVOUR OF HUMAN RIGHTS | Promotion and respect of the provisions of the fundamental conventions of the International Labour Organisation: | - Respecting the freedom of association and the right to collective bargaining. | 16 | 80 |
| | | - Eliminating discrimination in terms of employment and professions. | 5 16 | 82 - 83 |
| | | - Eliminating forced or compulsory work. | 16 | 103 - 104 |
| | | - Effective abolition of child working. | 16 | 103 - 104 |
| | Other actions undertaken in favour of human rights | - Respect for human rights. - Duty of care. | 16 | 103 |

* SDG: Sustainable Development Goals. ** Not applicable. *** Not available.

3. Extra-financial performance statement

3.4

REPORT FROM THE INSPECTION AGENCY

EFPS certificate THERMADOR GROUPE SA

- Report from the inspection agency - Financial year ending December 31, 2023

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

To the Shareholders,

In our capacity as Statutory Auditor of Thermador Groupe (hereinafter the 'entity'), appointed as an independent third party and accredited by Cofrac (Cofrac Inspection Accreditation n°3-2013, whose scope is available at www.cofrac.fr), we conducted our work in order to provide a report expressing a limited assurance conclusion on the historical information (observed and extrapolated) of the consolidated extrafinancial information statement (hereinafter respectively the 'Information' and the 'Statement'), prepared in accordance with the Entity's procedures (hereinafter the 'Guidelines'), for year ended on December 31, 2023, included in the 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 Companies' Code (Code de commerce).

Conclusion

Based on the procedures performed, as described in the 'Nature and scope of our work' section, and the elements that we have collected, nothing has come to our attention that causes us to believe that the consolidated extra-financial information statement is not compliant with the applicable regulatory provisions and that the Information, taken as a whole, are not presented fairly in accordance with the Guidelines.

Preparation of the extra-financial performance statement

The absence of a generally accepted and commonly used framework or established practices on which to evaluate and measure the Information permits the use of different, but acceptable, measurement techniques that may affect comparability between entities and through time.

Consequently, the Information needs to be read and understood with reference to the Guidelines, significant elements are presented in the Declaration.

Limits inherent in the preparation of information

As indicated in the paragraph 'Mitigating our carbon emissions', the Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used. Some information is sensitive to the methodological choices, assumptions and/or estimates used in its preparation and presented in the Declaration.

The entity's responsibility

The Board of Directors is responsible for:

- Selecting or establishing suitable criteria for preparing the Information;
- The preparation of the Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the principal extra-financial risks, a presentation of the policies implemented considering those risks and the outcomes of those policies, including key performance indicators and if applicable the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- 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 in accordance with the entity's Guidelines as mentioned above.

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- The compliance of the Statement with the provisions of article R. 225-105 of the French Companies' Code;
- The fairness of the information provided in accordance with article R. 225-105 I, 3 and II of the French Companies' Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the 'Information');

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

It is not our responsibility to comment on:

- The entity's compliance with other applicable legal and regulatory provisions (in particular the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax evasion legislation);
- The fairness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- The compliance of products and services with the applicable regulations.

Regulatory provisions and professional standards applicable

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code and with the professional guidance of the French Institute of Statutory Auditors ('CNCC') applicable to such engagements, as well as with ISAE 3000 (Revised)¹.

¹ - ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information.

3. Extra-financial performance statement

Independence and quality control

Our independence is defined by the provisions of article L. 822-11 of the French Companies' Code and the French Code of Ethics (Code de déontologie) of statutory auditors. In addition, we have implemented a system of quality control including documented policies and procedures to ensure the compliance with the ethical requirements, French professional guidance and applicable legal and regulatory requirements.

Means and resources

Our work was carried out by a team of 4 people between November 27, 2023 and 27, February 2024 and took a total of 12 days. We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted 9 interviews with people responsible for preparing the Statement, representing among general management, administration and finance, risk management, compliance, human resources, health and safety, environment and purchasing.

Nature and scope of our work

We planned and performed our work considering the risk of material misstatement of the Information. We consider that the procedures we performed were based on our professional judgment and allowed us to provide a limited level of assurance conclusion:

- We obtained an understanding of all the consolidated entities' activities, the description of the social and environmental risks associated with their activities;
- We assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, objectivity and understandability, with due consideration of industry best practices, when appropriate;
- We have checked that the statement covers each category of information provided for in Section III of Article L. 225-102-1 concerning social and environmental matters. For companies whose shares are traded on a regulated market and for those specifically subject to the provisions of article L. 225-102-1 under the conditions laid down for companies referred to in article L. 22-10-36 of the French Companies' Code: as well as respect for human rights and the fight against corruption and tax evasion;
- We have verified that the Statement presents the Information required by II of Article R. 225-105 when relevant to the principal risks and includes, where appropriate, an explanation of the reasons for the absence of the Information required by the second paragraph of III of Article L. 225-102-1;
- We verified that the Statement presents the business model and the principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships and products or services, as well as their policies, measures and the outcomes, including key performance indicators related to the principal risks;
- We referred to documentary sources and conducted interviews to:
 - Assess the process used to identify and confirm the principal risks and the consistency of the outcomes and the key performance indicators used with respect to the principal risks and the policies presented, and
 - Corroborate the qualitative information (actions and results) that we considered to be the most significant, as presented in Appendix 1. For certain risks, such as those surrounding corruption, fraud, personal data protection, responsible purchasing, etc., our work was carried out at the level of the consolidating entity; for other risks, it was at the level of the consolidating entity and a selection of subsidiaries;
- We have checked that the Declaration covers the consolidated scope, i.e. all the entities included in the scope of consolidation in accordance with Article L. 233-16, with the limits specified in the Declaration;
- We asked what internal control and risk management procedures the entity has put in place and assessed the data collection process implemented by the entity to ensure the completeness and fairness of the Information;
- For the key performance indicators and other quantitative outcomes that we considered to be the most important presented in appendix 1, 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 based on sampling or other selection methods, consisting of verifying the correct application of definitions and procedures and reconciling the data with supporting documents. This work was carried out on a selection of contributing entities and covered between 29% and 100% of the consolidated data selected for these tests;
- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures performed in a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional guidance of the French Institute of Statutory Auditors ('CNCC'); a higher level of assurance would have required us to carry out more extensive procedures.

Lyon, February 28, 2024



FINEXFI
Isabelle Lhoste
Associate

ANNEXE 1

Social indicators:

- Gender equality index - Verification of process • Number of women in management positions - Verification of process • Average length of service (years)
- Percentage of permanent employees trained • Number of hours' training - Verification of process • Number of lost-time accidents • Total number of employees (excluding temporary staff) • Number of new hires • Average absenteeism rate for the Group • Number of days of absence.

Environmental indicators:

- Electricity consumption • Gas consumption • Water consumption • Total industrial waste • Waste related to our activities (kg/tonnage received) • Proportion of waste sent for recovery • Total Scope 1 • Total Scope 2 • Total Scope 3 - Process verification.

Societal indicators:

- Percentage of turnover with rated suppliers - Verification of the process • Percentage of turnover with ISO 9001 certified suppliers • Percentage of turnover by ISO 9001 or 14001 subsidiaries • Percentage of turnover with suppliers who have signed our Responsible Purchasing Charter or equivalent.

Governance indicators:

- Attendance rate at Board meetings • Attendance rate at the AGM • Percentage of capital held by employees and former employees - Verification of the process • Percentage of exposed employees trained in anti-corruption over the last 3 years - Verification of the process.

Qualitative indicators:

- Score (Humpact Score, Gaia Rating Index, CDP Score, Ecovadis Score) • Anti-corruption code of conduct • Responsible Purchasing Charter.



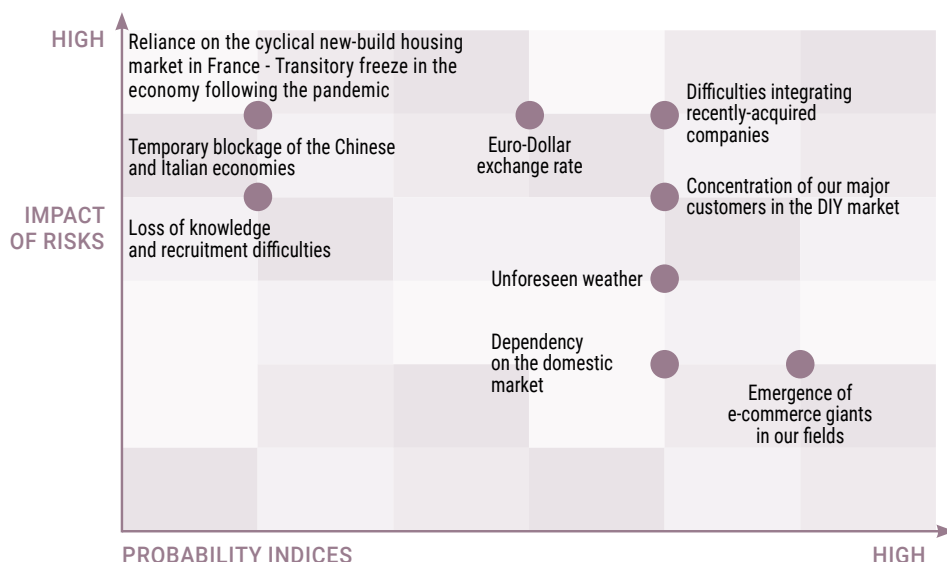
RISK MANAGEMENT

| | | |
|------------|--|------------|
| 4.1 | Risk factors | 114 |
| 4.1.1 | Risks linked to the business - Market | 114 |
| 4.1.2 | Operational risks | 116 |
| 4.1.3 | Social risks | 117 |
| 4.1.4 | Financial risks | 117 |
| 4.1.5 | Geopolitical risks | 117 |
| 4.1.6 | Pandemic risks | 118 |
| 4.1.7 | Climate change risks | 118 |
| 4.2 | Insurance | 119 |
| 4.3 | Internal control | 120 |
| 4.3.1 | Purpose of internal control procedures | 120 |
| 4.3.2 | Organisation of control procedures | 120 |
| 4.3.3 | Anti-corruption measures | 121 |
| 4.3.4 | GDPR measures | 121 |
| 4.3.5 | Assessment of internal control | 121 |

4. Risk management

4.1 RISK FACTORS

The company has performed a review of risks potentially having a substantial unfavourable impact on its business, financial situation and profits. The different risks are classified according to their potential impact and probability of occurrence. This risk mapping reflects Thermador Groupe's exposure and therefore includes control measures introduced so as to limit probability and impact.



RANKING OF RISKS

| | |
|-------------------------------------|--|
| 4.1.1. Risks linked to the business | Unforeseen weather Dependency on the cyclical new-build housing market in France Concentration of major customers in the DIY market Dependency on the domestic market Emergence of e-commerce giants in our fields |
| 4.1.2. Operational risks | Difficulties integrating recently-acquired companies |
| 4.1.3. Employment risks | Knowledge drain and recruitment difficulties |
| 4.1.4. Financial risks | Euro-Dollar exchange rate |
| 4.1.5. Geopolitical risks | Temporary blockage of the Chinese and Italian economies |
| 4.1.6. Pandemic risks | Temporary economic blockage in the wake of a pandemic |
| 4.1.7. Climate change risks | Impact of climate change on specific assets, markets or suppliers |

4.1.1 - RISKS LINKED TO THE BUSINESS - THE MARKET

Unforeseen weather events

| | |
|--|--|
| RISK IDENTIFICATION AND DESCRIPTION A rainy spring would inevitably lead to poor sales of irrigation pumps, a market in which we are a significant player in both the professional and consumer channels. Drought during the summer would lead to a fall in sales of irrigation pumps. | POTENTIAL IMPACT ON THE GROUP Decline in turnover. In 2013, which featured a very rainy spring, we lost approximately €2.5m turnover in the first half of the year. 2022 and 2023 saw water shortages and hose-pipe bans in France. However, sales of irrigation pumps in the professional channel (Jetly) recovered very well in the second half of the year. |
| RISK CONTROL AND LIMITATION Our bestsellers are stable products on their respective markets. Unsold products from a very bad season can be sold the following one. Rainy springs are very often followed by drier summers, which has always allowed us to make up some of the turnover lost through the springtime to the end of June. Conversely, the heightened risk of drought in France will lead to the emergence of markets in which we are well represented: rainwater harvesting, waterproofing of networks, wastewater recycling. Over the last 10 years, the good years have more than compensated for the bad ones. In this respect, our high stock levels mean that we can take full advantage of years when demand is robust. | |

4. Risk management

Dependency on the cyclical new-build housing market in France

| | |
|---|---|
| RISK IDENTIFICATION AND DESCRIPTION <p>We are somewhat vulnerable to the cyclical construction market, and more specifically to the number of new-build housing starts.</p> <p>45.9% of our consolidated turnover is generated by fluid circuits in buildings. Only 20% of that is for new housing, the remaining 80% for the renovation market.</p> <p>7.2% of our consolidated sales are generated by our public works activities. Only 10% of that 7.2% is for new housing.</p> | POTENTIAL IMPACT ON THE GROUP <p>Our exposure to the new-build market is limited to 10% of our consolidated turnover.</p> <p>Our most exposed subsidiaries (PBtub and Thermacome) saw their turnover fall by 8.6% and 12.8% respectively in 2023.</p> <p>For example, in 2009, during the last major crisis in this sector, our consolidated turnover fell by 5.5%.</p> <p>In 2019 and 2022, we even saw organic growth in the business field of the subsidiaries concerned, despite the proven decline in housing starts.</p> |
| RISK CONTROL AND LIMITATION <p>The share of our turnover devoted to the construction market has fallen since 2009 from 55% to 45.9%. This rebalancing was mainly achieved through strong growth in the industry sector, which now involves six of our subsidiaries. The arrival of DPI in 2022 has not changed this dependency, since we estimate that it is 10% reliant on the new housing market.</p> | |

Concentration of our major customers in the DIY market

| | |
|---|---|
| RISK IDENTIFICATION AND DESCRIPTION <p>Like the ADEO group (Leroy Merlin) and Kingfisher (Castorama), our major customers in the DIY market now have very substantial market shares. They have strong positions with Dipra, Rousseau, Mecafer and Domac.</p> | POTENTIAL IMPACT ON THE GROUP <p>Only quite recently, a discontinued range may have caused a loss of €700k of gross margin in a single year.</p> |
| RISK CONTROL AND LIMITATION <p>Every year we win and lose tenders. The secret is to win more than we lose.</p> <p>Odreá, Mecafer and Domac are present in several ranges and departments. Any delisting is only partial.</p> <p>We regularly launch new products and sometimes enter new markets.</p> <p>We are diversifying our customer base by targeting alternative trade networks that are looking for differentiated, high-quality consumer products. We also target food superstores, car dealerships, garden centres and agricultural distribution.</p> <p>We are constantly improving our service and brand awareness to build customer and user loyalty with more than just price.</p> <p>We create specific products dedicated to e-merchants and marketplaces.</p> | |

Dependency on the domestic market

| | |
|--|--|
| RISK IDENTIFICATION AND DESCRIPTION <p>We do 83.3% of our business in France. We therefore run the risk of growing at the same pace of the country's economy, i.e. slowly.</p> | POTENTIAL IMPACT ON THE GROUP <p>Stagnation of turnover, as in 2013, 2014 and 2023.</p> |
| RISK CONTROL AND LIMITATION <p>Our market share in France ranges from 0 to 30%, the latter being for certain ranges that we have sold for several decades via our oldest subsidiaries. 0% is for recently-launched products where our development focus lies today. Thus, our organic growth in France is often greater than the growth of the market itself.</p> <p>Numerous ideas on market niches still have to be developed. We even often have to make choices and discard certain projects to avoid becoming dispersed.</p> <p>In addition, we made 12 acquisitions between 2015 and 2022, representing approximately €213.7m turnover in 2023, of which €47.7m for export.</p> | |

The emergence of e-commerce giants in our businesses

| | |
|---|--|
| <p>RISK IDENTIFICATION AND DESCRIPTION</p> <p>The major e-commerce players have very quickly turned some business sectors upside down. Could they become new competitors for the subsidiaries of Thermador Groupe, or even render our business models obsolete?</p> <p>Can these platforms allow users to by-pass middle-men?</p> | <p>POTENTIAL IMPACT ON THE GROUP</p> <p>Greater pressure on margins due to Europe-wide price transparency.</p> <p>The emergence of new competition in the form of web merchants or market-places, which could do us a disfavoured.</p> <p>The share of sales of our products via the web is between 0% and 40%. We cannot be more precise, as some of our major customers are multi-channel players who choose not to communicate the breakdown of their sales.</p> |
| <p>RISK CONTROL AND LIMITATION</p> <p>Many of our products target niche markets that are unattractive to the giants of e-commerce. In addition, advice and after-sales service on those products eat up a lot of human resources.</p> <p>For simpler products, we have accelerated the integration of this new distribution channel into our strategy over the past few years. leroymerlin.fr, Amazon and Cdiscount, for example, are customers of some of our subsidiaries that operate in the retail market.</p> <p>On the other hand, we support our long-standing customers who wish to sell on the web, or to become players in major marketplaces such as ManoMano. We provide them with qualified product data and the necessary logistics.</p> <p>We are training our teams to become more competent in data exploitation and digital marketing. We are testing new logistics solutions, investing in modern websites and regularly scanning the web to keep our pricing policies under control.</p> <p>We are fine-tuning our after-sales service, which is a key element in building user loyalty and improving brand awareness.</p> <p>Over the past five years, we have measured the growth of our e-merchant and market-place customers. We choose not to communicate turnover information achieved with these customers.</p> | |

4.1.2 - OPERATIONAL RISKS

Difficulties integrating recently-acquired companies

| | |
|--|---|
| <p>RISK IDENTIFICATION AND DESCRIPTION</p> <p>Since 2015, we have made 12 acquisitions of very different sizes. Experience shows that it is more difficult to onboard companies whose turnover is more than €15m (six of the 12).</p> <p>We run into difficulties because of divergent views with the management, different cultures, geographical distance, and different IT systems.</p> | <p>POTENTIAL EFFECTS ON THE GROUP</p> <p>Failure to achieve expected synergies, failure to achieve business plans, loss of productivity.</p> <p>The operating results of these six companies (€10.1m in 2023) could have a negative impact on the consolidated operating result and reduce the return on capital employed.</p> <p>The Group's assets include goodwill worth €70.5m. Poor recurring results could lead us to write down this asset.</p> |
| <p>RISK CONTROL AND LIMITATION</p> <p>Our Board is balanced: 5 independent Board members, 5 not free of interests, and two employees. None of the six major acquisitions made since 2015 have been decided without a majority vote in favour. The operational managers of the Group are personally implicated in the integration processes.</p> <p>The Group's operational managers are personally involved in the onboarding process.</p> <p>Two managers of the acquired companies have been replaced.</p> <p>We have strengthened our IT and internal control teams.</p> <p>Our monthly reporting gives us the means to react quickly.</p> | |

4. Risk management

4.1.3 - SOCIAL RISKS

Loss of know-how and recruitment difficulties

| | |
|--|--|
| RISK IDENTIFICATION AND DESCRIPTION Greater instability amongst staff and difficulties in filling certain posts could be an obstacle to our growth. The average length of service in the Group fell from 11 years in 2016 to 9.6 years in 2023. | POTENTIAL IMPACT ON THE GROUP We believe that a complete and highly experienced team delivers a 3% better performance. The opposite would therefore lead to a loss of performance of the same magnitude. On average, that could represent €1m turnover episodically for one or two of our subsidiaries. |
| RISK CONTROL AND LIMITATION Responsibility for the social relations climate and managing human resources is delegated to executives from the subsidiaries which are themselves human-sized companies. We constantly work to improve quality of life at work by testing with anonymous questionnaires. We implement very practical initiatives to protect the environment, which is very important to the younger generations. We accompany long-term illness employees with a great deal of attention. We promote and practise transparency of salaries within our subsidiaries. We are working on our employment contracts to empower managers and teams in terms of compulsory rest times and effective working times. We are transparent as to financial results and share them within each of our subsidiaries. We have created a collaborative platform designed to be accessible to all Group employees. Job vacancies are published internally on the collaborative platform. We promote and facilitate access to capital. We promote respect, conviviality and simplicity in our labour relations. In 2024, we are planning a free share allocation plan reserved for employees (page 195). We encourage and help managers and supervisors to improve their management skills. We diversify recruitment channels enormously: agencies, social media, APEC (job agency for managers), personal networks, etc. | |

4.1.4 - FINANCIAL RISKS

Euro/Dollar exchange rate

| | |
|--|---|
| RISK IDENTIFICATION AND DESCRIPTION The Group sells in euros in France and abroad. We buy from all over the world: around 29% of our merchandise is purchased in US dollars. This exposes us to the volatility of the Euro-Dollar exchange rate. | POTENTIAL IMPACT ON THE GROUP Currency variations against the Euro (primarily \$US) can increase the price we pay for merchandise and thereby hurt the Group's profits. The actual purchase price is incorporated into our cost price and passed on as much as possible to the customer. Mathematically, a 10% variation in the US dollar rate would have a €12m impact on our sales margin. |
| RISK CONTROL AND LIMITATION Since January 1, 2018, Thermador Groupe has had centralised Dollar cash management to cover the needs of all its subsidiaries. This ability to keep ahead of the exchange rate gives those subsidiaries greater visibility in terms of selling price, and better control over their margins. | |

4.1.5 - GEOPOLITICAL RISKS

Temporary blockage of the chinese and italian economies

| | |
|---|--|
| RISK IDENTIFICATION AND DESCRIPTION 29% of our purchases of finished products come from China and Taiwan, 39% from Italy. A political, social or health crisis could temporarily block one of those country's economies. | POTENTIAL IMPACT ON THE GROUP In the face of such events, we could be confronted with stockouts. It is today however impossible to assess this risk since we have not recently experienced this type of situation. |
| RISK CONTROL AND LIMITATION Our stock levels are generally higher than those of our competitors. We have stable and even-handed relationships with our suppliers. This makes decision-making easier in crisis situations and makes us a priority customer for them. Despite supply difficulties in 2021, we managed to replenish our stocks at the end of the year (187 days of purchases consumed). We are active in seeking and developing suppliers in France, Spain, Germany, Belgium, Brazil, Greece, Turkey, Luxembourg, India, Poland, Bulgaria, Hungary, Finland, Slovakia, South Korea, Thailand, Sweden, Holland, Indonesia and United States of America. | |

4. Risk management

4.1.6 - PANDEMIC RISKS

Temporary economic blocage in the wake of a pandemic

| | |
|--|---|
| RISK IDENTIFICATION AND DESCRIPTION A global pandemic like the COVID-19 crisis in the first half of 2020 could bring the economy to a standstill. | POTENTIAL IMPACT ON THE GROUP Large numbers of the Group's employees falling ill, in all countries. Loss of productivity due to home-working. Blocking of supplies. Sharp drop in sales. Difficulties controlling stock variations. Weakening of certain customers and suppliers. Longer customer payment periods. Insufficient cash to finance the business. Loss of shareholder confidence and collapse of share value. We believe that in 2020, we lost an opportunity for 4% organic growth, or approximately €15m in revenue. |
| RISK CONTROL AND LIMITATION Our devolved organisation, consisting of small structures, enables us to take health safety measures extremely quickly and to react as closely as possible to the realities on the ground. 75% of our workforce can work remotely. The remaining quarter, our logistics teams, showed their resilience and commitment in 2020 and 2021. Our suppliers are spread around the world and our stocks are traditionally high, which protects us from shortages. In addition, our long-standing relationships and regularity of settlement make us a priority customer from the outset. Each subsidiary monitors its receivables and communicates payment incidents in real time. Our very solid financial structure reassures our bankers. Our rapid and effective communication with our shareholders reassures all stakeholders. | |

4.1.7 - CLIMATE CHANGE RISKS

| | |
|--|--|
| RISK IDENTIFICATION AND DESCRIPTION Rising water levels in coastal areas and risk of flooding. Ban on the sale of certain polluting products. Increase in the per-tonne cost of CO ₂ . Water stress causes difficulties for our industrial partners. | POTENTIAL IMPACT ON THE GROUP Our suppliers' factories flooded and port traffic disrupted. Temporary production stoppages at some of our industrial partners' sites. Our warehouses flooded. Need to finance alterations, repairs or removals. A drop in turnover. A reduction in the Group's profit to compensate for our CO ₂ emissions. |
| RISK CONTROL AND LIMITATION In December 2023, using the ECLR tool developed by EcoAct and marketed by Eiffel, one of our investors, we mapped the exposure of our sites (offices and warehouses) as well as our suppliers, who account for 47.2% of our goods purchases, and key port areas. This analysis is based on the IPCC's SSP5-8.5 scenario for the period 2021-2040, covering 12 types of risk (cyclones, water stress, soil erosion, heat waves, frost, etc.). This gives us a clearer picture of the potential risks. Our work in 2024 will, through dialogue with our partners, consist of translating these potential risks into real vulnerabilities, then checking the mitigation measures taken by countries, local authorities and the businesses themselves. None of our strategic ranges is currently threatened by a ban. Moreover, we are constantly on the lookout for ways to comply with the regulations in force. We regularly develop our products and services to offer solutions that contribute to energy savings and the preservation of water resources. With a degree of uncertainty of 30%, Thermador Groupe emitted 256 kTCO ₂ e in 2022 and 242 kTCO ₂ e in 2023 (page 88), 94% of which is related to product life cycle (PLC). Thus, if we were to compensate financially for the totality, a hypothetical operating deficit would be recorded on the basis of a per-tonne-of-CO ₂ cost of €320 (2023 operating profit excluding DPI = €78.7m). However, we remain sceptical about this simplistic approach, since the responsibility for PLC must be shared between the various stages of the product's life: extraction and transformation of raw materials, manufacturing, assembly, transport, storage, installation, use, repair and recycling. | |

All the Group's companies are covered by an overarching insurance policy against the following risks: damage and operating losses, civil liability and transport. All subsidiaries adhere to the guarantees set up and negotiated at Group level, with the exception of DPI, which joined us on November 1, 2022.

Group-negotiated insurance policies provide a high level of cover and seek first and foremost to guard against the biggest possible incidents that could have a substantial negative impact on the Group's financial situation.

Cover for damage and operating losses risks was renegotiated on January 1, 2020. In 2021, all our sites in Saint-Quentin-Fallavier (Isère) were visited by our insurer as part of an audit on preventative maintenance and protection procedures. In 2022, our insurer revisited two of our largest sites. The outcome was 'highly satisfactory' for the insurer.

Cover for transport risks was also renegotiated on January 1, 2020 and maintained for 2023. Our transport insurance covers both buying and selling transport. It covers us for up to €1.5m, whatever the mode of transport (sea, land, air, etc.).

The civil liability contract was renegotiated on January 1, 2023 for a period of two years on the basis of a flat-rate premium, not linked to turnover as was the case previously. This premium was reduced given the substantial decline in claims.

The guarantees signed up to as part of the product civil liability programme are as follows:

- ✦ €10m per claim and per year.
- ✦ €2m per claim and per year for recall costs and disassembly / reassembly expenses.

Our operations civil liability guarantees are:

- ✦ €10m per claim and per year.
- ✦ €6m for inexcusable error.
- ✦ €1.5m for sudden accidental impacts on the environment.

The Group has also taken out an employee mission insurance policy to cover all professional travel for our staff, nationally and internationally.

Group insurance policies are updated at least every two years to follow changes to Group scope and to control industrial risks.

The Group's policies are with major insurance companies with a global profile.

45.8%
of our warehouse
space is equipped
with sprinklers
56,463m²



Sprinkler system at Sferaco

4. Risk management

4.3 INTERNAL CONTROL



Seminar of Administrative Directions

4.3.1 - PURPOSE OF INTERNAL CONTROL PROCEDURES

The internal control system in place in our Group is designed to ensure that the behaviour of our employees is in line with the laws and regulations, as well as the standards and principles of our Group in order to avoid any risk of error or fraud.

4.3.2 - ORGANISATION OF CONTROL PROCEDURES

4.3.2.1 - Within the parent company

Thermador Groupe holds all of the shares of its subsidiaries with the exception of Axelair (99.997% owned), and is present (as are its main executives) on the subsidiaries' boards and management committees or as Chairman of the SAS. Thermador Groupe defines and implements the Group's development strategy and coordinates the different businesses.

Thermador Groupe identifies risks and prevention measures by ensuring harmonious rules and procedures are applied on accounting, legal, fiscal and IT matters.

IT system management and security is also piloted at Thermador Groupe level. The long-standing companies of the Group use the same IT system (ACE from the company AUREA). Mecafer and Domac use Microsoft's 'BCE', Thermacome use SAP by Design, Distrilabo Sigest and DPI Sage. The quest for greater efficiency leads to the harmonisation of ERPs to simplify intra-Group flows and data entry into the accounts consolidation software.

Consolidated accounts are drawn up internally. They are facilitated by a simple legal structure, correspondences between the accounting plans, isolated intra-Group flows and common account closing practices. The introduction of interim financial statements also enables better anticipation of closing reviews requiring a joint decision by subsidiary management and top management at Group level.

82.4% of our activities are managed on a single IT system

4.3.2.2 - Within the subsidiaries

Each subsidiary has a general management team, an administrative department, a sales department and a purchasing department: each is autonomous in the definition and implementation of its strategy in line with the regulations defined within the Group. Only the CEO and the administrative manager are signatories. Cross-subsidiary meetings involving those in the same position in the different subsidiaries allow them to pool experiences, share good practices and validate proper implementation of procedures.

Frequent complete or rotating physical inventories means that discrepancies can be detected and the efficiency of procedures checked.

4.3.2.3 - Accounting and financial information

Each subsidiary has an accounts team placed under the responsibility of the administrative director. That team sends the following to Group management every month: provisional cash position report, ageing balance of customer receivables, inventory, cross-referencing between statistical margins and gross accounting margins, and pre-tax P&L result. Comparative monthly analyses are made according to budgets drawn up at the beginning of the financial period and the previous year's turnover.

Each half year, subsidiaries close their accounts according to the common reference set and closing procedures. These elements are then reviewed by the auditors and sent to Thermador Groupe's consolidation team, which ensures the coherence of the reporting before aggregating the consolidation results and accounting entries. The annual and half-yearly financial statements are presented to the Audit committee and voted on by the Board of Directors.

4. Risk management

4.3.3 - ANTI-CORRUPTION MEASURES

In compliance with the Sapin 2 law, in 2017 we opened one a mailbox for any whistleblowers wishing to contribute, in French or in Dutch.

We named two ethics officers to answer employees' questions and ensure that the general mechanism is rolled out efficiently, respecting the confidentiality of the information gathered. We also appointed three members to the Ethics committee, responsible for processing alerts whilst protecting the confidentiality of the parties concerned, and adopted the 'Middlenext' group conduct code, now available on the Thermador Groupe website, as well as the United Nations anticorruption convention that addresses this subject.

In 2019, we created an anti-corruption working group that has implemented the following initiatives:

- ❖ Update of our General Terms of Purchase and General Terms of Sale.
- ❖ Roll-out of the code of conduct to the subsidiaries (administrative, commercial and purchasing/marketing departments, social and economic committees, memos to suppliers, coverage in the internal newsletter, mention of the policy in the induction booklet).
- ❖ Modification to internal regulations.
- ❖ Update of the Thermador Groupe website with our code of conduct on-line in the languages of our suppliers and customers.
- ❖ Awareness-raising in a broad meeting with employees.
- ❖ Training on the anti-corruption mechanism for exposed employees.
- ❖ Roll-out of an e-learning tool for non-exposed employees.
- ❖ Regular review of our risk mapping.
- ❖ Introduction of a gifts and invitations policy.
- ❖ Implementation of our donations and sponsorship policy.
- ❖ **Implementation and roll-out of a responsible purchasing charter for our merchandise suppliers and general expenses.**



Extract of our anti-corruption video

4.3.4 - GDPR MEASURES

During the financial year, Thermador Groupe continued to implement and roll out its compliance with GDPR (General Data Protection Regulation).

A first audit carried out by an external service-provider in 2018 as soon as GDPR came into force helped us to map data processing activities and identify priority actions. Again in 2018, an awareness-raising campaign was run with two-hour training sessions for around 50 people (members of subsidiary management teams and departmental managers) on GDPR and good personal data management practices. Five other people from Thermador Groupe and those subsidiaries with more independent IT systems also followed a three-day course to become DPO or Deputy DPO.

2019 was dedicated to formalising GDPR conformity: update of General Terms of Sale, putting our data protection policy on line, drawing up information memos and especially writing a register of processing operations currently being deployed in each subsidiary. The update and adaptation of the 2020 and 2021 register in the subsidiaries was also an opportunity to look at things from a new perspective and optimise existing processes by adopting best practices in terms of collection, conservation and access to data.

In 2023, our DPO continued to support our subsidiaries. 13 requests were submitted, which led to the drafting of internal memos.

4.3.5 - ASSESSMENT OF INTERNAL CONTROL

The procedures described above, approved by the Board of Directors on February 28, 2024, have so far proven their effectiveness.





OUR SUBSIDIARIES

| | | |
|-----|------------------|-----|
| 5.1 | General overview | 123 |
| 5.2 | Our subsidiaries | 124 |

5. Our subsidiaries

5.1

GENERAL OVERVIEW

| MARKETS | SUBSIDIARIES | Founded or bought in | Capital in thousands of euros | Company type | Net turnover (in thousands of euros) according to the company accounts | Contribution to turnover (in thousands of euros) according to IFRS 15 | Headcount at 31/12/2023 | Stock in thousands of euros | Contribution to net pre-tax profit in thousands of euros |
|---|--|----------------------|-------------------------------|--------------|--|---|-------------------------|-----------------------------|--|
| DIY |  <small>Compressors, generators, welders</small> | 2015 / 2017 | 549 | SAS | 36,474 | 34,164 | 42 | 9,319 | 3,115 |
| |  <small>Pumps, technical plumbing and bathroom taps</small> | 1986 / 2018 | 2,284 | SAS | 76,760 | 71,395 | 139 | 29,864 | 3,617 |
| MANUFACTURERS |  <small>Supply of components to integrators</small> | 1992 | 160 | SAS | 9,736 | 9,711 | 9 | 2,013 | 1,580 |
| PUMP COLD WATER SWIMMING POOL & PIPELINES |  <small>Swimming pool equipment</small> | 2015 | 2,000 | SAS | 19,226 | 19,103 | 30 | 5,714 | 1,254 |
| |  <small>Plastic pipes for wet and dry networks</small> | 2022 | 150 | SAM* | 41,957 | 41,950 | 21 | 160 | 3,316 |
| |  <small>Pumps, tanks and lifting stations</small> | 1977 | 3,200 | SAS | 63,404 | 62,467 | 73 | 17,250 | 14,322 |
| HEATING SANITARY PLUMBING VENTILATION |  <small>Central heating, solar and water heating equipment</small> | 1968 | 3,200 | SAS | 100,624 | 96,729 | 67 | 42,092 | 19,646 |
| |  <small>Heating-cooling surfaces and piping systems</small> | 1989 | 960 | SAS | 27,851 | 26,367 | 32 | 9,753 | 2,609 |
| |  <small>Heating-cooling surfaces and piping systems</small> | 2020 | 1,466 | SAS | 19,853 | 19,687 | 29 | 2,922 | 1,485 |
| |  <small>Ventilation equipment and accessories</small> | 2013 | 1,000 | SA | 7,386 | 7,226 | 20 | 3,103 | - 761 |
| |  <small>Valves, meters and fittings</small> | 1978 | 3,200 | SAS | 98,077 | 79,048 | 82 | 48,243 | 13,480 |
| INDUSTRY |  <small>Motorised valves, specialty products and air compressors</small> | 1989 | 780 | SAS | 34,432 | 29,492 | 54 | 7,811 | 5,237 |
| |  <small>Measurement and control</small> | 2019 | 500 | SAS | 6,961 | 6,728 | 19 | 1,680 | 1,217 |
| |  <small>Stainless steel connectors, flanges, valves and accessories</small> | 2017 | 490 | SAS | 16,977 | 16,583 | 45 | 5,893 | 1,046 |
| |  <small>International</small> | 2006 | 1,000 | SAS | 34,744 | 34,742 | 49 | 475 | 6,094 |
| |  <small>Industrial valves</small> | 2017 | 2,703 | NV* | 25,379 | 25,167 | 47 | 5,502 | 2,436 |
| COMMUNICATIONS |  <small>Communications agency</small> | 2002 | 80 | SAS | 2,202 | 85 | 13 | - | 147 |
| REAL ESTATE |  <small>Management of the Group's real estate</small> | 1973 | 3,100 | SCI | 7,670 | 306 | - | - | 1,576 |

(*) A private limited company.

5. Our subsidiaries

François Delattre, Patrice Le Ponner,
Marylène Pattard, Philippe Bories, Sonia Carvalho,
Hervé Beaujean, Isabelle Giraud, Lionel Franquin.



mecafer

domac

**Compressors, compressed air tools, welding stations,
generators, battery chargers, energy stations, solar kits
and heating systems for DIY superstores**

Mecafer and Domac have suffered a fall in sales of tools in DIY superstores. Unsurprisingly, those French consumers who stocked up with equipment in 2020 and 2021 are making it last.

This decline was largely offset by the successful launch of energy stations and photovoltaic solar panel kits, along with a buoyant generator market at the end of the year.

The value of the product range was well defended, leading to an improved pre-tax result compared to 2021.

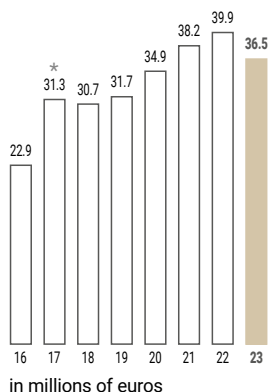
Philippe Bories has announced his retirement for the end of June 2024 after 27 years with Mecafer and then Domac. We thank him for his hard work and dedication since he joined us in 2015 with the Mecafer acquisition.

As announced in 2022, Marylène Pattard will replace him after a thorough handover process.

In her first year at the helm of Mecafer and Domac, she will have to contend with a market that will probably still be in decline, and with consumers looking for bargains... an excellent reason to continue developing the ranges successfully launched in 2023.

Turnover in 2023

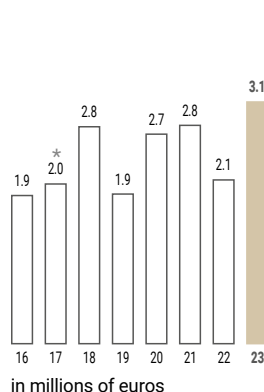
€36.5m



in millions of euros

Profit before tax in 2023

€3.1m



in millions of euros

5. Our subsidiaries

Bertrand Kinche, Laure Empereur,
Alexandra Stratulat, David Dufour,
Franck Beyssac, Valérie Bressaud-Coupat.



Odrea

**Domestic pumps, plumbing fitments, taps and hydrotherapy
for DIY superstores, food retail outlets and garden centres**

Edouard Rousseau was acquired at the end of 2018, with the stated aim of merging with Dipra within three years. In the end, the operation was completed in four years, and Odrea came into being.

The transformation, although essential to satisfy our customers and maintain a normal operating margin, proved to be extremely complex and difficult for our teams. We would like to thank Thermador Groupe's IT and Finance teams for their great support.

After a year of strong sales in 2022, but very low margins, we managed to pass on the price increases needed to keep the business sustainable. Import costs and currency fluctuations, which were very unfavourable in 2022, returned to near-normal levels in 2023. This translated into a pre-tax profit close to

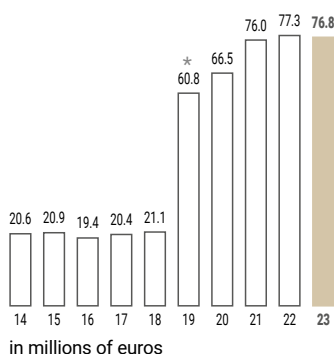
2021 levels, which is a very good performance considering the temporary loss of productivity due to the migration to a new information system.

Of particular note was the excellent performance of our Spanish team, which achieved record sales, benefiting from a favourable local environment, while converting to the same IT system as France.

The management team is now working on an action plan for 2024-2026 aimed at sharing its *raison d'être* with all stakeholders, developing more sustainable product ranges and defending its positions at a time when our customers are confirming a decline in store footfall.

Turnover in 2023

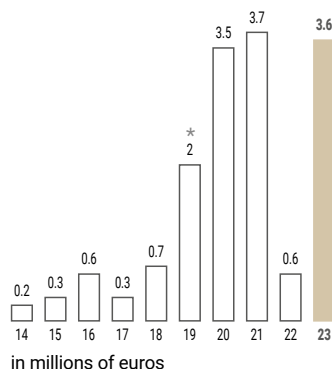
€76.8m



* Rousseau figures consolidated since January 1, 2019.

Profit before tax in 2023

€3.6m



5. Our subsidiaries

Fabienne Bochet, Alicia Chamfray,
Cyrille Javault.



ISOCEL

Supply of components to original equipment manufacturers

Business deteriorated from the second half of 2023 onwards, ending the year with a 30% fall in turnover in Q4. This is a direct consequence of the tightening of energy renovation financing rules by the national housing improvement agency (ANAH) and the general slowdown in the real estate market.

Heat pump manufacturers, Isocel's long-standing customers, had to cope with a very sharp drop in demand, revising their volume forecasts and sometimes even resorting to short-time working.

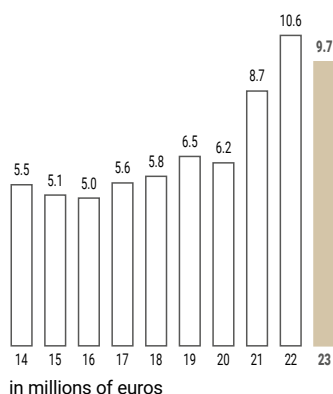
In parallel, the public authorities announced their intention to increase the budget for *MaPrimeRénov* in 2024 and to finance 200,000 'major renovations' per year in order to reduce the number of highly thermally inefficient dwellings, the so-called 'thermal sieves': there are still more than 6 million of them, so the long-term future is bright for heat pump manufacturers and their equipment suppliers.

In the short term, however, we do not expect any significant upturn in this market. In fact, the new scheme, including '*Mon Accompagnateur Rénov*', which was devised by the government to better control the proper use of public funds, is struggling to get off the ground. In theory, 5,000 of these mandatory accredited advisors are needed across France, but only 2,000 of them will be in place by early 2024. In the best-case scenario, therefore, the upturn could come in the second half of 2024.

In the meantime, we will continue our efforts to diversify our integrator customer base by stepping up our field sales efforts. As the person we recruited for the sales position has finally decided against continuing with us, we have already restarted the search process.

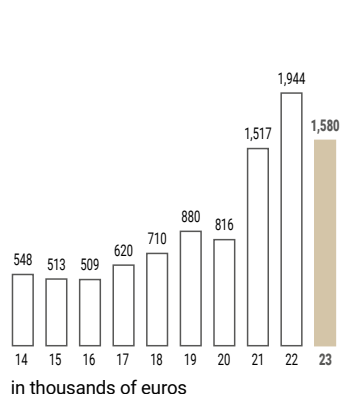
Turnover in 2023

€9.7m



Profit before tax in 2023

€1.6m



5. Our subsidiaries

Jérôme Chabaudie, Amélie Gagneux,
Myriam Mathon, Thibault Bonenfant.



Equipment and accessories for swimming pool
construction and maintenance

Since its creation in 2016, this was the first year of decline for Aello.

This was a much more difficult financial year, with a major correction on the swimming pool market following two exceptional post-Covid years. By strengthening its sales team (+10-20%) in anticipation of this market downturn, Aello was able to limit the decline to 5.9% and increase the number of active customers.

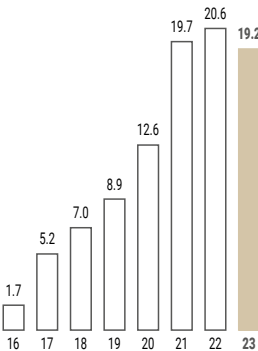
In 2024, the innovation strategy designed to offer customers and end-users pools that consume less water and electricity will continue. Aello’s global concept for the swimming pool of the future is unique in the swimming pool market.

The management team is now complete, with the arrival of Amélie Gagneux as Administrative Director. With a background in finance (post-graduate DESS qualification in financial engineering) and a career in auditing, her profile fits the bill in terms of the existing management committee.

Aello is now organised to face its next phase of growth with confidence.

Turnover in 2023

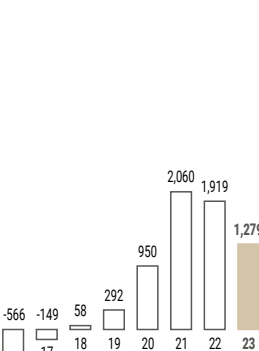
€19.2m



in millions of euros

Profit before tax in 2023

€1.3m



in thousands of euros

5. Our subsidiaries

Jean-Pierre Talbourdet, Stéphane Guillard,
Grégory Urpi, Christine Bory.



Plastic pipes (sheaths, tubes, drains, fittings, etc.) for wet and dry networks, construction, public works and irrigation

The prices of polyethylene and PVC pipes sold by DPI are highly susceptible to the price of raw materials, itself dependent upon the price of oil. As a result, we saw a series of downward forecast revisions throughout 2023.

In addition, DPI delivered some very large-scale but very low-margin projects in 2022, which were not repeated in 2023.

These two factors led to a 32% drop in sales compared to 2022. For the record, DPI joined Thermador Groupe on October 31, 2022.

Aware of the critical nature of the situation, our team in Monaco worked hard to protect operating income, successfully so. As a result, the earn-out agreed at the time of the acquisition of DPI will be paid in the first quarter of 2024.

At the end of 2023, decisions were taken and implemented to recruit sales staff to win back lost customers.

Christine Bory joined the administration department to take up her full role as Administrative Director. Christine has a strong commitment to the company and brings with her a wealth of knowledge gained over 12 years in DPI's back office.

This will free up Grégory Urpi from his current administrative and financial duties to focus on strategy and business.

Turnover in 2023

€42.0m



in millions of euros

Profit before tax in 2023

€3.3m



in millions of euros

* Figures consolidated
since November 1, 2022.

5. Our subsidiaries

Stéphane Dante, Béatrice Ollier, Éric Garot,
Vanessa Roy, Frank Bourgois,



Pumps, tanks and lifting stations

Jetly had a very good year, setting a new record for turnover. All strategic product families progressed, with particular successes for rainwater harvesting systems, seen as a high-potential range for the future.

Global warming and recent water shortages have raised awareness of the absolute need to capture, manage and develop water resources.

The public authorities announced a '53 measures for water' plan in 2023, and we are closely monitoring the decrees attached to the plan to ensure that our solutions comply with the regulations. Finally, we are absolutely convinced that the price of water will rise very significantly in the medium term, which will drastically shorten return on investment times for our equipment.

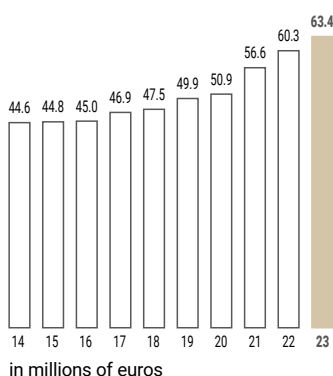
2023 saw the departure of Philippe Arthaud, after 41 years of remarkable work in supplier relations and procurement. Philippe showed characteristic enthusiasm and care in adapting to the demands of the business, adopting new tools and passing on his invaluable experience to the new team.

Stéphane Dante was recruited as Sales Director and has given us full satisfaction. Stéphane, who graduated from EM Lyon in 2023 and the latest addition to a completely new management team, brings both a relevant perspective and a strong commitment to our projects.

Finally, Jetly is now ISO 9001 certified, in line with the Group's sustainable development objectives. We would like to thank Vanessa Roy and her project team for their achievements in this area.

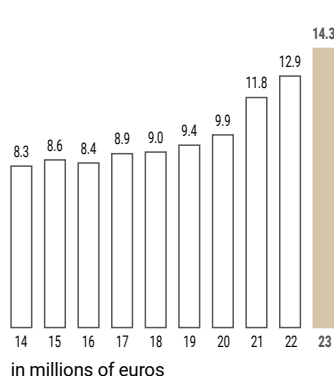
Turnover in 2023

€63.4m



Profit before tax in 2023

€14.3m



5. Our subsidiaries

Fabrice Marand, Daniel Sempéré,
Aurélie Vantomme, Yves Ruget,
Pierre-Jean Hervé, Ingrid Brabender.



Accessories and fittings for central heating, solar, and sanitary water, sanitary taps

Funding restrictions on the 'MaPrimeRénov' scheme of the French housing improvement agency (ANAH) led to a slowdown in business from Q2 onwards. This needs to be put into perspective, as Thermador's sales forecast for 2023 was 96% higher than for 2020. In the short term, no significant upturn is expected in this market, as the new system, which adds a supervisory element, 'MonAccompagnateurRénov', set up by the government to better monitor the proper use of public funds, will take some time to get going. The upturn could therefore come in S2 2024. Longer term, we remain very confident. The authorities have announced their intention to increase the budget earmarked for MaPrimeRénov' to €5 billion by 2024 and to finance 200,000 major renovations per year to reduce the number of properties suffering energy inefficiencies, the so-called 'passoires thermiques'. There are 4.8 million main residences that fall into this category,

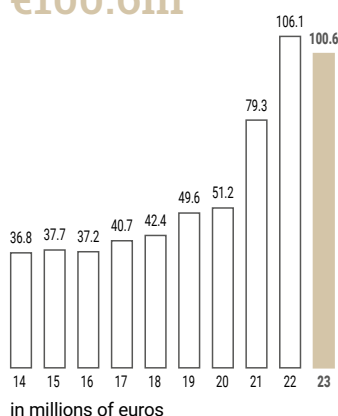
heralding excellent prospects for our range of solar water heaters and heat pump accessories.

With this in mind, the Thermador team will focus on improving its market share. It will also carry out an in-depth review of its supply chain management, subject to major changes since 2020.

In 2023, Ingrid Brabender decided to leave Thermador to spend more time with her family abroad: we would like to thank her warmly for her commitment and contributions during her 5 years as Administrative Director. Aurélie Vantomme, who has a wealth of experience in the industry in similar roles, succeeds her in this key function in the Group's largest subsidiary. Finally, our congratulations go to Bruno Chayat, only Thermador's 2nd warehouse manager since 1968. He retired at the end of March 2023 after 37 years of efficient, reliable service.

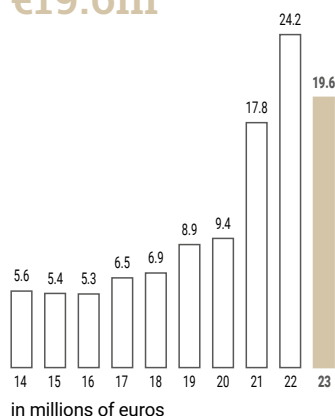
Turnover in 2023

€100.6m



Profit before tax in 2023

€19.6m



5. Our subsidiaries

Alain Chafraix, Frédéric Watine,
Stéphanie Wernert, Lionel Grès.



Equipment and professional systems for ventilation and air handling for building and industry

The apparent stagnation in Axelair's sales masks something more positive. Setting aside the influence of two areas that are extremely volatile in terms of volume (mobile air conditioning units and dual-flow ventilation), we observe a steady increase in the areas that make up the core business of our subsidiary specialising in air circulation and air treatment (12% in 2023).

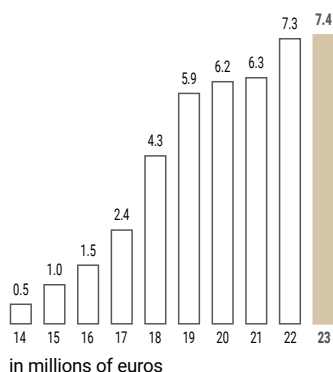
In 2023, the volatility mentioned caused serious problems for Axelair. A dip in volumes led to an increase in stock and a very negative cash position. This phenomenon, combined with the very sharp rise in interest rates, led to substantial financial charges (€177k) in relation to gross margin. This partly explains the sharp deterioration in the subsidiary's operating result. Because rigour is built into our management, we decided to write down this excess inventory by €272k, with an immediate impact on pre-tax profit, as shown in the graph on this page.

The other reasons for the fall in operating profit are to do with structural costs. The idea was to improve our level of service to differentiate us from our competitors and to provide our employees with excellent working conditions. As a result, any increase in sales hereon in will rapidly improve operating profit.

We strongly believe in the strategic nature of this business, and have therefore decided to increase the business's share capital by €1.5 million. In addition to the financial nature of the operation, this is a message of encouragement and confidence to our plucky team, who are operating in a highly competitive environment occupied by dominant players. They have shown inventiveness and adaptability in launching more new ranges than any of our competitors over the last two years. Areas concerned are summer comfort, water-cycle air treatment systems driven by heat pump, and all types of air conditioning accessories.

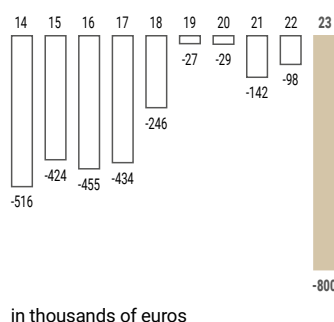
Turnover in 2023

€7.4m



Profit before tax in 2023

€(0.8)m



5. Our subsidiaries

Aurélie Phalippon, Stéphane Ben Amou,
Ève Resweber, Éric Mantione.



PB
tub

Pipework for the distribution
of fluids in buildings

PBtub and Thermacome:

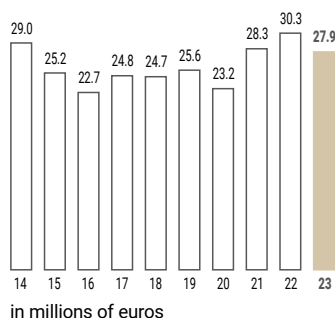
For figures covering the 12 months to end-December 2023, housing starts, estimated at 287,100 units, were down 80,800 units (-22.0%) on 2022 and 24.6% lower than in the 12 months before the health crisis (March 2019 to February 2020).

On top of that, prices of cross-linked polyethylene pipes fell sharply at the start of the year.

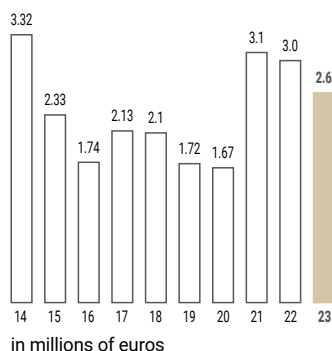
Against this extremely unfavourable backdrop, our two sister companies specialising in radiant surfaces and pipe systems for the building industry held up well in the end.

PBtub has almost completed the construction of its logistics platform dedicated to electro-galvanised steel and stainless steel pipes, and is preparing a more aggressive approach to the market in these product ranges in 2024.

PBtub:
Turnover in 2023
€27.9m



PBtub:
Profit before tax in 2023
€2.6m



5. Our subsidiaries

Thierry Estienne, Carlos Miranda,
Florent Kieffer, Laurent Tansorier.



Radiant surface and hydrodistribution systems
for housing and buildings

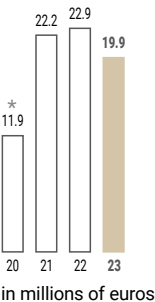
Two sister companies.

Thermacome is readying its adoption of the Group’s information system to accelerate synergies.

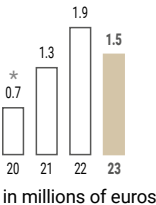
The two companies are also working hard to develop their range of cooling/heating radiant ceilings, a technical solution that, in our view, offers the best compromise between comfort and efficiency, particularly during the summer months.

The decline in the number of planning permission applications halted in September 2023. If this trend continues over the next few months, the new housing starts curve could bottom out in the first half of 2024. We may reap the benefit of an upturn in the market for new builds in the first half of 2025.

Thermacome:
Turnover in 2023
€19.9m



Thermacome:
Profit before tax in 2023
€1.5m



* Figures consolidated since May 1, 2020

5. Our subsidiaries

Charlotte Deguerry-Fraisse, Nicolas Billiard,
Mathieu Flety, Christophe Arquillière.



Valves, meters and fittings for buildings, industry and the water cycle

Sferaco has shown excellent resilience what has been a tougher market. All three of its business areas (Building - HVAC, Industry and Water Cycle) are showing progress, with a higher growth rate in the water cycle market, where our market share is smaller.

The subsidiary, a pioneer in our quest for sustainable development, has published its first FDES* on the website of the national reference database for environmental and health data on construction products and equipment (INIES**). This is the fruit of in-depth work that will help us eco-design our future ranges, assess our CO₂ reduction path and possibly guide our suppliers in their next stages of development.

Sferaco put the Group in touch with the shareholders of the company compteur-energie.com, and we are currently in discussions to bring them on board. This project would enable Thermador Groupe to bolster its activities in the connected objects and metering market, where its subsidiaries Sferaco,

Sectoriel, Distrilabo and Thermador are already active. Further details can be found on page 151 of this document. As announced, Mathieu Flety has taken over as Sales Director of the Building and HVAC Engineering BU.

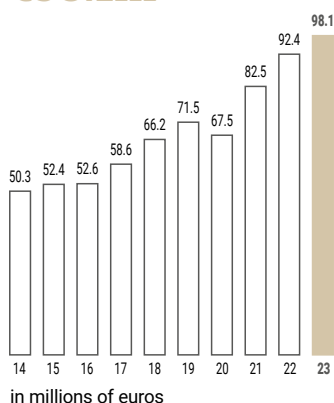
The corresponding position in the Industry BU is currently vacant. The responsibilities of the function have been redistributed until Christophe Arquillière adjusts the organisation chart. With this new turnover record, 2024 looks like it's going to be a challenge; one that will be met by strengthening our workforce to steady the ship and prepare for the future.

* FDES: Environment and health declaration forms (FDES) for construction products and Product Environmental Profiles (PEP) for building equipment.

** INIES: managed on a participative basis by the construction industry, including public authorities, INIES is the reference database for environmental and health declarations for products, equipment and services used to assess the performance of works. INIES provides declaration forms FDES*.

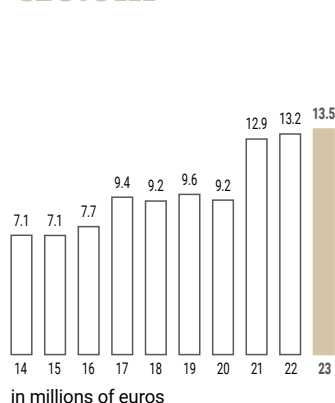
Turnover in 2023

€98.1m



Profit before tax in 2023

€13.5m



5. Our subsidiaries

Xavier Isaac, Julie Douai, Loïc Brossat,
Laurence Vigneau-Messmer.



SECTORIEL
NUAIR FRANCE

Valve motorisation, specialist accessories for industry and air compressors

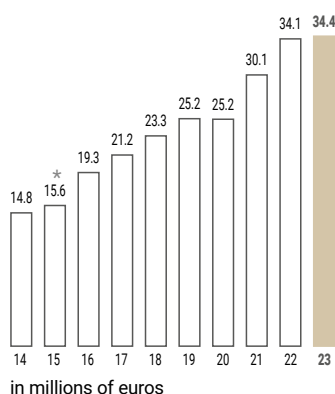
In 2023, turnover remained more or less stable at €34.7m. As in the previous year, volumes declined slightly across all product families. While our two traditional businesses, the motorisation centre and technical valves distribution, remained solid, our compressed air business was strengthened by new listings with major automotive suppliers. In addition, a distribution agreement was signed with German plastic valve supplier STÜBBE, which will enable us to develop sales of this range.

E-commerce sites continued to grow during the year, with traffic and online orders now in line with targets.

Following the introduction of a reparability index last year, a great deal of work was done during the year to structure our CSR action plan for 2024-2030. This will help Sectoriel respond positively to the expectations of its various stakeholders and offer its customers significant added value in this area.

Turnover in 2023

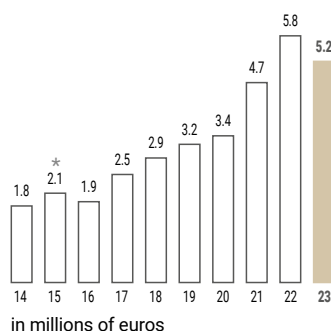
€34.4m



* Acquisition of Nuair France
July 1, 2015.

Profit before tax in 2023

€5.2m





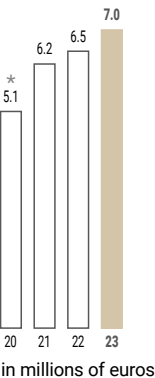
Technical equipment for pressure,
level and flow measurement and control

Distrilabo continues to grow despite very aggressive price competition. The breadth and depth of our ranges, the quality of our products, our associated services and stock levels have enabled us take on that competition while maintaining profitability.

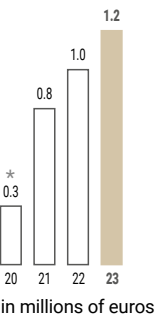
To ensure that we are able to take the next steps in our development with confidence, our priority is to fill two crucial positions quickly, in purchasing and sales management. This is no easy task in the Strasbourg area, where unemployment is extremely low.

We will also continue our efforts to introduce innovative products into our ranges, enabling the data measured by our instruments to be transmitted and used instantaneously.

Turnover in 2023
€7.0m



Profit before tax in 2023
€1.2m



* Figures consolidated since January 1, 2020.

5. Our subsidiaries

Jean-Philippe Paul, Franck Sourisseau,
Laurence Ravet, Cédric Dolbeau,
Anne-Claire Rivoire, Cédric Gayaud,
Franck Locatelli.



FGinox
La solution globale pour vos besoins en inox

Stainless steel fittings, flanges, valves and accessories

2023 saw the handover from Philippe Bernardet to Jean-Philippe Paul, the former leaving the company on June 30, 2023 to enjoy a well-deserved retirement. Many thanks to him for his commitment since Thermador Groupe acquired FGinox in 2017, and for diligently sharing his knowledge during his last six months with the company.

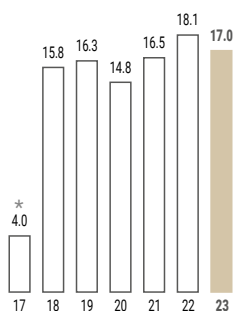
Jean-Philippe Paul, who joined the Group in 2006 and was Sferaco Sales Director from 2016 to 2022, was appointed Chief Executive Officer of FGinox on July 1, 2023, as planned.

There is no doubt that this is a big challenge, especially as 2023 was an extremely difficult year in terms of sales and earnings, primarily because of lower prices further to the fall in stainless steel prices, combined with an erosion in the number of active customers.

In 2022, FGinox modernised its high-performance logistics facilities, giving it all the resources it needs to claw back this lost ground.

Turnover in 2023

€17.0m

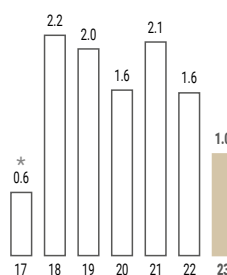


in millions of euros

* Figures consolidated
since October 1, 2017.

Profit before tax in 2023

€1.0m



in millions of euros

5. Our subsidiaries

Lionel Monroe, Amé Bertin, Suzanne Abela,
Vanessa Ittah, Cédric Auvray.



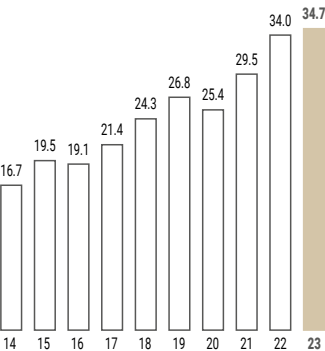
Distribution of the Group’s products
on international markets

In 2023, Syveco reaped the benefits of a revamped management team and a new executive committee. Its field and office-based sales teams worked even more closely with customers and helped to revitalise growth in the first half. With the widespread economic slowdown in Europe and Africa, this tailed off in the second half-year. Fortunately, this was offset by an increase in operating income, thanks to tight cost control and solid sales margins.

Against an uncertain economic and geopolitical backdrop, the recipe for success in 2024 will be a combination of winning market share through targeted prospecting efforts, new product ranges to supplement the product range, rolling out a fully-fledged website and further digitalisation.

Turnover in 2023

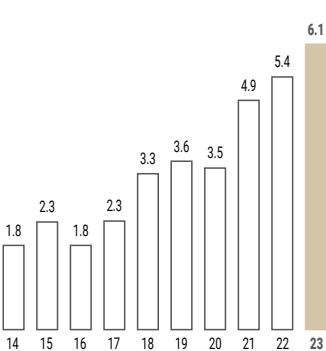
€34.7m



in millions of euros

Profit before tax in 2023

€6.1m



in millions of euros

5. Our subsidiaries

Diter De Cock, Peter Wartel, Claudia Servellon,
Wim Van de Vondel, Enrico Suttels, Peter Gombeer.



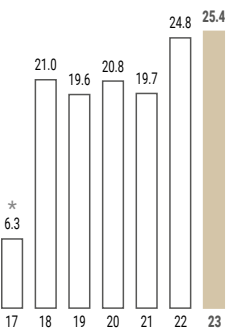
Industrial valves in Belgium, the Netherlands,
Germany and Switzerland

Under difficult circumstances, but thanks to the efforts of all our staff, turnover grew slightly, largely thanks to the delivery of major projects. We surpassed the €25m mark this year! Controlled costs and an improved sales margin contributed to the success of the past year. Another milestone in 2023 was the departure of the company's co-founder, Dieter De Cock; we thank him for his 34 years' service to Sodeco Valves and for the successful handover to Peter Wartel and his management team.

We are expecting 2024 to be a difficult year, with few major projects. Personnel will remain focused on meeting every customer need, and will be joined by a sales manager for the Benelux countries. The roll-out of the sustainable development strategy and a biodiversity drive – including the acquisition of woodland close to the company and the installation of solar panels to ensure the building's autonomy in electricity consumption – will enhance the brand appeal of the company as an employer.

Turnover in 2023

€25.4m

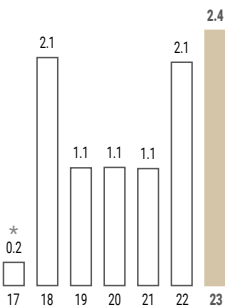


in millions of euros

* Figures consolidated since September 1, 2017.

Profit before tax in 2023

€2.4m



in millions of euros

5. Our subsidiaries

Arlette Berliocchi, Camille Sellès,
Ronan Le Sausse, Aurore Rodrigues.



Communications agency

In 2023, 96.2% of our communications agency work was for the Group.

A quarter of the agency's business is in financial communications.

The 14-strong team worked on the production of the subsidiaries' price catalogues, promotional materials, packaging, scripted videos, e-learning content, and complex 3D universes featuring our products.

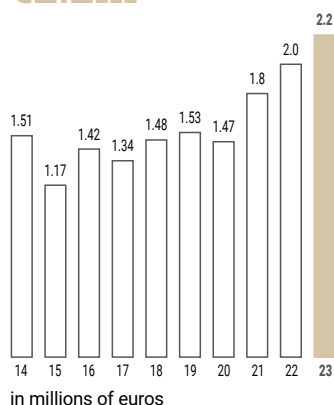
It also fed content into LinkedIn, X, Instagram and YouTube and organised ten events, including our AGM and six live webinars with our shareholders.

Following a major energy refurb, Opaline has moved back into brand new premises and completed the construction of a new studio. It will host our webinars, in particular those that allow us to talk live to our shareholders on the occasion of the publication of quarterly, half-yearly and annual statements.

Always on the lookout for innovation, our agency is stepping up its adoption of cutting-edge communication technologies to offer innovative solutions both to in-house and external customers.

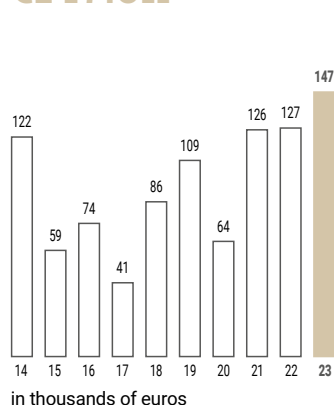
Turnover in 2023

€2.2m



Profit before tax in 2023

€147.0k





ANNUAL CONSOLIDATED FIGURES

| | | |
|------------|---|------------|
| 6.1 | Main financial indicators | 142 |
| 6.2 | Consolidated accounts 2023 | 146 |
| 6.3 | Notes to the consolidated financial statements | 149 |
| 6.3.1 | Reference set and fundamentals for the preparation of the consolidated financial statements | 149 |
| 6.3.2 | The year's milestones | 151 |
| | 6.3.2.1 - Key facts | 151 |
| | 6.3.2.2 - Consolidation scope and method | 152 |
| 6.3.3 | Market sector report | 152 |
| 6.3.4 | Notes on turnover | 154 |
| 6.3.5 | Notes on other income statement items | 155 |
| 6.3.6 | Notes on headcount, charges and staff benefits | 155 |
| 6.3.7 | Notes on working capital requirement items | 158 |
| 6.3.8 | Notes on intangible assets, property, plant and equipment and rights of use | 160 |
| 6.3.9 | Notes on capital | 164 |
| 6.3.10 | Notes on risks and financial instruments | 164 |
| 6.3.11 | Notes on provisions | 167 |
| 6.3.12 | Notes on taxes | 167 |
| 6.3.13 | Significant events after closing | 169 |
| 6.3.14 | Auditors' fees | 169 |
| 6.4 | Statutory auditors' report on the consolidated financial statements | 170 |

6. Annual consolidated figures

6.1

MAIN FINANCIAL INDICATORS

FINANCIAL HIGHLIGHTS

| In thousands of euros | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|----------|----------|----------|----------|----------|----------|----------|----------------------------|----------|----------|
| NET TURNOVER ACCORDING TO FINANCIAL STATEMENTS | | | | | | | | | | |
| Mecafer and Domac | 36,474 | 39,851 | 38,200 | 34 939 | 31,674 | 30,733 | 31,322 | 22,943 | 11,273 | |
| Odrea | 76,760 | 77,255 | 75,976 | 66,543 | 59,474 | 21,082 | 20,365 | 19,379 | 20,938 | 20,573 |
| Isocel | 9,736 | 10,554 | 8,655 | 6,248 | 6,467 | 5,788 | 5,562 | 5,045 | 5,148 | 5,491 |
| Aello | 19,226 | 20,568 | 19,712 | 12,638 | 8,948 | 7,085 | 5,160 | 1,721 | | |
| DPI | 41,957 | 9,070 | | | | | | | | |
| Jetly | 63,404 | 60,275 | 56,637 | 50,854 | 49,903 | 47,549 | 46,874 | 44,976 | 44,823 | 44,647 |
| Thermador | 100,624 | 106,146 | 79,280 | 51,171 | 49,554 | 42,374 | 40,677 | 37,163 | 37,718 | 36,807 |
| Pbtub | 27,851 | 30,316 | 28,286 | 23,194 | 25,559 | 24,723 | 24,847 | 22,704 | 25,201 | 29,045 |
| Thermacome | 19,853 | 22,903 | 22,175 | 11,901 | | | | | | |
| Axelair | 7,386 | 7,346 | 6,287 | 6,152 | 5,883 | 4,314 | 2,391 | 1,531 | 988 | 541 |
| Sferaco | 98,077 | 92,410 | 82,521 | 67,491 | 71,482 | 66,218 | 58,639 | 52,614 | 52,391 | 50,324 |
| Sectoriel | 34,432 | 34,064 | 30,090 | 25,183 | 25,243 | 23,334 | 21,212 | 19,266 | 17,543 | 14,792 |
| Distrilabo | 6,961 | 6,459 | 6,157 | 5,086 | | | | | | |
| FGinox | 16,977 | 18,124 | 16,527 | 14,772 | 16,280 | 15,819 | 3,950 | | | |
| Syveco | 34,744 | 33,954 | 29,523 | 25,382 | 26,835 | 24,348 | 21,365 | 19,133 | 19,532 | 16,695 |
| Sodeco Valves | 25,379 | 24,778 | 19,727 | 20,837 | 19,891 | 21,009 | 6,355 | | | |
| Group's other subsidiaries | 2,202 | 2,017 | 1,768 | 1,471 | 1,534 | 1,483 | 1,341 | 1,421 | 1,174 | 1,512 |
| Eliminations of intra-Group turnover | (32,133) | (33,337) | (27,442) | (22,929) | (24,766) | (20,068) | (17,981) | (16,040) | (16,002) | (17,150) |
| Other eliminations | (552) | (630) | (618) | (692) | (618) | (558) | (508) | (460) | (482) | 2,310 |
| TOTAL TURNOVER ACCORDING TO IAS 18 | 589,358 | 562,123 | 493,461 | 400,241 | 373,343 | 315,233 | 271,571 | 231,396 | 220,245 | 205,588 |
| IFRS 15 impact | (8,408) | (8,264) | (6,961) | (4,741) | (4,507) | (4,043) | (3,847) | not available under IFRS15 | | |
| TOTAL TURNOVER CONSOLIDATED | 580,950 | 553,859 | 486,500 | 395,500 | 368,836 | 311,190 | 267,724 | not available under IFRS15 | | |
| PROFIT BEFORE TAX | | | | | | | | | | |
| Mecafer and Domac | 3,115 | 2,075 | 2,847 | 2,687 | 1,919 | 2,782 | 2,049 | 1,902 | 741 | |
| Odrea | 3,617 | 566 | 3,682 | 3,480 | 1,987 | 703 | 302 | 556 | 281 | 241 |
| Isocel | 1,580 | 1,944 | 1,517 | 816 | 880 | 710 | 620 | 509 | 513 | 548 |
| Aello | 1,254 | 1,919 | 2,060 | 950 | 292 | 58 | (149) | (566) | (1) | |
| DPI | 3,316 | 1,095 | | | | | | | | |
| Jetly | 14,322 | 12,903 | 11,787 | 9,880 | 9,356 | 9,003 | 8,922 | 8,440 | 8,610 | 8,282 |
| Thermador | 19,646 | 24,190 | 17,806 | 9,388 | 8,940 | 6,874 | 6,520 | 5,350 | 5,396 | 5,562 |
| Pbtub | 2,609 | 3,027 | 3,061 | 1,671 | 1,722 | 2,103 | 2,128 | 1,739 | 2,326 | 3,320 |
| Thermacome | 1,485 | 1,933 | 1,346 | 689 | | | | | | |
| Axelair | (761) | (98) | (142) | (29) | (27) | (246) | (434) | (455) | (424) | (516) |
| Sferaco | 13,480 | 13,159 | 12,882 | 9,245 | 9,588 | 9,197 | 9,425 | 7,658 | 7,131 | 7,148 |
| Sectoriel | 5,237 | 5,830 | 4,678 | 3,449 | 3,249 | 2,928 | 2,545 | 1,940 | 2,060 | 1,746 |
| Distrilabo | 1,217 | 1,016 | 815 | 267 | | | | | | |
| FGinox | 1,046 | 1,577 | 2,061 | 1,627 | 2,032 | 2,166 | 621 | | | |
| Syveco | 6,094 | 5,389 | 4,852 | 3,453 | 3,599 | 3,332 | 2,326 | 1,781 | 2,293 | 1,816 |
| Sodeco Valves | 2,436 | 2,093 | 1,058 | 1,111 | 1,107 | 2,144 | 218 | | | |
| Opaline | 147 | 127 | 126 | 64 | 109 | 86 | 41 | 74 | 59 | 122 |
| Thely | 1,576 | 2,433 | 2,064 | 2,003 | 1,957 | 1,778 | 1,487 | 1,402 | 1,196 | 1,356 |
| Tagest | | | | 8 | 7 | 8 | 7 | 6 | 6 | 6 |
| Group | 33,884 | 33,752 | 26,757 | 23,264 | 20,757 | 18,618 | 16,388 | 16,676 | 15,444 | 15,708 |
| TOTAL PRE-TAX REVENUES (COMPANY ACCOUNTS) | 115,300 | 114,930 | 99,257 | 74,023 | 67,474 | 62,244 | 53,016 | 47,012 | 45,631 | 45,339 |
| Consolidation adjustments | (35,567) | (35,884) | (26,275) | (23,004) | (19,891) | (18,319) | (15,257) | (15,645) | (13,678) | (14,048) |
| Current tax charge | (21,434) | (20,147) | (20,082) | (14,835) | (15,205) | (14,771) | (11,513) | (10,741) | (11,763) | (11,430) |
| PORTION OF NET PROFIT ALLOCATED TO THE GROUP | 58,299 | 58,899 | 52,899 | 36,180 | 32,373 | 29,142 | 26,240 | 20,616 | 20,186 | 19,855 |
| Portion of net profit allocated to minority interests | - | - | 1 | 4 | 5 | 12 | 6 | 10 | 4 | 6 |

6. Annual consolidated figures

CONSOLIDATED FIGURES OVER THE PAST TEN FINANCIAL YEARS

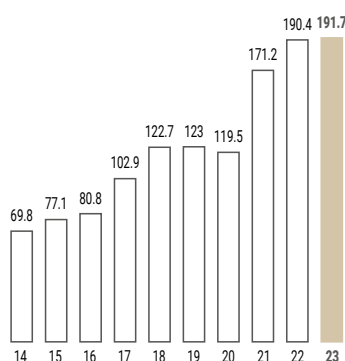
| In thousands of euros | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|
| TURNOVER ACCORDING TO IAS 18 | 589,358 | 562,123 | 493,461 | 400,241 | 373,343 | 315,233 | 271,571 | 231,396 | 220,245 | 205,588 |
| IFRS 15 impact | (8,408) | (8,264) | (6,961) | (4,741) | (4,507) | (4,043) | (3,847) | Not available | | |
| Turnover according to IFRS 15 | 580,950 | 553,859 | 486,500 | 395,500 | 368,836 | 311,190 | 267,724 | | | |
| Gross profit (on turnover according to IAS 18) | 214,920 | 201,109 | 182,224 | 148,090 | 138,750 | 118,646 | 100,921 | 85,069 | 81,874 | 78,450 |
| Headcount | 798 | 770 | 712 | 668 | 599 | 476 | 439 | 319 | 314 | 278 |
| Wages and salaries | 63,726 | 58,084 | 52,657 | 46,686 | 42,867 | 35,048 | 28,426 | 25,489 | 23,112 | 22,197 |
| OPERATING PROFIT | 80,841 | 79,592 | 73,201 | 51,411 | 47,821 | 44,052 | 37,652 | 31,709 | 30,988 | 31,170 |
| Profit before tax | 79,733 | 79,046 | 72,982 | 51,019 | 47,583 | 43,925 | 37,759 | 31,367 | 31,953 | 31,291 |
| Current tax charge | 21,434 | 20,147 | 20,082 | 14,835 | 15,205 | 14,771 | 11,513 | 10,741 | 11,763 | 11,430 |
| Profit after tax | 58,299 | 58,899 | 52,900 | 36,184 | 32,378 | 29,154 | 26,246 | 20,626 | 20,190 | 19,861 |
| PORTION OF NET PROFIT ALLOCATED TO THE GROUP | 58,299 | 58,899 | 52,899 | 36,180 | 32,373 | 29,142 | 26,240 | 20,616 | 20,186 | 19,855 |
| CASH FLOW FROM OPERATIONS | 69,462 | 67,354 | 60,092 | 42,666 | 37,979 | 32,660 | 29,910 | 22,864 | 22,565 | 22,521 |
| Investments | 7,655 | 11,037 | 12,221 | 10,610 | 8,589 | 5,462 | 2,477 | 4,145 | 4,611 | 9,037 |
| Of which, real estate investments | 3,914 | 5,825 | 8,136 | 7,313 | 6,099 | 3,066 | 218 | 2,772 | 3,425 | 6,871 |
| FREE CASH FLOW | 48,146 | (9,519) | 16,407 | 24,895 | 31,505 | (5,871) | (18,305) | 16,237 | 2,891 | 5,708 |
| WORKING CAPITAL (AFTER DISTRIBUTION) | 198,702 | 165,460 | 141,703 | 126,418 | 118,743 | 117,949 | 101,838 | 90,328 | 80,793 | 84,598 |
| WORKING CAPITAL REQUIREMENT | 202,889 | 189,919 | 152,744 | 121,155 | 117,621 | 122,006 | 95,080 | 76,833 | 74,541 | 70,148 |
| Net stock at 31/12 | 191,695 | 190,362 | 171,218 | 119,541 | 123,046 | 122,782 | 102,962 | 80,819 | 77,191 | 69,824 |
| NET CASH | 31,618 | 13,308 | 24,989 | 39,931 | 32,305 | 23,040 | 28,604 | 27,385 | 20,839 | 29,049 |
| SHAREHOLDERS' EQUITY AT 31/12 | | | | | | | | | | |
| Before allocation of profit | 358,768 | 318,829 | 278,636 | 241,583 | 219,663 | 203,469 | 189,708 | 173,233 | 162,428 | 146,462 |
| Profit to be distributed | 19,138 | 19,138 | 18,402 | 16,746 | 16,397 | 15,942 | 15,487 | 14,398 | 14,209 | 13,620 |
| AFTER ALLOCATION | 339,630 | 299,691 | 260,234 | 224,837 | 203,266 | 187,527 | 174,221 | 158,835 | 148,219 | 132,842 |
| LONG-TERM CAPITAL AT 31/12 | 339,630 | 299,691 | 260,234 | 224,837 | 203,266 | 187,527 | 174,221 | 158,835 | 148,219 | 132,842 |
| Non-current liabilities | 43,507 | 50,303 | 23,555 | 35,932 | 38,768 | 42,347 | 28,633 | 3,934 | 4,450 | 5,021 |
| Non-current assets | 184,435 | 184,534 | 142,086 | 134,351 | 123,291 | 111,925 | 101,016 | 72,441 | 71,876 | 53,265 |

Turnover: We present our turnover over 10 years. And so, to use a comparable base, we worked with turnover according to IAS 18. For 2017-2023, we also used the turnover figure according to IFRS 15: that included in primary financial statements and was communicated in our publications.

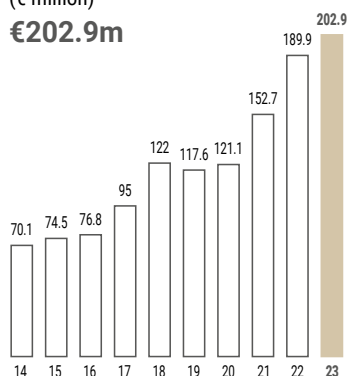
Trade margin: The trading margin presented above is the result of the following calculation: turnover according to IAS 18 from which we subtract purchases consumed.

Workforce: 'Headcount' refers to the number of employees present in the Group on December 31.

Net stock
(€ million)
€191.7m

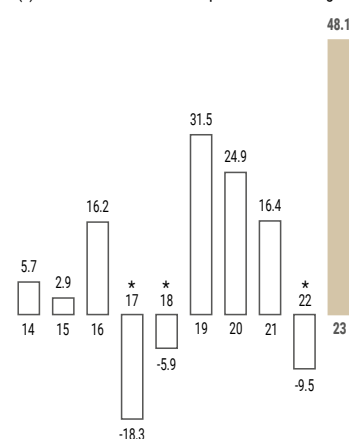


Working capital requirement
(€ million)
€202.9m



Free cash flow
(€ million)
€48.1m

(*) In connection with the acquisitions financing



6. Annual consolidated figures

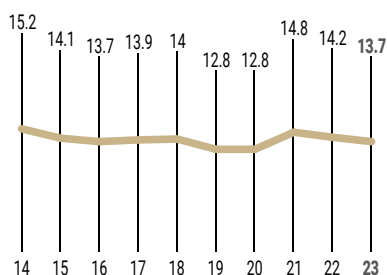
CONSOLIDATED RATIOS: 10-YEAR HIGHLIGHTS

Since the key financial figures are for a 10-year period, we worked out the ratios based on a turnover level calculated according to IAS 18 (ie: before reprocessing the IFRS 15 impact).

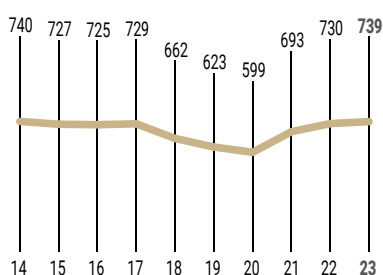
ROCE means Return On Capital Employed, the latter being the aggregate of non-current assets including goodwill and working capital. We have not taken the impact of IFRS 16 restatements into account in these aggregates.

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| PROFITABILITY RATIOS (%) | | | | | | | | | | |
| Staff costs / Turnover | 10.8 | 10.3 | 10.7 | 11.7 | 11.5 | 11.1 | 10.5 | 11 | 10.5 | 10.8 |
| Operating profit / Turnover | 13.7 | 14.2 | 14.8 | 12.8 | 12.8 | 14 | 13.9 | 13.7 | 14.1 | 15.2 |
| PORTION OF NET PROFIT ALLOCATED TO THE GROUP / TURNOVER | 9.9 | 10.5 | 10.7 | 9 | 8.7 | 9.2 | 9.7 | 8.9 | 9.2 | 9.7 |
| Pre-tax return on equity (ROE) | 17.2 | 19.7 | 20.3 | 16.1 | 15.9 | 15.5 | 15.1 | 13 | 13.6 | 14.9 |
| Cash flow from operations / Turnover | 11.8 | 12 | 12.2 | 10.7 | 10.2 | 10.4 | 11 | 9.9 | 10.2 | 11 |
| RETURN ON CAPITAL EMPLOYED BEFORE TAXES (ROCE) | 21.7 | 22.1 | 25.5 | 20.6 | 20.2 | 18.8 | 19.2 | 21.2 | 21.2 | 25.3 |
| PRODUCTIVITY RATIOS (in thousands of euros) | | | | | | | | | | |
| Turnover per employee | 739 | 730 | 693 | 599 | 623 | 662 | 729 | 725 | 727 | 740 |
| FINANCIAL RATIOS AFTER DISTRIBUTION (%) | | | | | | | | | | |
| Cash flow from operations / Equity | 20 | 22 | 23 | 19 | 18.7 | 17 | 17 | 14 | 15 | 17 |
| Non-current assets + stock / Equity | 111 | 125 | 120 | 113 | 121 | 125 | 117 | 96 | 101 | 93 |
| Long-term capital / Non-current assets | 184 | 162 | 183 | 167 | 165 | 168 | 172 | 219 | 206 | 249 |
| Long-term capital / Stock | 177 | 157 | 152 | 188 | 165 | 153 | 169 | 197 | 192 | 190 |

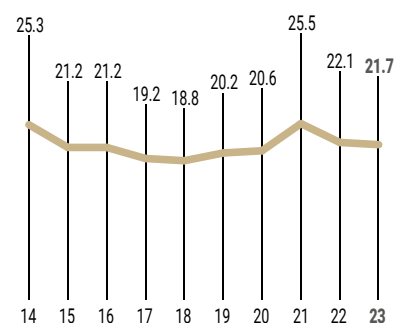
Operating profit / turnover
(in %)
13.7%



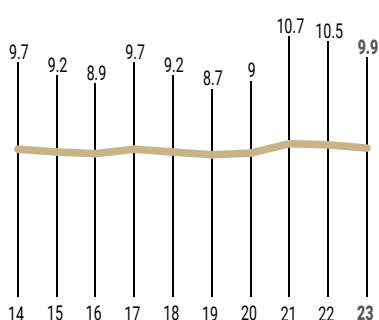
Turnover per employee
(in thousands of euros)
€739k



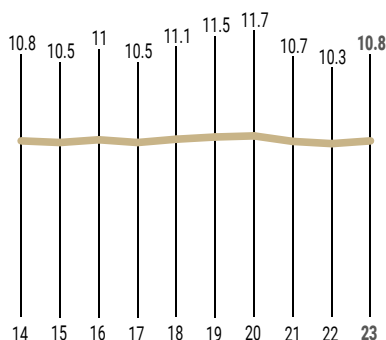
Return on capital employed before tax (in %)
21.7%



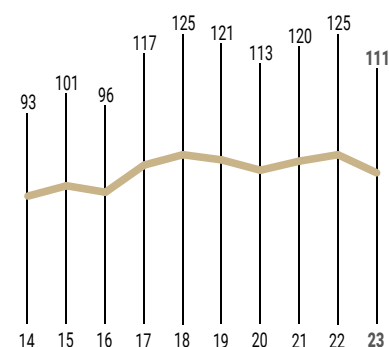
Portion of net profit allocated to the Group / turnover
(in %)
9.9%



Staff costs / turnover
(in %)
10.8%



Non-current assets + stock / equity
(in %)
111%

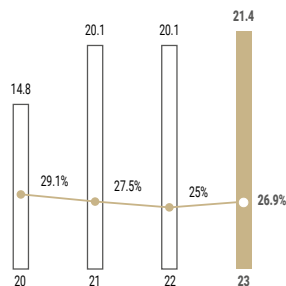


6. Annual consolidated figures

KEY DATA FROM THE CONSOLIDATED INCOME STATEMENT

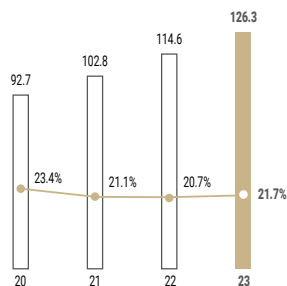
TAX
€21.4m

% of pre-tax profit
26.9%



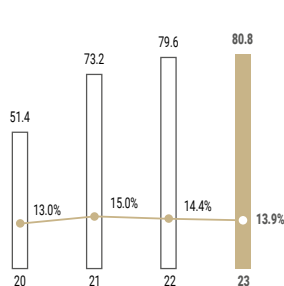
Total costs, excluding tax
€126.3m

% of turnover
21.7%



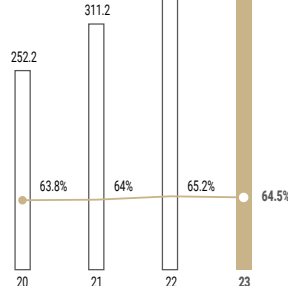
Operating profit
(€ million)
€80.8m

% of turnover
13.9%



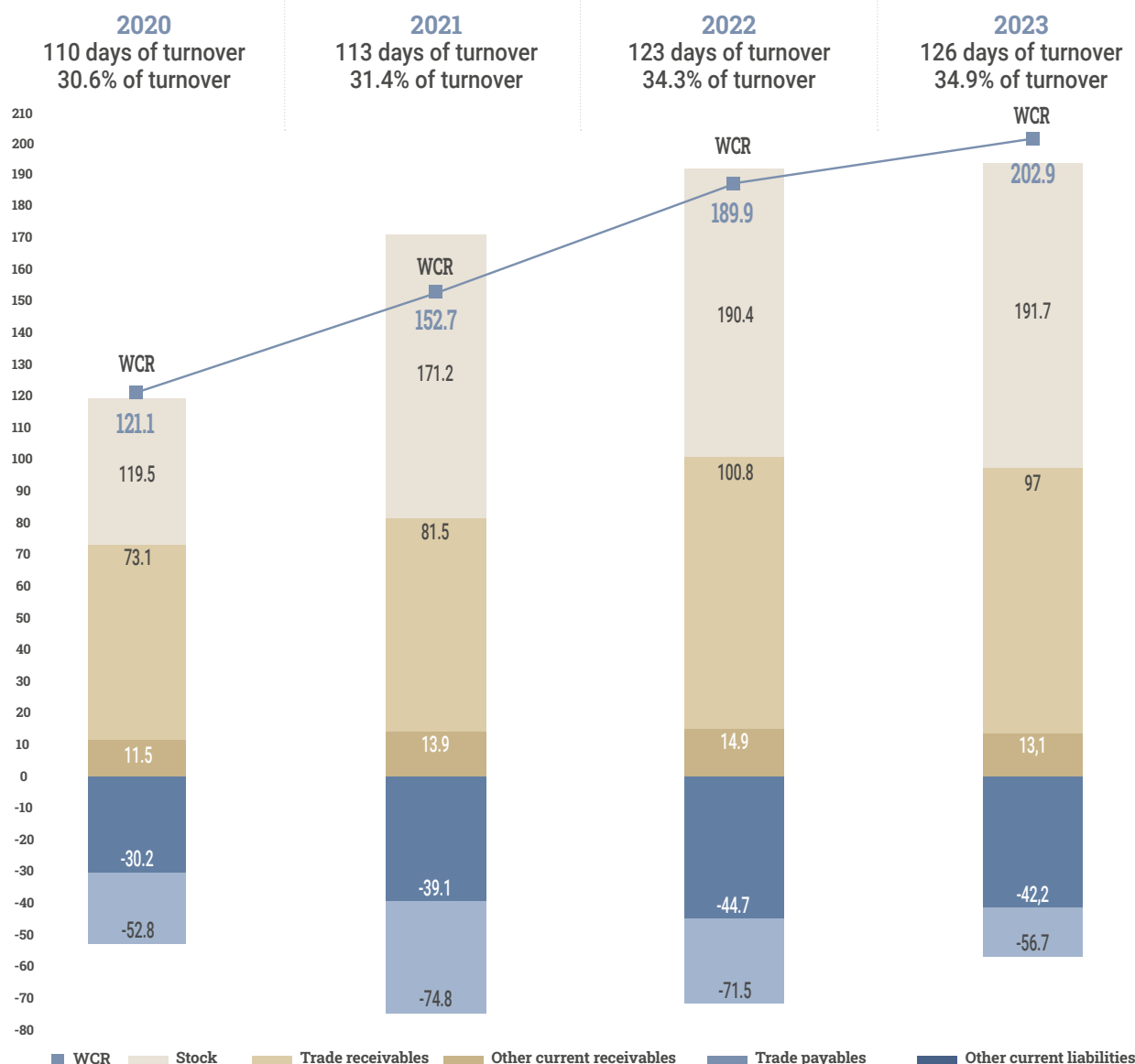
Purchases consumed
(€ million)
€374.4m

% of turnover
64.5%



OUR WORKING CAPITAL REQUIREMENT

In thousands of euros.



6. Annual consolidated figures

6.2

CONSOLIDATED ACCOUNTS 2023

CONSOLIDATED FINANCIAL STATEMENTS

In thousands of euros

CONSOLIDATED PROFIT STATEMENTS

| | NOTES | 2023 | 2022 |
|---|----------------|----------------|----------------|
| NET TURNOVER | 1 - 2 | 580,950 | 553,859 |
| Other income from activity | | 675 | 1 323 |
| Purchases consumed | 3 | (374,438) | (361,014) |
| Cost of goods sold | 4 | (63,726) | (58,084) |
| External costs | 3 - 27 | (45,443) | (42,548) |
| Taxes, of which CVAE (French local added-value tax) | | (4,262) | (4,392) |
| Depreciation and amortisation - excluding IFRS 16 | 16 | (8,635) | (6,640) |
| Depreciation and amortisation - IFRS 16 impacts | 15 - 16 | (1,903) | (1,519) |
| Increase in provisions | 5 - 8 - 9 - 23 | (1,996) | (995) |
| Other earnings, other operating expenditure | | (381) | (398) |
| OPERATING PROFIT | 1 - 3 | 80,841 | 79,592 |
| Cash earnings and equivalent | | 216 | 35 |
| Gross cost of debt | | (1,170) | (526) |
| Financial charges - IFRS 16 impacts | 15 | (154) | (55) |
| Taxes | 25 | (21,434) | (20,147) |
| NET PROFIT | | 58,299 | 58,899 |
| Net profit as a portion of the Group | 3 | 58,299 | 58,899 |
| Net profit attributable to minority interests | | - | - |
| Net profit per share in euros ⁽¹⁾ | | 6.34 | 6.40 |
| Net profit per share after dilution in euros ⁽²⁾ | | 6.01 | 6.07 |

| | | |
|---|------------------|------------------|
| BREAKDOWN OF THE NUMBER OF SHARES | 2023 | 2022 |
| FOR NET EARNINGS PER SHARE | | |
| Total number of shares | 9,200,849 | 9,200,849 |
| Number of treasury shares held | 136 | 3,000 |
| ⁽¹⁾ Number of shares taken into account to calculate net profit per share | 9,200,713 | 9,197,849 |
| NET PROFIT PER SHARE AFTER DILUTION | | |
| Total number of shares | 9,200,849 | 9,200,849 |
| Number of treasury shares held | 136 | 3,000 |
| Number of shares representing authorised, unissued capital of €2,000,000 | 500,000 | 500,000 |
| ⁽²⁾ Number of shares taken into account to calculate net profit per share | 9,700,713 | 9,697,849 |

STATEMENT OF OTHER ELEMENTS OF NET OVERALL CONSOLIDATED PROFIT

| | NOTES | 2023 | 2022 |
|--|-------|---------------|---------------|
| NET PROFIT | | 58,299 | 58,899 |
| OTHER ELEMENTS OF OVERALL PROFIT: | | | |
| Actuarial discrepancy on end-of-career commitment provision | 5 | (167) | 860 |
| Operations on treasury shares | 17 | - | - |
| The fair value of financial instruments | 22 | 886 | (1,127) |
| Foreign exchange differences | | 13 | - |
| Total overall profit | | 59,031 | 58,632 |
| TOTAL OVERALL PROFIT - PORTION OF GROUP | | 59,031 | 58,632 |
| TOTAL OF OVERALL PROFIT ALLOCATED TO MINORITY INTERESTS | | 0 | 0 |

6. Annual consolidated figures

CONSOLIDATED BALANCE SHEET

In thousands of euros

| ASSETS | NOTES | 31/12/2023 | 31/12/2022 |
|--|------------------|----------------|----------------|
| NON-CURRENT ASSETS: | | | |
| Goodwill | 1 - 13 - 14 | 78,998 | 78,998 |
| Intangible assets | 12 - 14 - 16 | 20,215 | 22,460 |
| Tangible assets, of which right of use | 1 - 12 - 14 - 16 | 83,941 | 81,410 |
| Financial investments | 14 | 556 | 428 |
| Deferred tax assets | 10-25 | 725 | 1,238 |
| TOTAL NON-CURRENT ASSETS | | 184,435 | 184,534 |
| CURRENT ASSETS: | | | |
| Stock (goods) | 1 - 7 - 8 | 191,695 | 190,362 |
| Trade notes and accounts receivables | 1 - 7 - 9 - 10 | 97,005 | 100,806 |
| Current tax assets | 7 - 10 | 2,317 | 1,425 |
| Deferred tax assets | 10 - 25 | 507 | 493 |
| Other receivables | 7 - 10 | 10,811 | 13,509 |
| Cash and cash equivalents | 21 | 35,237 | 16,031 |
| TOTAL CURRENT ASSETS | | 337,572 | 322,626 |
| TOTAL ASSETS | | 522,007 | 507,160 |

| LIABILITIES | NOTES | 31/12/2023 | 31/12/2022 |
|---|--------------|----------------|----------------|
| EQUITY: | | | |
| Share capital and reserves | 17 | 114,936 | 101,403 |
| Consolidated reserves | | 185,534 | 158,527 |
| Portion of net profit allocated to the G roup | | 58,299 | 58,899 |
| Minority interests | | - | - |
| TOTAL NON-CURRENT LIABILITIES | | 358,769 | 318,829 |
| NON-CURRENT LIABILITIES: | | | |
| Loans and long-term financial debt | 21 | 27,379 | 35,319 |
| Rental obligations over one year | 15 - 21 | 6,289 | 5,089 |
| Deferred tax liabilities | 25 | 5,933 | 6,432 |
| Provisions for end-of-career commitment | 5 - 6 | 3,906 | 3,463 |
| TOTAL NON-CURRENT LIABILITIES | | 43,507 | 50,303 |
| CURRENT LIABILITIES: | | | |
| Current provisions | 11 - 23 | 760 | 624 |
| Rental obligations under one year | 11 - 14 - 21 | 1,818 | 1,439 |
| Short-term loans | 11 - 21 | 3,619 | 2,723 |
| Current portion of loans and financial long-term debt | 11 - 21 | 7,749 | 8,521 |
| Accounts payables | 1 - 7 - 21 | 56,695 | 71,455 |
| Equipment supply accounts payables | 11 | 5,820 | 6,600 |
| Current tax liabilities | 11 | 1,611 | 3,450 |
| Tax and social charges debt | 11 | 21,233 | 19,138 |
| Other liabilities | 7 - 11 | 20,426 | 24,078 |
| TOTAL CURRENT LIABILITIES | | 119,731 | 138,028 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 522,007 | 507,160 |

6. Annual consolidated figures

CONSOLIDATED CASH FLOW STATEMENT

| In thousands of euros | NOTES | 31/12/2023 | 31/12/2022 |
|--|---------------------|-----------------|-----------------|
| CONSOLIDATED NET PROFIT | 3 | 58,299 | 58,899 |
| Purchase of own shares - Impact IFRS 2 | 5 | 40 | 137 |
| Net depreciation charge excluding IFRS 16 and provisions (non-current) | 5 - 8 - 9 - 16 - 23 | 8,991 | 7,331 |
| Plus or minus depreciation allowance - IFRS 16 impacts | 16 | 1,903 | 1,519 |
| Plus financial charges - IFRS 16 impacts | | 154 | 56 |
| Capital gain or less on disposal | | 75 | (103) |
| CASH FLOW FROM OPERATIONS AFTER NET FINANCIAL COST AND TAXES | | 69,462 | 67,839 |
| Taxes | 25 | 21,434 | 20,147 |
| Cash flow from operations before net financial cost and taxes | | 90,896 | 87,986 |
| Taxes paid | 25 | (21,407) | (20,631) |
| CASH FLOW FROM OPERATIONS BEFORE NET FINANCIAL COST AND AFTER TAXES | | 69,489 | 67,355 |
| Change in operating working capital | 7 | (12,970) | (42,183) |
| NET CASH FLOW FROM OPERATING ACTIVITIES | | 56,519 | 25,172 |
| Net cash flow from operations of change in scope | | - | (27,881) |
| Outflow related to acquisitions of tangible and intangible fixed assets | 1 - 14 | (7,655) | (11,037) |
| Proceeds from disposal and redemption of non-derivative financial assets | 14 | 24 | 65 |
| Proceeds from disposal of property, plant and equipment | | 38 | 213 |
| Owing to assets suppliers (variation) | 11 | (780) | 3,949 |
| NET CASH FLOWS FROM INVESTMENTS | | (8,373) | (34,691) |
| FREE CASH FLOW | | 48,146 | (9,519) |
| Dividends paid to shareholders of the parent company | 18 | (19,132) | (18,396) |
| Loan subscriptions | | - | 31,000 |
| Flows on operations on treasury shares | | - | - |
| IFRS 16 financing flows | | (2,005) | (1,585) |
| Loan repayments | | (8,712) | (13,181) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | | (29,849) | (2,162) |
| INDEX OF CURRENCY FLUCTUATIONS | | 13 | - |
| NET CASH FLOW VARIATION | | 18,310 | (11,681) |
| OPENING CASH | | 13,308 | 24,989 |
| <i>Incl. positive cash</i> | | 16,031 | 27,379 |
| <i>Incl. short term loans</i> | | (2,723) | (2,390) |
| CLOSING CASH | | 31,618 | 13,308 |
| <i>Incl. positive cash</i> | | 35,237 | 16,031 |
| <i>Incl. short term loans</i> | | (3,619) | (2,723) |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In thousands of euros

| Equity variation statements | Capital | Reserves linked to capital | Treasury shares | Retained earnings | Profits recorded as directly shareholders' equity | Total Group share | Minority shareholders | Total shareholders' equity |
|---|---------------|----------------------------|-----------------|-------------------|---|-------------------|-----------------------|----------------------------|
| SITUATION ON 31/12/2022 | 36,803 | 64,600 | (220) | 218,144 | (498) | 318,829 | - | 318,829 |
| Dividends paid | - | - | - | (19,132) | - | (19,132) | - | (19,132) |
| Allocation of profits to reserves | - | 13,533 | - | (13,533) | - | - | - | - |
| Increase in capital | - | - | - | - | 886 | 886 | - | 886 |
| Purchase of own shares IFRS 2 - impacts | - | - | - | (168) | - | (168) | - | (168) |
| Translation adjustments | - | - | - | 13 | - | 13 | - | 13 |
| Actuarial adjustments | - | - | - | - | (167) | (167) | - | (167) |
| Treasury share transactions | - | - | 209 | - | - | 209 | - | 209 |
| Profit of the period | - | - | - | 58,299 | - | 58,299 | - | 58,299 |
| SITUATION ON 31/12/2023 | 36,803 | 78,133 | (11) | 243,623 | 221 | 358,769 | - | 358,769 |

Thermador Groupe specialises in the distribution of equipment for the circulation of fluids in the building, industry and public works sectors. The turnover by product family is broken down as follows:

- ✦ Fluid circuits in buildings (45.9%): heating, domestic hot water and ventilation.
- ✦ Fluid circuits in industry (22.9%): manual and motorised valves, fittings.
- ✦ Domestic pumps (16.3%): watering, swimming pools, lifting.
- ✦ Large tools for DIY, professionals and industry (7.7%): air compressors, generators and welding machines.
- ✦ Pipes for public works (7.2%): plastic pipes for wet and dry networks.

Customers are specialised wholesalers, DIY and food superstores, web-merchants, marketplaces and major players in the construction and public works markets.

83.3% of the Group's 2023 turnover of €580.9m was generated in France. As of December 31, 2023, it employed 798 people.

The Group's headquarters are located in Saint-Quentin-Fallavier in the Isère (38) region of France.

Its shares are listed on the regulated market of Euronext Paris in compartment B and admitted to the SRD.

On February 28, 2024, the Board of Directors of Thermador Groupe approved and authorised the publication of the Group's consolidated financial statements at December 31, 2023. They will be submitted to the Annual General Meeting on April 2, 2024.

6.3.1 - REFERENCE SET AND FUNDAMENTALS FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Thermador Groupe, the Group's parent company, is a public limited company (Société Anonyme) with a Board of Directors, subject to the provisions of Book II of the French Companies' Code, as well as to all other legal provisions applicable to French commercial companies. It is governed by current and future laws and regulations applicable to Sociétés Anonymes and by its Rules of Procedure.

Pursuant to Delegated Regulation (EU) No 2019/980 of the European Commission of March 14, 2019, the financial information on Thermador Groupe's assets and liabilities, financial position and results is provided for the last two financial years 2022 and 2023 and is prepared in accordance with Regulation (EC) No 1606/2002 of July 19, 2002 on the application of International Financial Reporting Standards (IFRS). At December 31, 2023, the Group's annual consolidated financial statements comply with the IFRS published by the IASB and adopted by the European Union.

The accounting principles used to prepare the financial statements for the year ended December 31, 2023 are consistent with those used to prepare the financial statements for the year ended December 31, 2022, with the exception of the changes in accounting standards described below.

6.3.1.1.1 - New standards and interpretations enforced at December 1, 2023

The following IFRS standards, amendments and interpretations apply to 2023:

- ✦ **IFRS 17** - Insurance contracts (including amendments).
- ✦ Amendments to **IAS 1** - Presentation of financial statements and practical application guide to materiality: disclosures about accounting policies.
- ✦ Amendments to **IAS 8** - Accounting policies, changes in accounting estimates and errors: definition of accounting estimates.
- ✦ Amendments to **IAS 12** - Corporation taxes: deferred tax relating to assets and liabilities arising from the same transaction.
- ✦ Amendments to **IAS 12** - Corporation taxes: International Tax Reform - Pillar 2 Model.

This standard and these amendments do not have a material impact on the Group's consolidated financial statements.

6.3.1.1.2 - The following accounting policies have continued to be applied for the December 31, 2023 financial statements

IFRIC 23 'Uncertainty about tax treatments' is mandatory from January 1, 2019. As things stood on December 31, 2023, the application of this interpretation had no impact on the accounts or on the presentation of the financial statements.

Accounting treatment of **software configuration or customisation costs in SaaS mode**.

In its decision of March 2021, the IFRS Interpretations Committee (IFRIC) clarified the accounting treatment of the costs of configuration or customisation of software applications used in SaaS mode (Software as a Service). Given the complexity of the analyses required and the fact that only one software application is concerned, this decision has not been applied for the consolidated financial statements at December 31, 2023. The impact of a restatement is considered immaterial.

6.3.1.1.3 - IFRS standards, amendments or interpretations applicable from 2024 and not anticipated by the Group:

- ✦ Amendments to **IAS 1** - Presentation of financial statements: classification of liabilities as current and non-current.
- ✦ Amendments to **IFRS 16** - Leases: lease obligation arising from a sale and lease-back.
- ✦ Amendments to **IAS 7** - Statement of Cash Flows and **IFRS 7** - Financial Instruments: Disclosures: Supplier financing arrangements.
- ✦ Amendments to **IAS 21** - Foreign exchange rate fluctuation effects: lack of convertibility.

We are currently analysing the impact of applying these amendments.

6. Annual consolidated figures

6.3.1.2 - Use of estimates and judgement

6.3.1.2.1 Basis of measurement and presentation of the consolidated financial statements.

HISTORICAL COST CONVENTION

The Group's consolidated financial statements are presented in euros and prepared under the historical cost convention, with the exception of financial instruments, which are accounted for in accordance with the processing of the various categories of financial assets and liabilities defined by IFRS 9.

CASH FLOW STATEMENT

The Group's cash flow statement is prepared using the indirect method based on net income.

'Interest received on non-current financial assets' is included in cash flows from investing activities because it represents a return on investment. 'Interest received on cash and cash equivalents' is included in cash flows from financing activities because it reduces the cost of obtaining financial resources. This classification is consistent with the Group's internal organisation, insofar as debt and cash are managed globally within the Group treasury department.

Impairment losses on current assets are treated as definitive losses; consequently, the change in current assets is shown net of impairment losses.

Cash flows relating to the payment of corporation tax are isolated.

6.3.1.2.2 - Estimates

The preparation of financial statements requires the use of estimates and assumptions in the determination of the value of assets and liabilities, the assessment of positive and negative contingencies at the balance sheet date, and income and expenses for the period.

A volatile economic and financial environment, particularly on the commodities markets and further to the conflict in Ukraine, led Thermador Groupe to review its risk monitoring procedures, particularly in the valuation of financial instruments and the assessment of counterparty and liquidity risk. This shifting environment and the high volatility of the markets were taken into consideration by Thermador Groupe in the estimates used for, among other things, impairment tests and provision calculations.

Due to the uncertainties inherent in any valuation process, Thermador Groupe revises its estimates on the basis of regularly updated information. Future results of the operations concerned may differ from these estimates.

The significant estimates made by Thermador Groupe for the preparation of the financial statements at December 31, 2023 relate mainly to:

- ✦ the assessment of the recoverable amount of goodwill, property, plant and equipment and intangible assets (cf: Note 13 on Goodwill);
- ✦ the fair value measurement of financial assets and liabilities and, in the context of the current crisis, the consideration of uncertainties in the key assumptions used;
- ✦ the assessment of expected credit losses, including the updating of default probabilities and other parameters in an uncertain environment (cf: Note 9 on IFRS 9);
- ✦ the fair value measurement of assets acquired and liabilities taken on in the case of businesses being brought together (cf: Note 25 on deferred taxes);
- ✦ the valuation of capitalised tax loss carry-forwards taking into account, where appropriate, revisions and projections of taxable income (cf: Note 25 on deferred taxes).
- ✦ the valuation of the provision for end-of-career commitments (cf: Note 5.1 on end-of-career commitments).

6.3.1.2.3 - Judgement

In addition to the use of estimates, the Group's management has made judgements to determine the appropriate accounting treatment for certain activities and transactions, particularly where the existing IFRS standards and interpretations do not specifically address the accounting issues concerned.

In particular, the Group exercised its judgment in:

- ✦ the identification of agreements where leases exist (cf: Note 15).

In accordance with IAS 1, the Group presents current and non-current assets as well as current and non-current liabilities separately in its financial statements. In view of the majority of the Group's activities, it has been considered that the criterion for this classification is the time period for realising the asset or settling the liability: current if this period is less than 12 months and non-current if it is more than 12 months.

6.3.1.2.4 - Factoring climate issues into the preparation of the Group's financial statements

In addition to the operational and financial issues and risks taken into account in assessing future cash flows, discount rates net of inflation and projected growth, the Group has also exercised its judgement in selecting assumptions reflecting climate-related issues, in order to determine any impact on the consolidated financial statements. In particular, the Group checked whether there were any indications that non-financial assets might be impaired (see note 13 - Goodwill and note 14 - Fixed assets).

6.3.2 - THE YEAR'S MILESTONES

6.3.2.1 - Key facts

BUSINESS LEVELS:

Inflation reached 4.1% in France and 2.9% in Europe for 2023. Inflation has several implications for our business.

The purchase prices of our products have increased, with the exception of products containing polyethylene, PVC and stainless steel. Our ability to pass on these increases to our customers is even more crucial. The selling prices of our products have partly followed this trend. The average price increase passed on to our customers was 5.9%. We pay particular attention to improving the purchasing power of all our employees, with regular salary reviews. We also distributed a value-sharing bonus to a large proportion of our employees, based on length of service with the company.

In order to assist employees with their home-to-work journeys, the company has also introduced a sustainable mobility package (FMD). This tool, combined with increased home-working, has encouraged the use of 'soft' modes of transport and limited the financial impact of rising fuel prices.

LOWER SALES VOLUMES

The fall in volumes can be explained by a number of clearly identified factors: the tightening of funding for energy renovation by the French housing improvement agency (ANAH), which has seen virtually all players in the sector pull back on their activities; the almost 20% fall in new housing starts in France; the very significant decline in the swimming pool market; and poor sales by DIY superstores in some of our traditional product families. Fortunately, our performance in the industrial, HVAC and water cycle markets was positive. This slowdown also needs to be put into context by remembering that turnover growth to constant scope was 21.1% in 2021 and 12% in 2022. This type of growth is not sustainable in our businesses.

IMPACT OF THE WAR IN UKRAINE

The war in Ukraine has not had a material direct impact on the Group's financial position or results of operations.

TENSION OVER ENERGY COSTS

In 2023, our subsidiaries in France were hit by rising gas and electricity prices. The two contracts applicable for 2023 were signed with EDF for a period of one year. The additional cost corresponding to these increases was €1m in 2023. This was without taking into account the reduction in consumption in line with our sobriety plan, which will continue in 2023. The energy efficiency of our equipment has been taken into account as part of the work carried out on our buildings. Three buildings were equipped with renewable energy systems in 2023.

Together, these action plans have led to a 9.1% reduction in electricity consumption and a 30.5% reduction in gas consumption.

PROPOSED ACQUISITION OF A MINORITY STAKE IN FEMAT SOLUTIONS

On June 29, 2023, Thermador Groupe entered into negotiations with the shareholders of Groupe Femat, whose head office is at 14 chemin des Hirondelles in Dardilly (69570), to acquire a minority stake in Femat Solutions, a wholly-owned subsidiary of Femat (a specialist distributor of materials and solutions for high-performance buildings). As part of the deal, Garibaldi Participations, which has been supporting Groupe Femat since 2021, is looking to strengthen its capital footprint alongside the group's banking partners, who are working on putting in place financing to boost the company's working capital. Femat Solutions provides services to professionals, in particular the valuation of energy saving certificates (CEE) and the organisation of financing solutions for government aid to improve the energy performance of buildings (MaPrimeRénov' scheme). More specifically, it provides support to professionals at every stage of their projects, ensures that the projects are technically sound, guarantees payment of the grants and manages the administrative and financial formalities required for the French housing improvement agency (ANAH), which promotes and finances a large part of the thermal and energy renovation of buildings.

Femat Solutions also supports and advises its customers, both public and private clients, project managers and contractors, on energy-efficient renovation and construction projects (in the residential, collective and tertiary sectors). The company employs 4 people and generated turnover of €1.19m in its last financial year. The deal would give Thermador Groupe companies involved in the energy renovation of buildings access to Femat Solutions' expertise and network, enabling them to anticipate regulatory requirements, promote their technical solutions (and this would include large-scale projects), deliver training that targets stable installation professionals expected to be active on the market over the long term, and ensure that their products are properly installed, a sure-fire way of enhancing their reputation. As a reminder, sales of accessories for installing heat pumps and solar water heaters made a significant contribution to Thermador's growth in 2021 and 2022.

At December 31, 2023, this project had still not been completed. By mutual agreement with the management of Femat Solutions, we have decided to give ourselves more time to think about acquiring a minority stake.

PROPOSED ACQUISITION OF COMPTEUR-ENERGIE.COM

On 24 November 2023, we announced our discussions with the shareholders of Compteur-energie.com, the holding of a group of 3 companies employing eight people and generating turnover of €2.8m. They combine expertise in the design and marketing of remote reading systems (Internet Of Things) and electricity, water, gas, heating oil and energy meters for professionals. We will do our utmost to complete this acquisition in the first half of 2024.

6. Annual consolidated figures

6.3.2.2 - Consolidation scope and method

CHANGES TO THE CONSOLIDATION SCOPE

All subsidiaries in which Thermador Groupe directly or indirectly holds at least 20% of the voting rights at December 31, 2023 are included in the consolidation scope.

The scope of consolidation and consolidation method remain unchanged at December 31, 2023.

SCOPE AT DECEMBER 31, 2023

| NAME | LOCATION | OWNERSHIP INTEREST (%) | CONSOLIDATION METHOD |
|---------------|----------|------------------------|---------------------------------|
| Aello | France | 100.00% | Fully consolidated subsidiaries |
| Axelair | France | 99.997% | Fully consolidated subsidiaries |
| Distrilabo | France | 100.00% | Fully consolidated subsidiaries |
| Domac | France | 100.00% | Fully consolidated subsidiaries |
| DPI | Monaco | 100.00% | Fully consolidated subsidiaries |
| FGinox | France | 100.00% | Fully consolidated subsidiaries |
| Isocel | France | 100.00% | Fully consolidated subsidiaries |
| Jetly | France | 100.00% | Fully consolidated subsidiaries |
| Mecafer | France | 100.00% | Fully consolidated subsidiaries |
| Odrea | France | 100.00% | Fully consolidated subsidiaries |
| Opaline | France | 100.00% | Fully consolidated subsidiaries |
| PB Tub | France | 100.00% | Fully consolidated subsidiaries |
| Rousseau SA | Spain | 100.00% | Fully consolidated subsidiaries |
| Sectoriel | France | 100.00% | Fully consolidated subsidiaries |
| Sferaco | France | 100.00% | Fully consolidated subsidiaries |
| Sodeco Valves | Belgium | 100.00% | Fully consolidated subsidiaries |
| Syveco | France | 100.00% | Fully consolidated subsidiaries |
| Thely | France | 100.00% | Fully consolidated subsidiaries |
| Thermacome | France | 100.00% | Fully consolidated subsidiaries |
| Thermador | France | 100.00% | Fully consolidated subsidiaries |

6.3.3 - MARKET SECTOR REPORT

NOTE 1 Market sector report (in thousands of euros)

In accordance with IFRS 8, Cash-Generating Units (CGUs) have been defined according to the business segment criteria.

Given the organisation of the Group and the distribution of the various business lines, the CGUs retained by the Group are made up of the legal entities that constitute an operational market. Each subsidiary manager is autonomous in the operational management of his entity (human resources, customers, suppliers, etc.): Jetly, Sferaco including Valfit group (since December 31, 2017), Thermador, Odrea, Isocel, PBtub, Sectoriel including Nuair France since July 1, 2015, Syveco, Axelair, Mecafer (since July 1, 2015) including Domac since March 1, 2017, Aello, Sodeco Valves, FGinox, Distrilabo (since December 31, 2019), Thermacome (since April 30, 2020), DPI (acquired on October 31, 2022) and a separate unit consisting of Thely, Opaline and Thermador Groupe.

6. Annual consolidated figures

The performance indicators presented in this sector-based information are those monitored by our subsidiary managers who are members of our Executive Committee.

In thousands of euros

| INCOME STATEMENT ITEMS | | 2023 | | | 2022 | | |
|------------------------|--|----------------------|------------------|--------|----------------------|------------------|--------|
| | | Sales as per IFRS 15 | Operating profit | % T.O. | Sales as per IFRS 15 | Operating profit | % T.O. |
| MECAFER DOMAC | Large tools in DIY superstores | 34,164 | 3,135 | 9.2% | 37,327 | 2,026 | 5.40% |
| ODREA | Pumps, plumbing and sanitary fittings in DIY superstores | 71,395 | 3,482 | 4.9% | 70,548 | (15) | 0.00% |
| ISOCCEL | Boiler manufacturers | 9,711 | 1,590 | 16.4% | 10,543 | 1,894 | 18.00% |
| AELLO | Pool accessories | 19,103 | 1,277 | 6.7% | 20,309 | 1,880 | 9.30% |
| DPI | Plastic pipes for wet and dry networks | 41,950 | 2,071 | 4.9% | 9,070 | 915 | 10.10% |
| JETLY | Pumps | 62,467 | 15,922 | 25.5% | 59,127 | 14,287 | 24.20% |
| THERMADOR | Heating accessories | 96,729 | 21,573 | 22.3% | 102,265 | 26,065 | 25.50% |
| PBTUB | Synthetic tubes | 26,367 | 2,615 | 9.9% | 28,838 | 2,958 | 10.30% |
| THERMACOME | | 19,687 | 1,411 | 7.2% | 22,583 | 1,775 | 7.90% |
| AXELAIR | Ventilation | 7,226 | (739) | - | 7,199 | (136) | |
| SFERACO | Taps and fittings | 79,048 | 14,615 | 18.5% | 73,626 | 14,037 | 19.10% |
| SECTORIEL | Motorisation for valves and air compressors | 29,492 | 5,261 | 17.8% | 29,538 | 5,744 | 19.40% |
| DISTRILABO | Technical equipment for measurement and control | 6,728 | 1,077 | 16.0% | 6,335 | 883 | 13.90% |
| FG INOX | Fittings, flanges and accessories | 16,582 | 1,062 | 6.4% | 17,688 | 1,490 | 8.40% |
| SYVECO | International | 34,742 | 6,105 | 17.6% | 33,950 | 5,371 | 15.80% |
| SODECO VALVES | Industrial fittings | 25,167 | 2,433 | 9.7% | 24,556 | 2,068 | 8.40% |
| OTHER STRUCTURES | | 392 | 31,649 | - | 357 | 31,928 | |
| ELIMINATIONS | | - | (33,698) | - | | (33,578) | |
| TOTAL | | 580,950 | 80,841 | 13.90% | 553,859 | 79,592 | 14.40% |

In thousands of euros

| BALANCE SHEET ITEMS | 2023 | | | | | | | 2022 | | | | | | |
|---------------------|-----------|----------|---|-----------------|---------------------|---------------------|-------------|-----------|----------|---|-----------------|---------------------|---------------------|-------------|
| | Assets | Goodwill | Of which, property, plant and equipment | Of which, stock | Of which, customers | Of which, suppliers | Investments | Assets | Goodwill | Of which, property, plant and equipment | Of which, stock | Of which, customers | Of which, suppliers | Investments |
| MECAFER DOMAC | 28,963 | 15,658 | 1,311 | 9,319 | 7,182 | 3,648 | 175 | 29,028 | 15,658 | 1,508 | 11,002 | 7,250 | 5,458 | 90 |
| ODREA | 60,597 | 1,459 | 4,671 | 29,864 | 24,640 | 8,049 | 381 | 62,802 | 1,459 | 5,187 | 33,456 | 24,631 | 10,396 | 104 |
| ISOCCEL | 5,296 | 87 | 80 | 2,013 | 1,204 | 1,023 | 2 | 5,871 | 87 | 99 | 2,639 | 1,509 | 1,473 | 38 |
| AELLO | 9,225 | - | 716 | 5,714 | 755 | 2,172 | 106 | 8,110 | - | 763 | 5,592 | 1,025 | 2,010 | 87 |
| DPI | 10,212 | 22,181 | 582 | 160 | 165 | 1,482 | 14 | 10,710 | 22,181 | 88 | 219 | 1,761 | 3,122 | - |
| JETLY | 36,912 | 1,646 | 734 | 17,250 | 9,881 | 5,856 | 263 | 35,883 | 1,646 | 591 | 16,533 | 9,583 | 7,446 | 245 |
| THERMADOR | 59,599 | 2,546 | 428 | 42,092 | 14,167 | 14,282 | 235 | 61,188 | 2,546 | 439 | 31,809 | 17,611 | 18,179 | 218 |
| PBTUB | 16,307 | 313 | 1,090 | 9,753 | 3,340 | 1,584 | 469 | 16,719 | 313 | 789 | 9,711 | 4,124 | 2,039 | 129 |
| THERMACOME | 9,752 | 3,031 | 108 | 2,822 | 2,776 | 1,642 | 4 | 9,180 | 3,031 | 167 | 2,978 | 3,514 | 1,761 | 1 |
| AXELAIR | 5,673 | 819 | 275 | 3,103 | 1,131 | 774 | 6 | 6,728 | 819 | 341 | 3,948 | 1,295 | 760 | 169 |
| SFERACO | 68,607 | 6,966 | 1,195 | 48,243 | 13,061 | 9,538 | 405 | 68,651 | 6,966 | 1,118 | 47,899 | 14,838 | 11,619 | 923 |
| SECTORIEL | 21,041 | 1,958 | 870 | 7,811 | 6,144 | 3,575 | 203 | 20,855 | 1,958 | 823 | 8,791 | 6,682 | 3,451 | 454 |
| FG INOX | 14,249 | 15,930 | 3,008 | 5,893 | 2,981 | 1,201 | 79 | 13,914 | 15,930 | 3,343 | 7,686 | 2,884 | 1,194 | 1,820 |
| SYVECO | 15,447 | 40 | 218 | 475 | 3,589 | 3,917 | 141 | 14,934 | 40 | 175 | 207 | 4,553 | 4,343 | 63 |
| SODECO VALVES | 16,649 | 3,876 | 3,147 | 5,502 | 5,898 | 2,086 | 433 | 15,550 | 3,876 | 2,954 | 6,159 | 4,306 | 2,562 | 129 |
| DISTRILABO | 5,089 | 2,488 | 166 | 1,680 | 1,436 | 536 | 24 | 4,023 | 2,488 | 239 | 1,733 | 1,395 | 446 | 33 |
| OTHER STRUCTURES | 296,037 | - | 65,342 | - | 931 | 1,196 | 4,715 | 284,431 | - | 62,786 | - | 822 | 1,269 | 6,804 |
| ELIMINATIONS | (157,648) | - | - | - | (2,276) | (5,865) | - | (161,417) | - | - | - | (6,977) | (6,073) | - |
| TOTAL | 522,007 | 78,998 | 83,941 | 191,695 | 97,005 | 56,695 | 7,655 | 507,160 | 78,998 | 81,410 | 190,362 | 100,806 | 71,455 | 11,307 |

6. Annual consolidated figures

6.3.4 - NOTES ON TURNOVER

NOTE 2 Explanation of 2023 turnover

RECOGNITION OF TURNOVER

The Group's turnover comes mainly from sales of finished products. It is recorded net of discounts and commercial advantages granted to customers, costs related to commercial agreements, listing costs or costs related to specific promotional actions invoiced by distributors. Our turnover is recognised on delivery. Our Group is not subject to any other performance obligations related to additional services (installation and/or maintenance of goods, etc.).

With regard to the warranties provided, our Group offers legal guarantees only. The impacts of these guarantees under IFRS 15 are not material.

BREAKDOWN OF TURNOVER BY DISTRIBUTION CHANNEL:

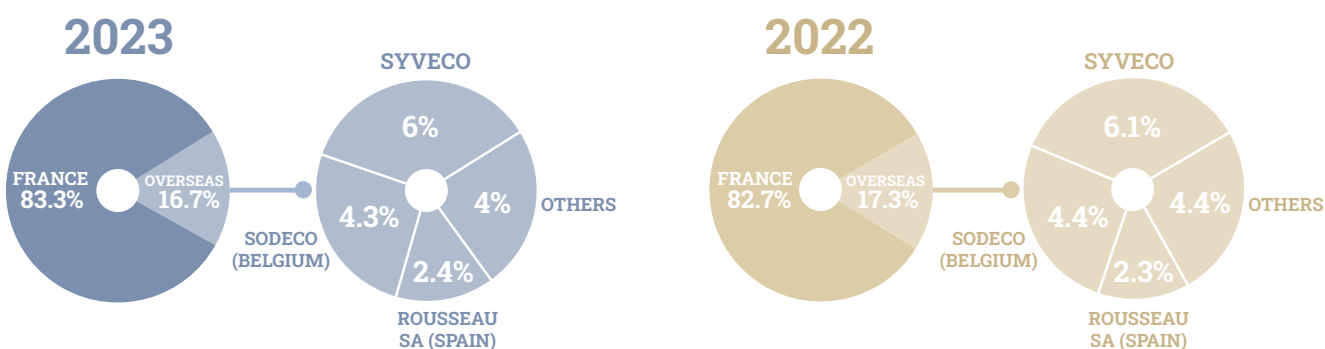
TURNOVER

| In thousands of euros | 2023 | 2023 TO CONSTANT SCOPE | 2022 | VARIATION 2023/2022 | VARIATION 2023/2022 TO CONSTANT SCOPE |
|-----------------------|----------------|------------------------------|----------------|------------------------|---|
| Retail | 105,559 | 105,559 | 107,875 | -2.1% | -2.1% |
| Professional channel | 474,999 | 438,180 | 445 627 | 6.6% | -1.7% |
| Other structures | 392 | 392 | 357 | 9.5% | 9.5% |
| TOTAL | 580,950 | 544,131 | 553,859 | 4.9% | -1.8% |

Turnover for 2023 include sales of €41,950k by DPI, which was acquired on October 31, 2022. 2023 turnover to constant scope includes DPI's sales for November and December 2023 of €5,131k.

BREAKDOWN OF TURNOVER BY GEOGRAPHICAL AREA:

| In thousands of euros | 2023 | IN % | 2022 | IN % |
|--|----------------|-------------|----------------|-------------|
| France | 483,984 | 83.3% | 458,222 | 82.7% |
| Syveco (International) | 34,742 | 6.0% | 33,950 | 6.1% |
| Sodeco Valves (Belgium) | 25,167 | 4.3% | 24,556 | 4.4% |
| Rousseau SA (Spain) | 13,818 | 2.4% | 12,572 | 2.3% |
| Other companies involved in export activities | 23,239 | 4.0% | 24,559 | 4.4% |
| TOTAL | 580,950 | 100% | 553,859 | 100% |



6. Annual consolidated figures

6.3.5 - NOTES ON OTHER INCOME STATEMENT ITEMS

NOTE 3 Explanation of the operating result and net result for FY 2023

PROFIT TRENDS:

| In thousands of euros | 2023 | 2023 TO CONSTANT SCOPE | 2022 | VARIATION 2023/2022 | 2023 VARIA- TION VS. 2022 CONSTANT SCOPE |
|--|--------|------------------------------|--------|------------------------|--|
| Operating profit from ordinary business | 80,841 | 78,557 | 79,592 | 1.6% | -1.3% |
| Portion of net profit allocated to the Group | 58,299 | 56,598 | 58,899 | -1.0% | -3.9% |

The 2023 result to constant scope includes the loss of €252k over the months of November and December 2023 for DPI, a company acquired on October 31, 2022. This performance is not representative in terms of earnings, since DPI made a net profit of €1,449k for the year as a whole.

The cost of goods sold corresponds to the cost of goods purchased from our suppliers, plus transport costs, plus or minus stock and exchange rate fluctuations. In our costs, logistics being handled mainly by our own teams, the most important items are:

- ✦ Our staff costs (see note 4).
- ✦ Our transport costs on sale.
- ✦ Our net financial expense mainly comprises interest on fixed-rate euro-denominated loans (€832k) and interest linked to a factoring contract at DPI (€132k).

6.3.6 - NOTES ON HEADCOUNT, CHARGES AND STAFF BENEFITS

NOTE 4 Personnel costs

Personnel costs include the total salary costs of the Group's employees. These expenses can fluctuate, in particular according to the number of employees, the average level of earnings and the performance of our subsidiaries in terms of operating profit, which determines the level of variable earnings.

| In thousands of euros | 31/12/2023 | 31/12/2022 |
|--|---------------|---------------|
| Staff earnings | 45,155 | 41,104 |
| <i>Of which, earnings of executives and corporate officers</i> | 1,320 | 1,266 |
| Social charges | 18,571 | 16,980 |
| TOTAL PERSONNEL CHARGES | 63,726 | 58,084 |

DISTRIBUTION OF STAFF BY:

| FONCTION | 31/12/2023 | | | 31/12/2022 | | |
|--|------------|------------|------------|------------|------------|------------|
| | Total | Women | Men | Total | Women | Men |
| General management, sales, administrative and purchasing | 71 | 30 | 41 | 69 | 28 | 41 |
| Itinerant sales staff | 144 | 13 | 131 | 145 | 9 | 136 |
| Office-based technical sales representative | 164 | 75 | 89 | 159 | 81 | 78 |
| Purchasing-Marketing | 92 | 56 | 36 | 97 | 62 | 35 |
| Administrative personnel | 130 | 87 | 43 | 115 | 77 | 38 |
| Warehouses staff | 197 | 30 | 167 | 185 | 25 | 160 |
| TOTAL | 798 | 291 | 507 | 770 | 282 | 488 |

| STATUS | 31/12/2023 | | | 31/12/2022 | | |
|-----------------------------|------------|------------|------------|------------|------------|------------|
| | Total | Women | Men | Total | Women | Men |
| Manager | 267 | 63 | 204 | 250 | 58 | 192 |
| Supervisor | 52 | 18 | 34 | 57 | 19 | 38 |
| Employee / shopfloor worker | 479 | 210 | 269 | 463 | 205 | 258 |
| TOTAL | 798 | 291 | 507 | 770 | 282 | 488 |

6. Annual consolidated figures

NOTE 5 Employee benefits

No post-employment benefits are granted to the Group's employees, other than end-of-career indemnities.

5.1 - End-of-career commitment and long-service awards

End-of-career commitments have been calculated including charges for an amount of €3,906k (of which directors and executives: €398k) based on age, seniority, salaries and the industry-wide agreements of. wholesale trade companies and that of the Metallurgy industry (for FGinox and some Odrea and Thermacome employees).

No end-of-career commitments were recognised at December 31, 2023 for two of our foreign subsidiaries Sodeco Valves and Rousseau SA (Spain). Sodeco Valves has an insurance policy covering compensation in the event of retirement. For France and Monaco, with the exception of Distrilabo, which also has an insurance policy partially covering compensation to be paid, the Group does not have any assets to cover this liability, and end-of-career commitments are calculated on the basis of a departure at the employee's initiative using the following assumptions:

| Assumption made: | AT DECEMBER 31, 2023 | AT DECEMBER 31, 2022 |
|--|-------------------------------|-------------------------------|
| Salary growth rate over 3 years | 4.03% | 3.34% |
| Discount rate by reference to the IBOXX Corporate AA10+. | 3.17% | 3.77% |
| Retirement age | 64.5 years | 64.5 years |
| Probability of survival to retirement age | INSEE mortality table | INSEE mortality table |
| | Under 35 years old 7.56% | Under 35 years old 6.98% |
| | Between 35 and 50 years 4.37% | Between 35 and 50 years 3.65% |
| | More than 50 years 0.81% | More than 50 years 0.70% |
| Staff turnover rate by age group | | |

| INDUSTRY-WIDE AGREEMENT APPLIED (IN NUMBER OF EMPLOYEES) | NUMBER OF EMPLOYEES AT DECEMBER 31, 2023 | NUMBER OF EMPLOYEES AT DECEMBER 31, 2022 |
|---|---|---|
| Wholesale trade | 646 | 503 |
| Metallurgy | - | 118 |
| Monaco | 20 | 16 |

| In thousands of euros | PROVISION FOR END-OF-CAREER COMMITMENTS AND LONG SERVICE AWARDS |
|--------------------------|--|
| AT 31/12/2022 | 3,463 |
| Allocations for the year | 607 |
| Actuarial difference | 222 |
| Reversals for the year | 386 |
| AT 31/12/2023 | 3,906 |

According to the wholesale trade's industry-wide agreement, the end-of-career indemnity is capped at three months' wages corresponding to 30 years' service for employees, six months' wages corresponding to 30 years' service for managers and six months' wages corresponding to 43.33 years' service for supervisors.

According to the Monaco industry-wide agreements, the end-of-career allowance is not capped. The benefit is conferred on the employee from the first year of service. In 2023, the employees of Odrea, Thermacome and FGinox were transferred to the wholesale trade industry-wide agreement by denunciation of usage. Our assumptions for calculating the provision for retirement commitments have remained identical to those used at December 31, 2022, in particular for the retirement age, which is 64.5, i.e. higher than the new legal retirement age (64). We have adjusted the retirement age assumption to 65.5 and 66. There is no material impact on the provision for retirement commitments.

Commitments for long-service awards have been quantified in our subsidiary Thermacome for employees covered by the metallurgy industry-wide agreement. They totalled €3k at December 31, 2023.

6. Annual consolidated figures

5.2 - Group savings plan (PEG)

GENERAL FRAMEWORK OF OUR GROUP SAVINGS PLAN

Each year, the Group savings plan (**PEG**) is open to all French employees as well as to employees in most other countries where the Group operates. A minimum of three months' service in the Group is required to be eligible for the PEG. Employees invest in Thermador shares. These shares are held through the PEG mutual fund and cannot be sold for a fixed period of five years, except under special circumstances. The employees' contributions are matched by a company contribution.

In 2023, the terms and conditions of the Group savings plan were as follows: any employee payment of €1,500 is matched by a €2,550 contribution with a minimum holding period of five years.

| | FINANCIAL YEAR 2023 | FINANCIAL YEAR 2022 |
|--|---------------------|---------------------|
| Maturity of plans (in years) | 5 | 5 |
| Amount subscribed by employees (in thousands of euros) | 1,455 | 1,511 |
| Amount paid by the Group and the subsidiaries for the contribution (in thousands of euros) | 1,309 | 1,175 |

The amount recognised as an expense for 2023 is €1,309k compared to €1,175k in 2022.

SPECIAL OPERATIONS

The Group implemented this Group savings plan in 2020 and attached to it a capital increase reserved to employees. The subscription price corresponded to the average opening price of Thermador shares on Euronext Paris during the twenty trading days preceding the decision, with a 40% discount applied, in accordance with legal provisions, the resolutions of the AGM and the deliberations of the Board of Directors.

| | FINANCIAL YEAR 2020 |
|---|---------------------|
| Date of the Chairman and CEO's decision on the subscription price | March 9, 2020 |
| Maturity of plans (in years) | 10 |
| Reference price (in euros) | 45 |
| Subscription price (in euros) | 31,3 |
| Share-price discount (in %) | 40% |
| Amount subscribed by employees (in thousands of euros) | 2,058 |
| Amount paid by the Group and subsidiaries in respect of the contribution (in thousands of euros) recognised as an expense | 794 |
| Total number of shares subscribed | 91,097 |

The IFRS 2 expense measuring the benefit to employees is calculated by reference to the fair value of a non-transferable share.

The face-value benefit granted to employees is €13.70/share, i.e. a benefit of €1,248k.

5.3 - Allocation of free shares

In 2021, a free share allocation plan reserved to certain categories of personnel was implemented. These were conditional upon the employee being with the Group for 2 years. The IFRS 2 expense has been calculated taking into account this criterion, the non-transferability of the shares, and after deducting the present value of the dividends not received. The expense has been spread over the vesting period of up to two years.

At the meeting of the Board of Directors on July 27, 2023, 2,864 shares were definitively allocated to the employees and corporate officers of Axelair and Aello. The share price was set at €82.50. The actual expense of €236k was booked in 2023. Expenses spread over 2021 and 2022 have been reversed, giving a net expense of €40k in 2023. Social charges amounted to €47k.

NOTE 6 Commitments or transactions with related parties

There were no commitments or transactions with related parties in 2023 except for earnings components and end-of-career commitments. The Group does not use any assets owned directly or indirectly by the executives or their family members.

Managers' gross earnings:

The amount of direct or indirect gross earnings and benefits of any kind for each corporate officer within the Group (including the consolidating company and controlled companies, within the meaning of Articles L233-3 and L233-16 of the French commercial code) allocated in respect of the financial year to the members of the Board of Directors by reason of their office amounts to €1,495.7k, including allocated earnings.

Allocated earnings amounted to €175.7k and are recorded under other 'external costs' on the grounds that only independent directors receive it and they are not part of the Thermador Groupe workforce.

6. Annual consolidated figures

End-of-career commitments for executives:

The end-of-career commitment concerns the payment of a pension indemnity authorised by the Board of Directors on December 19, 2003. This indemnity is calculated in the same way as that paid to an executive in accordance with the terms of Article 5 of Amendment I to the wholesale trade's industry-wide agreement and Article 31 of the industry-wide agreement for engineers and executives in the metallurgy sector. At December 31, 2023, the commitment corresponding to this indemnity for directors and executives stood at €398k. No retirement indemnity has been paid to executives.

There are no commitments for severance payments to executives.

Directors' earnings: executive directors do not have any specific pension plan. They are not entitled to any compensation in respect of non-competition clauses or termination indemnities.

As CEO of Aello, Jérôme Chabaudie benefited from a free share plan in 2021. The AGM of April 6, 2021 authorised the Board of Directors to buy back a maximum of 3,000 shares in the Company with a view to allocating them free of charge to certain employees and corporate officers of Axelair and Aello. On July 29, 2021, the Board of Directors decided on the beneficiaries and the allocation and holding period for these shares. Under the plan, Jérôme Chabaudie benefited from an allocation right corresponding to 519 shares valued at €91.80 each. At the Board meeting on July 27, 2023, 2,864 shares were definitively allocated to the employees and corporate officers of Axelair and Aello. Jérôme Chabaudie was allocated 519 shares valued at €82.50, worth a total of €42,817.50.

6.3.7 - NOTES ON WORKING CAPITAL REQUIREMENT ITEMS

NOTE 7 Variation in WCR

| In thousands of euros | 31/12/2023 | VARIATION | 31/12/2022 | CHANGE IN SCOPE | VARIATION | 31/12/2021 |
|---------------------------|----------------|---------------|----------------|-----------------|---------------|----------------|
| Trade receivables | 97,005 | (3,801) | 100,806 | 990 | 18,314 | 81,502 |
| Stock | 191,695 | 1,333 | 190,362 | 785 | 18,359 | 171,218 |
| Trade payables | 56,695 | (14,760) | 71,455 | 6,555 | (9,881) | 74,781 |
| Other current receivables | 13,128 | (1,806) | 14,934 | 1,904 | (823) | 13,853 |
| Other current liabilities | 42,244 | (2,484) | 44,728 | 2,132 | 3,548 | 39,048 |
| TOTAL | 202,889 | 12,970 | 189,919 | (5,008) | 42,183 | 152,744 |

NOTE 8 Stock

Stock is valued using the weighted average cost method. The gross value of goods and supplies includes the purchase price and incidental costs. A provision for depreciation is made when the stock value is lower than the book value defined above. The stock value is determined, item by item, according to turnover, based on the quantities in stock and past sales, the probabilities of disposal, and, where applicable, the current scrap rates. The depreciation rates used are adjusted to suit each situation.

| In thousands of euros | GROSS STOCK VALUE | DEPRECIATION OF STOCK | NET STOCK VALUE |
|-----------------------------|-------------------|-----------------------|-----------------|
| Amount at 31/12/2022 | 194,840 | 4,478 | 190,362 |
| Allocations for the year | | 2,014 | |
| Reversals for the year | | 177 | |
| AMOUNT AT 31/12/2023 | 198,010 | 6,315 | 191,695 |

NOTE 9 Trade receivables

IFRS 9

Based on the last five years, unrecoverable losses represented an average of 0.05% of consolidated turnover. The immaterial impact did not result in a provision being made upon introduction of the standard in 2018. For subsequent years and the year to December 31, 2023, the impact remained immaterial.

6. Annual consolidated figures

❖ Credit risk:

This mainly concerns the risk of non-recovery of trade receivables. A control is carried out monthly using accounting statements drawn up by due date.

| TRADE RECEIVABLES (EXCLUDING DOUBTFUL CUSTOMERS) AT 31/12/2023 (in thousands of euros) | TOTAL AMOUNT | MATURING AFTER 31/12/2023 | AMOUNT WITH EXPIRED DEADLINES | | | |
|--|-----------------|---------------------------------|-------------------------------|--|--|------------------------------|
| | | | LESS THAN 30 DAYS LATE | MORE THAN 30 DAYS AND LESS THAN 60 DAYS LATE | MORE THAN 60 DAYS AND LESS THAN 90 DAYS LATE | MORE THAN 90 DAYS LATE |
| Trade receivables at December 31, 2023 | 96,645 | 77,103 | 9,950 | 2,032 | 1,453 | 6,106 |
| Cash inflow in January 2024 | | | 7,698 | 849 | 252 | 489 |
| Uncollected receivables at end-January 01/2024 | | | 2,252 | 1,184 | 1,201 | 5,617 |

| TRADE RECEIVABLES (EXCLUDING DOUBTFUL CUSTOMERS) AT 31/12/2022 (in thousands of euros) | TOTAL AMOUNT | MATURING AFTER 31/12/2022 | AMOUNT WITH EXPIRED DEADLINES | | | |
|--|-----------------|---------------------------------|-------------------------------|--|--|------------------------------|
| | | | LESS THAN 30 DAYS LATE | MORE THAN 30 DAYS AND LESS THAN 60 DAYS LATE | MORE THAN 60 DAYS AND LESS THAN 90 DAYS LATE | MORE THAN 90 DAYS LATE |
| Trade receivables at December 31, 2022 | 100,524 | 86,598 | 9,263 | 1,621 | 761 | 2,281 |
| Cash inflow in January 2023 | | | 7,350 | 799 | 64 | 71 |
| Uncollected receivables at end-January 2023 | | | 1,913 | 822 | 697 | 2,210 |

Customer losses have always been less than 0.1% of turnover. We do not have credit insurance.

Invoices issued but not yet paid at the balance sheet date and for which the due date has passed (table provided for in I of Article D. 441-4 of the French companies' code) in thousands of euros:

| | 0 DAY | 1 TO 30 DAYS | 31 TO 60 DAYS | 61 TO 90 DAYS | 91 DAYS OR MORE | TOTAL (1 DAY OR MORE) |
|--|----------------|-----------------|------------------|------------------|--------------------|--------------------------|
| Number of invoices concerned | - | - | - | - | - | 31,671 |
| Total value of invoices concerned (inc-VAT) | - | 11,186 | 2,673 | 1,749 | 6,820 | 22,428 |
| Turnover (ex-VAT) | 580,950 | 580,950 | 580,950 | 580,950 | 580,950 | 580,950 |
| Percentage of turnover for the year (ex-VAT) | - | 1,93 % | 0% | 0% | 1.2% | 3.9% |

Impairment of trade receivables:

A provision for depreciation is applied when the stock value is lower than the book value. The stock value is determined on the basis of the probability of recovery, i.e. mainly in the event of receivership (10%) and liquidation (0%).

| | GROSS VALUE OF TRADE RECEIVABLES | IMPAIRMENT OF TRADE RECEIVABLES | NET VALUE OF TRADE RECEIVABLES |
|-----------------------------|----------------------------------|---------------------------------|--------------------------------|
| Amount at 31/12/2022 | 102,271 | 1,465 | 100,806 |
| Allocations for the year | | 372 | |
| Reversals for the year | | 447 | |
| AMOUNT AT 31/12/2023 | 98,395 | 1,390 | 97,005 |

NOTE 10 Trade and other receivables (in thousands of euros)

| | 31/12/2023 | 31/12/2022 | OTHER RECEIVABLES | 31/12/2023 | 31/12/2022 |
|--------------------------|------------|------------|--------------------------------|----------------|----------------|
| Customers | 96,645 | 100,524 | VAT | 5,699 | 6,151 |
| Of which, accrued income | 54 | 542 | Other third parties | 3,659 | 6,314 |
| Doubtful customers | 360 | 282 | Of which, accrued income | 2,331 | 3,118 |
| Corporation tax | 2,317 | 1,425 | Prepaid expenses | 1,453 | 1,044 |
| Deferred tax assets | 507 | 493 | TOTAL OTHER RECEIVABLES | 10,811 | 13,509 |
| | | | TOTAL RECEIVABLES | 110,640 | 116,233 |

6. Annual consolidated figures

NOTE 11 Debts and other liabilities

| In thousands of euros | 31/12/2023 | 31/12/2022 |
|--|----------------|----------------|
| Current provisions | 760 | 624 |
| Short-term rental obligations | 1,818 | 1,439 |
| Short-term borrowing | 3,619 | 2,723 |
| Current portion of loans and debts | 7,749 | 8,521 |
| Suppliers | 56,695 | 71,455 |
| Of which, accrued expenses | 22,731 | 26,521 |
| Fixed assets suppliers | 5,820 | 6,600 |
| Corporation tax | 1,611 | 3,450 |
| TAX AND SOCIAL SECURITY LIABILITIES | | |
| Staff and social organisations | 16,341 | 14,123 |
| Deferred tax liabilities | 752 | 498 |
| VAT | 3,392 | 3,652 |
| Other taxes and duties | 748 | 865 |
| TOTAL TAX AND SOCIAL SECURITY LIABILITIES | 21,233 | 19,138 |
| Of which, accrued expenses | 11,238 | 9,180 |
| Other debts | 20,426 | 24,078 |
| Of which, liabilities on customer contracts | 7,842 | 6,044 |
| Of which, accrued expenses | 1,425 | 190 |
| TOTAL LIABILITIES | 119,731 | 138,028 |

The maturity of trade payables in 2023 is comparable to 2022.

Information on late payments to suppliers: invoices received but not yet paid at the end of the financial year and for which the due date has passed (table provided for in I of Article D. 441-4 of the French commercial code) in thousands of euros:

| | 0 DAY | 1 TO 30 DAYS | 31 TO 60 DAYS | 61 TO 90 DAYS | 91 DAYS OR MORE | TOTAL (1 DAY OR MORE) |
|---|----------------|----------------|----------------|----------------|-----------------|-----------------------|
| Number of invoices | - | - | - | - | - | 1,985 |
| Total value of invoices concerned (inc-VAT) | - | 3,558 | 869 | (434) | (105) | 3,889 |
| Purchases for the year (ex-VAT)* | 419,881 | 419,881 | 419,881 | 419,881 | 419,881 | 419,881 |
| Percentage of purchases for the year (ex-VAT) | - | 0.8% | 0.2% | (0.1%) | 0.0% | 0.9% |

(*) Purchase of goods and external charges.

6.3.8 - NOTES ON INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT AND RIGHTS OF USE

NOTE 12 Allocated goodwill

Goodwill arising on the purchase of Thely shares by Thermador Groupe in 1987 and 1990 was allocated to the items Land and Buildings; this correction was not extended to minority interests. The goodwill was written down in the income statement by means of depreciation in accordance with the rules applicable to the assets concerned. Thus, the goodwill allocated to land has not been depreciated and that allocated to buildings has been, according to the expected residual life of the buildings. Other intangible assets with finite service lives are written down on a straight-line basis over their estimated service lives. Amortisation charges are booked in operating income.

A Cash Generating Unit (CGU) is the smallest identifiable group of assets whose continuing use generates cash inflows that are largely independent of the cash inflows generated by other assets or groups of assets. The company must allocate its assets to each of the CGUs that are independent in their operations. At Thermador Groupe, each operational subsidiary is a CGU, and the impairment tests and goodwill allocation is done historically per subsidiary.

| TYPE OF ASSET | IN THOUSANDS OF EUROS | THELY | SODECO | ODREA | DISTRILABO | THERMACOME | DPI |
|---------------|-----------------------|-----------|------------|--------------|--------------|--------------|---------------|
| Land | Gross value | 39 | - | 952 | - | - | - |
| | Net value | 39 | - | 952 | - | - | - |
| Buildings | Gross value | 468 | 300 | 2,584 | - | - | - |
| | Depreciation | (468) | (95) | (594) | - | - | - |
| | Net value | 0 | 205 | 1,990 | 0 | 0 | 0 |
| Brand | Gross value | - | - | 1,200 | 550 | 1,600 | - |
| | Net value | - | - | 1,200 | 550 | 1,600 | - |
| Relationship | Gross value | - | - | 2,500 | 1,350 | 1,000 | 13,900 |
| | Depreciation | - | - | (1,125) | (540) | (367) | (1,622) |
| | Net value | - | - | 1,375 | 810 | 633 | 12,278 |
| TOTAL | | 39 | 205 | 5,517 | 1,360 | 2,233 | 12,278 |

6. Annual consolidated figures

NOTE 13 Goodwill

When new companies are included in the consolidation scope, in application of the revised IFRS 3 standard, goodwill is recorded; it represents the synergies expected from the integration of the new businesses acquired and the economies of scale generated by the pooling of resources. It has been allocated to the groups of Cash Generating Units (CGUs) represented by each acquired company.

The purchase price of the acquired businesses is the fair value at the date of acquisition given to the seller in exchange for control of the acquired businesses, excluding any other element that is a separate transaction from taking control.

The balance sheet includes goodwill of €78,998k, which breaks down as follows:

| IN THOUSANDS OF EUROS | NET BOOK ASSETS ACQUIRED BEFORE ACCOUNTING HARMONISATION | RESTATEMENTS | NET ASSETS ACQUIRED | ACQUISITION COST | GOODWILL |
|---|---|---------------|------------------------|---------------------|---------------|
| Pbtub, Isocel, Dipra, Thermador, Jetly, Sferaco, Syveco (prior to 2015) | - | - | - | 6,136 | 6,136 |
| Mecafer | 8,940 | (298) | 8,642 | 24,300 | 15,658 |
| Nuair | 741 | - | 741 | 2,700 | 1,959 |
| Sodeco Valves | 5,922 | 170 | 6,092 | 10,000 | 3,908 |
| FGinox | 6,930 | 21 | 6,951 | 22,881 | 15,930 |
| Valfit group, acquired by Sferaco | 2,653 | (13) | 2,640 | 7,600 | 4,960 |
| Vortice France business, acquired by Axelair and Syveco | - | - | - | 850 | 850 |
| Odrea (formerly Ets. E. Rousseau / Sanidom) | 15,184 | 5,388 | 20,572 | 22,000 | 1,428 |
| Sale of the business of Sodeco Sedin | - | - | - | (31) | (31) |
| Distrilabo | 1,293 | 1,419 | 2,712 | 5,200 | 2,488 |
| Thermacome | 2,402 | 1,947 | 4,349 | 7,000 | 2,651 |
| Thermacome goodwill | - | - | - | 380 | 380 |
| AFY business, acquired by Sferaco, Isocel and Syveco | - | - | - | 500 | 500 |
| DPI | 4,213 | 10,425 | 14,638 | 36,160 | 21,522 |
| DPI goodwill | - | - | - | 659 | 659 |
| TOTAL AT DECEMBER 31, 2023 | 48,278 | 19,059 | 67,337 | 146,335 | 78,998 |

The €5.16m earn-out payment for DPI will be paid before the end of February 2024, DPI's average operating profit having reached more than €3.859m for 2022 and 2023.

Impairment testing of goodwill / testing of Cash Generating Units (CGUs)

Accounting rules and principles:

Under IAS 36 'Impairment of assets', the net value of intangible assets, including goodwill, is tested for impairment whenever there is an indication that the asset may be impaired. For intangible assets with indefinite service lives, including goodwill, impairment tests are carried out at least once per year at the level of the Cash Generating Units (CGU) to which goodwill has been allocated. Cash Generating Units are defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of other assets or groups of assets. Given the Group's organisation and the breakdown of its various business lines, the CGUs to which the Group's goodwill is allocated are the legal entities Jetly, Sferaco, Thermador, Odrea, Isocel, Pbtub, Sectoriel, Syveco, Axelair, Mecafer/Domac, Aello, Sodeco Valves, FGinox, Distrilabo, Thermacome, DPI and a separate CGU comprising Thely, Opaline and Thermador Groupe (see note 1).

Determination of recoverable amount and impairment test:

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs to sell. Value in use is the present value of estimated future cash flows expected to be derived from the continuing use of an asset, plus a terminal value. It is determined internally on the basis of:

- ✦ estimated cash flows, generally based on a 5-year business plan drawn up by management,
- ✦ the terminal value calculated from the perpetual capitalisation of a normative annual cash flow based on the cash flow from the last year of the forecasts.

All these elements are then discounted using long-term market rates after tax that reflect market estimates of the time value of money and the specific risks of the assets.

The annual test consisted of determining the recoverable amount of the Cash Generating Units (CGUs) to which the goodwill relates and comparing it with the net book value of the assets concerned.

6. Annual consolidated figures

Table of key assumptions

| | AMOUNT RETAINED IN 2023 | AMOUNT RETAINED IN 2022 |
|--|-------------------------|-------------------------|
| Period of expected future net cash flows | 5 years | 5 years |
| Subsequent growth rate | 1% | 1% |
| Group discount rate | 9.1% | 9.4% |
| Range of sensitivity test applied to the discount rate | +/-1% | +/-0.5% |

Trend: the main key assumptions, i.e. turnover, operating performance and working capital requirements, were estimated on the basis of actual data at December 31, 2023 and future forecasts estimated by the business divisions.

Operating performance: the assumptions used take into account inflation estimates and our ability to pass on price increases to our customers in a context of high volatility in raw material prices and transport costs. Working capital requirements were estimated on the basis of inventory forecasts drawn up by our operational divisions for 2024 and future years. These forecasts take into account our ambitions to reduce working capital requirements where necessary.

Test results and sensitivities: the results of impairment tests on intangible assets, including goodwill, based on the assumptions used and summarised in the table above, justify the absence of impairment. An increase of 100 basis points in the discount rate would not lead to the impairment of our goodwill. In the case of Axelair, a discount rate greater than 11.2% would lead to the recognition of a provision for impairment of the intangible asset.

Climate issues: future cash flows include our best estimate, based on our knowledge of the potential impacts of climate issues.

NOTE 14 Fixed assets (in thousands of euros)

CHANGES IN GROSS VALUES:

| | Fixed assets | Goodwill | Other intangible assets | Total intangible assets | Land | Buildings on own property | Machinery and equipment | General equipment, fixtures and fittings | Transport materials | Other equipment and furniture | Other tangible assets in progress | Right to use | Total tangible fixed assets | Other financial assets | Total financial assets | GRAND TOTAL |
|------------------------|--------------|----------|-------------------------|-------------------------|--------|---------------------------|-------------------------|--|---------------------|-------------------------------|-----------------------------------|--------------|-----------------------------|------------------------|------------------------|-------------|
| GROSS VALUE 31/12/2022 | 78,998 | 29,481 | | 108,479 | 11,275 | 89,554 | 12,966 | 9,867 | 309 | 5,848 | 3,567 | 9,419 | 142,805 | 428 | 428 | 251,712 |
| Increases | - | 482 | | 482 | 45 | 4,500 | 1,132 | 1,461 | 42 | 1,025 | -1,184 | 4 411 | 11,432 | 152 | 152 | 12,066 |
| Decreases | - | 137 | | 137 | - | - | 397 | 414 | 53 | 258 | - | 2,060 | 3,182 | 24 | 24 | 3,343 |
| GROSS VALUE 31/12/2023 | 78,998 | 29,826 | | 108,824 | 11,320 | 94,054 | 13,701 | 10,914 | 298 | 6,615 | 2,383 | 11,770 | 151,055 | 556 | 556 | 260,435 |

Accounting rules and principles:

Tangible and intangible assets are valued at acquisition cost (purchase price plus incidental expenses). Since 2018, intangible assets have mainly related to acquired brands (for €3,350k), customer relationship (€18,750k) and software.

Property, plant and equipment - Property assets (land and buildings):

In March 2023, we completed the work begun in 2022 to renovate an office building that was to become the new head office of Thermador Groupe. The subsidiary Opaline has also been housed in its offices since October 2023. The warehouse has been refurbished and since October 2023 has accommodated the storage needs of our subsidiary PBtub. In 2023, additional work was carried out, mainly on two sites to improve equipment. The roof of PBtub's main building, covering a surface area of 11,820 m², was refurbished in line with the recommendations of the energy audit, while Sodeco Valves has invested in photovoltaic panels. In 2023, Sodeco Valves also acquired 1 hectare of woodland near its premises in Ternat (Belgium) for €44k.

The real estate portfolio comprises 310,002 m² of land and 124,397 m² of buildings (warehouses and offices). The value of the real estate assets was assessed in 2021 and 2022 for the buildings located in Saint-Quentin-Fallavier, in April 2017 for the building belonging to our subsidiary Domac, in August 2018 for the building belonging to our subsidiary Sodeco Valves and in 2021 for the building belonging to our subsidiary Odra. The total valuation was approximately €86.3 million (valuation performed by Expertise Galtier, chemin Moulin Carron - 69 Écully and CBRE in Brussels). This valuation includes both built and unbuilt land. Depreciation periods have been reviewed and remain unchanged. Building takes account of the risks associated with geographical location (seismic risks and other natural risks). In December 2023, we mapped the exposure of our sites (offices and warehouses). This analysis is based on the IPCC's SSP5-8.5 scenario for the period 2021-2040, covering 12 types of risk (cyclones, water stress, soil erosion, heat waves, frost, etc.). This has given us a comprehensive overview of the potential risks. Our work in 2024 will involve translating these potential risks into actual vulnerability, and then checking the adaptation measures embarked upon by local authorities. On the basis of this analysis, none of our property assets presents major risks requiring a write-down period revision.

6. Annual consolidated figures

NOTE 15 IFRS 16 - Rights of use under leases:

The IFRS 16 standard entitled 'Leases' is effective for annual periods beginning on or after January 1, 2019. We have opted for the simplified retrospective method.

The application of IFRS 16 concerns the presentation and accounting of leases. Leases, as defined by IFRS 16 standard entitled 'Leases', are recognised in the balance sheet, resulting in the recognition of:

- ✦ an asset corresponding to the right to use the leased asset during the term of the contract,
- ✦ a debt because of the payment obligation.

Assessment of the right of use of assets

Upon the date a rental contract comes into force, the right of use is assessed at cost (i.e. the total of rental payments discounted over the lifetime of the contract) and includes the initial amount of the debt. For rental contracts with a start date prior to January 1, 2019, the enforcement date was fixed at January 1, 2019.

The right of use is written down over the period of use of the subjacent assets (duration of the rental contract for the rental element).

Assessment of rental debt

When the contract comes into force, the rental debt is accounted for by an amount which is equal to the discounted value of rental payments over the lifetime of the contract. The amounts taken into account as rent in assessing the debt are as follows:

- ✦ Fixed rents (including fixed rents in substance, i.e. even if they contain variability in terms of content, they are substantially inevitable).
- ✦ Payments made by the lessee in triggering a purchase option.

Assessment of debt linked to the rental contract is as follows:

- ✦ It is increased by the amount of interest charges determined in application of the rate used to discount the debt, at the beginning of the financial period,
- ✦ And reduced by the total of payments already made.

Also, the debt can be reassessed in the following circumstances:

- ✦ Revision of the rental period,
- ✦ Modification linked to the assessment of the reasonably assured nature (or not) of exercising an option,
- ✦ Revision of rates or indices upon which the rents are based at the time of rent adjustment.

Typology of capitalised rental contracts

- ✦ Rental contracts on 'real estate'

The Group has identified rental contracts in accordance with the standard for buildings rented by the subsidiaries Mecafer, FGinox, Odrea, Rousseau SA, Distrilabo, Thermacome and DPI. Between 2021 and 2023, SCI Thely leased two logistics units to meet the storage needs of Thermador Groupe subsidiaries.

These are 3-6-9 type commercial leases without renewal options at the end of the lease period. The period chosen for calculation is 9 years. The discount rate used to calculate the rental debt is determined for each property according to the marginal indebtedness rate at the date the contract comes into force. The same rate was used for the Group, given that property investments are always in the name of the real estate company SCI Thely which is 99,9995% owned by Thermador Groupe. The rate used is the interest rate the lessee would get at the beginning of the rental period to borrow the funds to purchase the asset for a similar period, similar guarantees and a comparable economic environment. This rate is obtained by adding the 'lead 10-year borrowing rate' and the spread which is specific to Thermador Groupe (the spread between the marginal borrowing rate of Thermador Groupe and the 'lead 10-year borrowing rate').

Rental contracts on 'Other assets'

The main lease contracts identified are for vehicles and photocopiers. The capitalisation period for rents corresponds to the compulsory engagement period of the contract, with the majority of contracts not including renewal options. The discount rate used to calculate the rental debt is determined for each asset according to the marginal indebtedness rate at the date the contract comes into force (cf. paragraph 'real estate' to understand how the marginal indebtedness rate is determined). This discount rate is different from the discount rate used for 'real estate' rental contracts.

Typology of non-capitalised rental contracts.

The Group uses two exemptions allowed for by the IFRS 16 standard which excludes the elements from the balance sheet: short-term contracts and contracts concerning low-value assets.

- ✦ Short-term contracts of twelve months or less.
- ✦ Rental contracts concerning low-value assets: these contracts concern rentals for which the new value of the asset is US\$5,000 or less.

6. Annual consolidated figures

NOTE 16 Depreciations and amortisations

Accounting rules and principles:

Depreciation is calculated on a straight-line basis over the expected life of the asset:

| | |
|------------------------------------|----------------------------|
| Brands | Not depreciated |
| Relationship | 10 years |
| Software | 3, 4, 5 years |
| Primary works | 40 years |
| Wall frames and roof frames | 25 years |
| Roof | 20 years |
| Electricity | 20 years |
| Heating and plumbing | 15 years |
| Partitions and paintwork | 10 years |
| Building improvements and fixtures | 3, 4, 5, 7 and 10 years |
| Installations and fixtures | 2, 3, 4, 5 and 10 years |
| Office and computer equipment | 2, 3, 4, 5, 6 and 10 years |
| Furniture | 2, 3, 5, 8 and 10 years |

CHANGES IN DEPRECIATION (in thousands of euros)

| | Goodwill | Other intangible assets | Total intangible assets | Land | Buildings on own property | Machinery and equipment | General equipment, fixtures and fittings | Transport materials | Other equipment and furniture | Other tangible assets in progress | Right of use of leases | Total tangible assets | GRAND TOTAL |
|-------------------------|----------|-------------------------|-------------------------|------|---------------------------|-------------------------|--|---------------------|-------------------------------|-----------------------------------|------------------------|-----------------------|-------------|
| DEPRECIATION 31/12/2022 | - | 7,021 | 7,021 | - | 38,405 | 10,321 | 5,096 | 263 | 4,428 | - | 2,882 | 61,395 | 68,416 |
| Increases | - | 2,729 | 2,729 | - | 3,354 | 966 | 903 | 19 | 667 | - | 1,903 | 7,812 | 10,541 |
| Decreases | - | 138 | 138 | - | 24 | 399 | 292 | 42 | 251 | - | 1,086 | 2,094 | 2,232 |
| DEPRECIATION 31/12/2023 | - | 9,612 | 9,612 | - | 41,735 | 10,888 | 5,707 | 240 | 4,844 | - | 3,699 | 67,113 | 76,725 |

6.3.9 - NOTES ON CAPITAL

NOTE 17 Share capital

Thermador Groupe's share capital remained unchanged at €36,803,396 during FY 2023, divided into 9,200,849 shares with a par value of €4 each.

There are no stock options.

In 2018 and 2021, Thermador Groupe purchased 3,000 of its own shares at a purchase value of €220k.

In July 2023, 2,864 of these shares were delivered as part of the free share plan allocated to employees and corporate officers of Aello and Axelair by decision of the Board of Directors of July 29, 2021 (cf: Note 5.3).

At December 31, 2023, Thermador Groupe held only 136 of its own shares, valued at €11k.

NOTE 18 Dividends

| FINANCIAL YEAR | NUMBER OF REMUNERATED SHARES | DIVIDEND PER SHARE | TOTAL AMOUNT |
|----------------|------------------------------|--------------------|--------------|
| 2022 | 9,197,849 shares | €2.08 | €19,131,526 |
| 2023 | 9,200,713 shares | €2.08 | €19,137,483 |

On February 28, 2023, the Thermador Groupe Board decided to propose to the AGM of April 2, 2024 to pay a dividend of €2.08 per share.

6.3.10 - NOTES ON RISKS AND FINANCIAL INSTRUMENTS

NOTE 19 Risk assessment

The company has conducted a review of the risks that could have an adverse effect on its business, financial position and results and considers that there are no other significant risks apart from those presented below. The nature of the main risks did not change in 2023. The management procedures in place within the Group and the assessment methods have so far proven their effectiveness.

6. Annual consolidated figures

• Interest rate risk:

Between 2017 and 2022 we took out loans from the banks CIC, SG and Crédit Lyonnais. At December 31, 2023, 7 fixed-rate loans of 5 or 7 years were still in progress. Early reimbursement is possible without penalty. We are therefore not exposed to an interest rate risk.

• Liquidity risk:

The company has carried out a specific review of its liquidity risks. It believes that it can meet its future commitments. The situation on December 31, 2023 was positive (cash-flow statement, page 148). The Group benefits from unused short-term cash facilities. None of the outstanding bank loans contain covenants or guarantees. The Group has not benefited from any state-guaranteed loans as part of the government measures addressing the pandemic. We are not exposed to any risk of early repayment or interest rate revisions.

• Investment risk:

Cash surpluses are placed, when appropriate, in term deposits, thus representing no risk.

• Foreign exchange rate risk:

The Group's sales are predominantly in euros in France and abroad. We buy from all over the world: around 29% of our merchandise is purchased in US dollars.

This exposes us to the volatility of the euro/dollar exchange rate.

Currency fluctuations against the Euro (mainly the US dollar) can increase the purchase price of our goods and thus deteriorate the Group's results. The effective purchase price is incorporated into our cost prices and is reflected in our selling prices as far as possible.

Mathematically, a 10% variation in the US dollar rate would have a €12m impact on our commercial margin.

Since January 1, 2018, Thermador Groupe has had centralised dollar cash management to cover the needs of all its subsidiaries. This ability to keep ahead of the exchange rate gives those subsidiaries greater visibility in terms of selling price, and better control over their margins.

• Raw material price fluctuations:

It is our manufacturer-suppliers who manage the raw material purchase costs in their products. In case of major price variations of certain raw materials (copper, steel, etc.) there may be a purchase price impact for us, which we seek to pass on as far as possible in our sale price. There are many different scenarios depending on the supplier and the product, which make any precise calculation impossible; making it more to do with our management of cost prices and margins.

There are no financial instruments in place to hedge commodity risks.

• Legal risks:

Over the past twelve months, there has been no governmental, judicial, arbitration or administrative procedure (including any procedure of which we may have knowledge, any that may be subject to suspension or any that represents a potential threat) which could have or would recently have had significant effects on the Group's financial situation or profitability. On April 3, 2017, Thermador Groupe and its subsidiaries Aello and Jetly were taken before the commercial tribunal of Rennes by the companies Diffusion Equipements Loisirs – D.E.L. and Multifija on the grounds of unfair competition and parasitism on the market for swimming pool equipment and accessories. We deplore this legal action and reject these charges in their entirety.

On June 26, 2018 our lawyer presented our plea before the Court of Appeal against the decision of the Rennes commercial tribunal handed down on March 20, 2018 rejecting our application for lack of jurisdiction raised in the Court of Arbitration. The deliberation of the Court of Appeal dated October 2, 2018 ended with our application being rejected. Following our appeal to the Supreme Court, we obtained a favourable ruling which overturned this decision of the Court of Appeal in December 2019. In February 2020, we represented our conclusions of lack of jurisdiction before the Court of Appeal and our lawyer pleaded in July 2020.

Following the October 2019 hearing before the Commercial Court of Rennes in the unfair competition lawsuit, the latter ordered the case to be struck off the register for lack of diligence on the part of the plaintiffs, D.E.L. and Multifija. This case was reinstated at the initiative of DEL and Multifija on May 21, 2021. At the hearing of June 22, 2021, a stay of proceedings was requested pending the forthcoming ruling of the Court of Cassation, which the Commercial Court of Rennes granted on September 23, 2021. On January 26, 2022 the Court of Cassation handed down its decision: the unfair competition case will be dealt with before the Arbitral Tribunal. It is now left to the initiative of the claimants to refer the case to the Court of Arbitration, which, as of December 31, 2023 had not been referred to.

We remain confident as to the results of these procedures. No provision was entered on December 31, 2023 because to date we have no obligation to do so, and it cannot be estimated in any reliable way.

6. Annual consolidated figures

NOTE 20 Contingent liabilities

We are not aware of any exceptional circumstances or litigation likely to have a material effect on the business, results, financial position or assets and liabilities of the Company and the Group. All liabilities and contingent liabilities of which we are aware are included in the Financial Statements.

Financing and financial instruments

NOTE 21 Loans and financial debts

In thousands of euros

| AT 31/12/2023 | CURRENT | NON-CURRENT | TOTAL | UNDER ONE YEAR LATE 2024 | BETWEEN 1 AND 5 YEARS 2025-2028 | MORE THAN 5 YEARS AFTER 2028 |
|-----------------------|---------------|-----------------|-----------------|-----------------------------|---------------------------------------|------------------------------------|
| Bank loans | 7,749 | 27,379 | 35,128 | 7,749 | 22,079 | 5,300 |
| Bank overdrafts | 3,619 | - | 3,619 | 3,619 | - | - |
| Rental debt (IFRS 16) | 1,818 | 6,289 | 8,107 | 1,818 | 4,115 | 2,174 |
| Cash and equivalent | 35,237 | - | 35,237 | 35,237 | - | - |
| NET CASH | 22,051 | (33,668) | (11,617) | 22,051 | (26,194) | (7,474) |

Cash and cash equivalents, equal to €35,237k, correspond to the amount of bank accounts for €25,904k and term accounts for €9,333k with a maturity of less than one month. All our bank loans are at a fixed rate to limit the possible impact of any rate variations. None of our debt is subject to a covenant.

DPI uses a factoring service provider to which it assigns its trade receivables in return for short-term financing. The contract is without recourse, i.e. any unpaid receivables in the factor's hands are not returned to DPI, with the factoring company retaining the risk of customer insolvency up to the limit of the guarantee agreed. The amount financed is €6,430k and is recognised under cash and cash equivalents.

NOTE 22 Foreign currency transactions, financial instruments and derivatives

Foreign currency transactions are recorded at their countervalue on the date of the transaction.

Payables and receivables in foreign currencies are shown in the balance sheet at the year-end exchange rate or at the rate of the commitments made. The difference resulting from the revaluation of foreign currency debts and receivables at the latter rate is taken to operating income.

Foreign currency transactions are mainly in US dollars:

✦ supplier payables at December 31, 2023 in US dollars: €6,931k.

✦ credit corresponding to advance payments made to our suppliers at December 31, 2023 in US dollars: €766k.

Thermador Groupe uses no financial derivatives for speculative purposes. The derivatives used serve only to cover exchange rate fluctuations corresponding to purchase of merchandise in foreign currencies. Thermador Groupe decided to introduce centralised management of cash in dollars as of January 1, 2018 to cover the requirements of all the Group subsidiaries. In this respect, Thermador Groupe has taken out US dollar forward purchases totalling US\$29.5m maturing in the first half of 2024.

The IFRS 9 criteria are respected, allowing the Group to book this hedging according to hedging accounting methods. An effectiveness test was carried out on December 31, 2023. As a result, the fair value of these financial instruments was booked for a total of €391.3k in the balance sheet.

Financial assets and liabilities recorded in the balance sheet: breakdown by instrument category.

There is no difference between the fair value and the carrying amount of financial assets and liabilities. Long-term borrowings are at fixed rates close to market rates.

| ASSETS AT 31/12/2023 | BALANCE SHEET VALUE | FAIR VALUE | FAIR VALUE PER RESULT | RECEIVABLES | HEDGING INSTRUMENTS |
|-----------------------|------------------------|----------------|--------------------------|----------------|------------------------|
| Business customers | 97,005 | 97,005 | - | 97,005 | - |
| Other receivables | 13,635 | 13,635 | - | 13,635 | - |
| Financial instruments | - | - | - | - | - |
| Cash | 35,237 | 35,237 | - | - | - |
| TOTAL ASSETS | 145,877 | 145,877 | | 110,640 | - |

| LIABILITIES AT 31/12/2023 | BALANCE SHEET VALUE | FAIR VALUE | FAIR VALUE PER RESULT | PAYABLES | HEDGING INSTRUMENTS |
|--|------------------------|----------------|--------------------------|----------------|------------------------|
| Loans and long-term financial debt | 27,379 | 27,379 | - | 27,379 | - |
| Rental obligations of more than one year | 6,289 | 6,289 | - | 6,289 | - |
| Non-current liabilities | 9,839 | 9,839 | - | 9,839 | - |
| Short-term loans and financial debt | 11,368 | 11,368 | - | 11,368 | - |
| Rental obligations of less than one year | 1,818 | 1,818 | - | 1,818 | - |
| Suppliers | 56,695 | 56,695 | - | 56,695 | - |
| Supplier fixed assets | 5,820 | 5,820 | - | 5,820 | - |
| Financial instruments | 391 | 391 | - | - | 391 |
| Other creditors | 43,639 | 43,639 | - | 43,639 | - |
| TOTAL LIABILITIES | 163,238 | 163,238 | | 162,847 | 391 |

6. Annual consolidated figures

6.3.11 - NOTES ON PROVISIONS

NOTE 23 Provisions recorded in liabilities (in thousands of euros)

Our current provisions correspond to provisions for guarantees given to customers, provisions for litigation or provisions for risks and charges. They are revalued annually.

| | CURRENT PROVISION | OF WHICH, USES |
|-----------------------------|-------------------|----------------|
| Amount at 31/12/2022 | 624 | |
| Allowances | 190 | |
| Reversals | 54 | 45 |
| AMOUNT AT 31/12/2023 | 760 | |

6.3.12 - NOTES ON TAXES

NOTE 24 Income tax

Deferred taxes have been calculated on all balance sheet and income statement items, there are no deferred taxes not capitalised.

In thousands of euros

| | |
|---|---------------|
| NET PRE-TAX PROFIT (ACCOUNTING PROFIT) | 79,733 |
| DONATIONS | (89) |
| NET PROFIT BEFORE TAX NET OF DONATIONS | 79,644 |
| <i>Theoretical tax rate ⁽¹⁾</i> | <i>25.00%</i> |
| Theoretical tax expense | 19,911 |
| 3.3% social contribution | 365 |
| Non-deductible expenses and charges on dividends from subsidiaries ⁽²⁾ | 427 |
| Canceling tax rebates ⁽³⁾ | 811 |
| Non-deductible expenses and tax rate effect outside France | 47 |
| Tax credits | (127) |
| INCOME TAX EXPENSE | 21,434 |
| EFFECTIVE TAX RATE | 26.91% |
| THEORETICAL TAX RATE ⁽¹⁾ | 25.00% |
| 3.3% social contribution | 0.46% |
| Non-deductible expenses and charges on dividends from subsidiaries ⁽²⁾ | 0.54% |
| Canceling deferred tax assets ⁽³⁾ | 1.02% |
| Non-deductible expenses and tax rate effect outside France 0% | 0.06% |
| Non-deductible expenses and tax rate effect outside France | -0.16% |
| EFFECTIVE TAX RATE | 26.91% |

⁽¹⁾ The tax rate applicable in France, Belgium and Spain is 25%. In the Netherlands, the applicable tax rate is 19% up to €200k and 25.8% above €200k.

⁽²⁾ The French Finance Law has set the percentage of non-deductible costs and expenses on dividends from subsidiaries at 5%. As Thermador Groupe and its subsidiaries are not consolidated for tax purposes, this represents a corporation tax charge of €1,709k on the dividends to be paid to Thermador Groupe in 2024.

⁽³⁾ The probability of deducting future tax losses of the subsidiary Axelair has been revised based on future earnings forecasts. The decision to stop capitalising future tax losses was taken on December 31, 2023.

6. Annual consolidated figures

NOTE 25 Deferred taxes

Deferred tax assets and liabilities are offset when they relate to the same entity and have the same timing for reversal. At December 31, 2023, deferred tax assets and liabilities were allocated between current and non-current deferred taxes as follows:

| In thousands of euros | 31/12/2023 | 31/12/2022 |
|--|------------|--------------|
| NON-CURRENT DEFERRED TAX ASSETS | | |
| Provision for end-of-career commitment | 677 | 596 |
| Axelair and Sodeco Valves deficit | 63 | 672 |
| Land and building value | (10) | (51) |
| Capital gain on building | (95) | (56) |
| Goodwill | 33 | 33 |
| Building depreciation | 35 | 35 |
| IFRS 16 | 22 | 9 |
| TOTAL | 725 | 1 238 |

CURRENT DEFERRED TAX ASSETS

| | | |
|-----------------------|------------|------------|
| Temporary differences | 507 | 493 |
| TOTAL | 507 | 493 |

NON-CURRENT DEFERRED TAX ASSETS

| | | |
|--|--------------|--------------|
| Goodwill * | 1,429 | 1,429 |
| IFRS 16 | (1) | - |
| Goodwill of land and construction | (3) | 7 |
| Provision for end-of-career commitment | (280) | (269) |
| Temporary differences | (30) | (51) |
| Gain on building | 706 | 736 |
| Brand and customer relationship | 4,112 | 4,580 |
| TOTAL | 5,933 | 6,432 |

(*) Cf: Note 13 page 161.

CURRENT DEFERRED TAX ASSETS

| | | |
|-------------------------------------|------------|------------|
| Tax on subsidiaries dividends | 428 | 421 |
| Fair value of financial instruments | (98) | (393) |
| Goodwill of land and construction | 4 | 3 |
| Gain on buildings | 37 | 37 |
| Brand and customer relationship | 469 | 469 |
| Temporary differences | (74) | (39) |
| TOTAL | 766 | 498 |

6. Annual consolidated figures

| In thousands of euros | 31/12/2023 | Share | 31/12/2022 | Share |
|------------------------------|---------------|-------------|---------------|-------------|
| TAX BURDEN BY COUNTRY | | | | |
| France | 20,104 | 93.8% | 19,444 | 96.5% |
| Belgium | 456 | 2.1% | 412 | 2.0% |
| The Netherlands | 114 | 0.5% | 55 | 0.3% |
| Spain | 277 | 1.3% | 19 | 0.1% |
| Principality of Monaco | 483 | 2.3% | 217 | 1.1% |
| TOTAL TAX BURDEN | 21,434 | 100% | 20,147 | 100% |

| | | | | |
|----------------------------|---------------|-------------|---------------|-------------|
| TAX PAID BY COUNTRY | | | | |
| France | 19,713 | 92.1% | 19,860 | 96.3% |
| Belgium | 472 | 2.2% | 424 | 2.1% |
| The Netherlands | 114 | 0.5% | 55 | 0.3% |
| Spain | 275 | 1.3% | 17 | 0.1% |
| Principality of Monaco | 833 | 3.9% | 275 | 1.3% |
| TOTAL TAX PAID | 21,407 | 100% | 20,631 | 100% |

6.3.13 - SIGNIFICANT EVENTS AFTER CLOSING

NOTE 26 Significant events after closing

There have been no significant changes in the financial or commercial structure since the end of the financial year.

6.3.14 - AUDITORS' FEES

NOTE 27 Auditors' fees

| In thousands of euros | DELOITTE | | CABINET ROYET | | MAZARS | | MAZARS | | TOTAL | |
|--|------------|----------|---------------|------------|----------|-----------|-----------|------------|------------|------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| FEES FOR CERTIFICATION OF ACCOUNTS | | | | | | | | | | |
| Issuer | 45 | - | 45 | 36 | - | 36 | None | None | 90 | 72 |
| Globally integrated subsidiaries | 73 | - | 106 | 96 | - | 3 | 68 | 153 | 247 | 252 |
| NON-AUDIT SERVICE (NAS*) | | | | | | | | | | |
| NAS required by the legal texts - Issuer | - | - | - | 5 | - | 5 | None | None | - | 10 |
| NAS required by the legal texts - Globally integrated subsidiaries | - | - | - | 7 | - | - | - | - | - | 7 |
| Other NASs - Issuer | None | None | None | None | None | None | None | None | None | None |
| Other NASs - Globally integrated subsidiaries | None | None | None | None | None | None | None | None | None | None |
| TOTAL STATUTORY AUDITORS FEES | 118 | - | 151 | 144 | - | 44 | 68 | 153 | 337 | 341 |

* Non-Audit Services: examination of regulated conventions, management report review, annual financial report review.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2023.

To the Thermador Groupe Shareholders' Meeting,

Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Thermador Groupe for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the 'Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements' section of our report.

INDEPENDANCE

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for statutory Auditors for the period from January 1, 2023 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we bring your attention to the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period, as well as our responses to those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Impairment test of the intangible fixed assets including goodwill

(Note 13 to the consolidated financial statements)

IDENTIFIED RISKS

As part of its development, the group conducts external growth operations and recognises goodwill. In this case, goodwill corresponds to the difference between the price paid and the fair value of the assets and liabilities acquired; it is described in Note 13 as representing the synergies expected from the integration of the newly acquired activities and the economies of scale generated by the pooling of the resources. As of December 31, 2023, the net book values of intangible assets with an indefinite life, including goodwill recognized in the consolidated statement of financial position, amounted to €79 million, representing approximately 15% of total consolidated assets.

In valuing these assets, the Group conducts annual impairment tests on its intangible assets with an indefinite life, including goodwill, and whenever there are indications of impairment loss in accordance with the procedures described in note 13 of the notes to the consolidated financial statements. For the purpose of carrying out these tests, goodwill is allocated to cash-generating units (CGUs) as described in note 13 of the notes to the consolidated financial statements.

We considered the measurement of recoverable amounts of indefinite intangible assets including goodwill to be a key issue of the audit due to:

- The materiality of intangible assets with an indefinite life, including goodwill, in the consolidated financial statements;
- The significant estimates underlying the calculation of their value in use, including revenue forecasts, operational performance, working capital requirements, the perpetual growth rates used to determine the terminal value and the discount rate;
- The sensitivity of the measurement of these values in use to certain assumptions, including possible changes in revenue, operational performance, working capital requirements, discount rate and perpetual growth rates.

6. Annual consolidated figures

AUDIT PROCEDURES IMPLEMENTED IN RESPONSE TO IDENTIFIED RISKS

We have (i) assessed the compliance of the methodology applied by Management with current accounting standards and (ii) obtained an understanding of the internal control procedures relating to the valuation of goodwill.

We also assessed the main estimates adopted, considering in particular:

- The methods and parameters used by management to determine the discount rates and perpetual growth rates applied to the estimated cash flows. With the help of our valuation specialists embedded in the audit team, we recalculated these discount rates based on the most recent external market data considering the economic and financial context specific to each CGU;
- The consistency of the future cash flow projections of the CGUs with regard to past results and our knowledge of the activities;
- The sensitivity scenarios used by Management following our verification of their mathematical accuracy.

We also assessed the appropriateness of the disclosures presented in the notes to the consolidated financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial performance statement required by Article L. 225-102-1 of the French Commercial Code is included in the information pertaining to the Group presented in the management report, it being specified that, in accordance with Article L.823-10 of this code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Other Legal and Regulatory Verifications or Information

FORMAT OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory Auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (Code Monétaire et Financier), prepared under the responsibility of Chairman and Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation 2019/815 of December 17, 2018.

As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limits inherent to the macro-tagging of consolidated financial statements in accordance with the European single electronic format, it is possible that the content of certain tags in the notes to the consolidated financial statements are not presented in an identical manner to the accompanying consolidated financial statements.

Furthermore, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed statutory Auditors of Thermador Groupe:

- by your Shareholders' Meeting of April 2, 2023 for Deloitte & Associés,
- by your Shareholders' Meeting of April 4, 2005 as deputy statutory Auditors for Royet which became principal statutory Auditors on April 17, 2015 following the resignation of SSEC.

As at December 31, 2023, Deloitte & Associés was in the 1st year of total uninterrupted engagement and Royet was in the 18th year of total uninterrupted engagement (including 9 years as principal statutory Auditors), including respectively 1 and 18 years since the company's securities were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

OBJECTIVE AND AUDIT APPROACH

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory Auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

6. Annual consolidated figures

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as significant audit findings. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) no. 537/2014, confirming our independence pursuant to the rules applicable in France as defined in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of ethics for statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Saint-Etienne and Lyon, February 29, 2024.

The Statutory Auditors.

Cabinet Royet

Serge Guillot

Deloitte & Associés

Patrice Choquet



COMPANY ACCOUNTS AND LEGAL INFORMATION REGARDING THE PARENT COMPANY

| | | |
|-----|---|-----|
| 7.1 | Parent company financial statements | 175 |
| 7.2 | Statutory auditors' report on the financial statements | 183 |
| 7.3 | Statutory Auditors' special report on regulated agreements | 185 |
| 7.4 | Statutory Auditors | 186 |

7.1.1 BUSINESS REPORT THERMADOR GROUPE

Thermador Groupe, managed by Guillaume Robin, defines and implements the Group's development strategy and, in collaboration with the CEOs of the various subsidiaries, coordinates business activities.

Thermador Groupe also provides centralised management of the Group's cash, shared IT services and harmonises rules that apply to all the subsidiaries on accounting, legal and tax issues.

In 2023, Thermador Groupe's resources amounted to €54,757k made up primarily of the following:

1 Profits paid into Thermador Groupe by the subsidiaries: €33,698k

For some years now, we have adopted a policy of allocating equity to subsidiaries at a level that corresponds to their financing requirements. Accordingly, each subsidiary allocates a portion of its profit to the reserve. Furthermore, the dividends paid to Thermador Groupe in 2023 were taken from the subsidiaries' 2022 profits.

2 Financial income from cash-balancing loans to subsidiaries and advances on current accounts: €2,322k

3 Income from investing the Group's surplus cash: €194k

4 Lease-management rents: €7,456k

Reminder: Thermador Groupe, the parent company, was founded in 1986 with a view to its listing on the stock exchange in 1987. The legal reorganisation of the Group carried out at that time transferred the business assets of the existing subsidiaries (Jetly, Sferaco and Thermador) to Thermador Groupe, which leases these business assets to the three subsidiaries under a management lease agreement. However, all other subsidiaries own their businesses and do not pay any royalties to Thermador Groupe. In 2022 Jetly, Sferaco and Thermador paid the following royalties to the Group:

- ✦ **€4,608k** for the intangible part of the business, based on a percentage of turnover (1.7% for Sferaco, 2.3% for Thermador and 2.5% for Jetly).
- ✦ **€1k** for leased equipment which is equal to 10% of the net value of the equipment concerned.
- ✦ **€2,847k** in rental fees for offices and warehouses based on the average surface area rented; 8,800m² in the case of Thermador, 14,550m² for Sferaco and 11,419m² for Jetly.

5 Provision of staff and service-providers: €235k

Each subsidiary is invoiced at cost based on an estimation of the time spent.

6 Implementation of shared IT: €1,418k

In 2001, we implemented a Group-wide ERP system for sales management and finance/accounting.

Thermador Groupe purchased the necessary hardware and software and depreciates these assets in its accounts. Each subsidiary is invoiced at cost based on the number of users.

7 Centralised management of insurance: €836k

Each subsidiary is invoiced at cost based on the capital and risk of each.

8 Fixed fee for assistance and advice to subsidiaries: €1,982k

This flat rate is between €6k and €286k depending on the size of the subsidiaries and remunerates the role of assistance and advice in the legal, accounting, tax, social, IT and logistics fields.

In 2023 Thermador Groupe's main expenses were as follows:

1 Rent of €2,963k

of which €103k for Thermador Groupe's own offices and €2,860k invoiced on to Jetly, Sferaco and Thermador under the management lease.

2 Salaries and charges: €3,141k

3 Depreciation and amortisation: €771k
(mainly for hardware and software).

4 Next exchange rate difference: €437k

resulting from the implementation of centralised dollar cash management since January 1, 2018.

5 Other operating expenses: €3,962k

including €118k in rent and rental expenses for Thermador Groupe's own offices.

6 Net corporation tax burden: €825k

calculated on Thermador Groupe's own profit and on the share of SCI Thely's result.

7 Significant events after the balance sheet date

There have been no significant changes since the year end.

In 2023, the net profit of Thermador Groupe, the listed parent company, was €33,059k. The proposal is to distribute a dividend of €2.08 per share, i.e. €19,138k, with €13,921k being placed in reserve.

7. Company accounts and legal information regarding the parent company

7.1.2 PROFIT AND LOSS ACCOUNT OF THERMADOR GROUPE FROM JANUARY 1, 2023 TO DECEMBER 31, 2023

| Values in thousands of euros | 2023 | 2022 |
|--|---------------|---------------|
| OPERATING REVENUES | | |
| Business lease payments | 2,847 | 2,748 |
| Other business lease payments | 4,608 | 4,532 |
| Payment for services | 3,638 | 3,168 |
| Reversals of provisions and expense transfers | 1,024 | 1,020 |
| Other revenues | | |
| TOTAL OPERATING REVENUES | 12,117 | 11,467 |
| OPERATING EXPENSES | | |
| Business lease payments recharged | 2,858 | 2,748 |
| Other purchases and external charges excluding business lease payments | 3,580 | 3,326 |
| Taxes other than corporation tax | 138 | 152 |
| Wages and salaries | 2,215 | 2,002 |
| Social security charges | 927 | 825 |
| Depreciation and amortisation | 771 | 624 |
| Increase of provisions | 59 | |
| Other operating expenses | 244 | 185 |
| TOTAL OPERATING EXPENSES | 10,792 | 9,862 |
| OPERATING PROFIT | 1,325 | 1,605 |
| FINANCIAL REVENUES | | |
| Dividends from investments ⁽¹⁾ | 33,698 | 33,578 |
| Interest on intercompany loans | 2,516 | 127 |
| Net earnings from sales of investment securities | | |
| Financial income from investments | | 7 |
| Reversals of provisions and expense transfers | | |
| Positive exchange rate variations | 6,424 | 18,763 |
| TOTAL FINANCIAL REVENUES | 42,638 | 52,475 |
| FINANCIAL EXPENSES | | |
| Amortisation and provisions for financial assets | | |
| Net interest payable ⁽²⁾ | 3,224 | 450 |
| Exchange rate losses | 6,861 | 19,878 |
| TOTAL FINANCIAL EXPENSES | 10,085 | 20,328 |
| NET INTEREST (PAYABLE) | 32,553 | 32,147 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAX | 33,878 | 32,752 |
| TOTAL EXTRAORDINARY INCOME (278) | 6 | |
| CURRENT TAX CHARGE | 825 | 1,088 |
| NET PROFIT | 33,059 | 32,664 |
| ⁽¹⁾ Of which, income from associated companies. | 36,021 | 33,704 |
| ⁽²⁾ Of which, interest from associated companies. | 2,344 | 70 |

7. Company accounts and legal information regarding the parent company

7.1.3 BALANCE SHEET AT DECEMBER 31, 2023

Values in thousands of euros

| Values in thousands of euros | | | | | 31/12/2023 | | | 31/12/2022 | | | | |
|--|-----------------------------|---|--|-------------------------|------------|---|--|--|-------------------------------|--|-------------------|--|
| | | | | | GROSS | DEPRECIATIONS & PROVISIONS | | NET | | NET | | |
| ASSETS | | | | | | | | | | | | |
| FIXED ASSETS | | | | | | | | | | | | |
| Intangible assets: | | | | | | | | | | | | |
| - Business goodwill | | | | | 5,717 | | | | 5,717 | | 5,717 | |
| - Other intangible assets | | | | | 5,086 | | 3,921 | | 1,165 | | 1,652 | |
| Tangible assets: | | | | | | | | | | | | |
| - Technical facilities, industrial equipment and tooling | | | | | | | | | | | | |
| - Other tangible assets | | | | | 1,566 | | 1,016 | | 550 | | 358 | |
| Financial assets: | | | | | | | | | | | | |
| - Investments | | | | | 158,374 | | | | 158,374 | | 158,375 | |
| - Intercompany receivables | | | | | 22,188 | | | | 22,188 | | 21,396 | |
| - Other financial assets | | | | | 7 | | | | 7 | | 6 | |
| TOTAL FIXED ASSETS | | | | | 192,938 | | 4,937 | | 188,001 | | 187,504 | |
| CURRENT ASSETS | | | | | | | | | | | | |
| Receivables: | | | | | | | | | | | | |
| - Trade notes and accounts receivables | | | | | 4 | | | | 4 | | 5 | |
| - Other receivables | | | | | 19,060 | | | | 19,060 | | 28,645 | |
| Investment securities | | | | | 12 | | 1 | | 11 | | 221 | |
| Cash and cash equivalent | | | | | 26,613 | | | | 26,613 | | 11,959 | |
| Accrual accounts: | | | | | | | | | | | | |
| - Prepaid expenses | | | | | 456 | | | | 456 | | 168 | |
| TOTAL CURRENT ASSETS | | | | | 46,145 | | 1 | | 46,144 | | 40,998 | |
| OVERALL TOTAL | | | | | 239,083 | | 4,938 | | 234,145 | | 228,502 | |
| | | | | | | | | | 31/12/2023 NET | | 31/12/2022 NET | |
| LIABILITIES | | | | | | | | | | | | |
| SHAREHOLDERS' EQUITY | | | | | | | | | | | | |
| Capital | | | | | | | | | 36,803 | | 36,803 | |
| Issue premium | | | | | | | | | 23,028 | | 23,028 | |
| Reserves: | | | | | | | | | | | | |
| - Legal reserve | | | | | | | | | 3,680 | | 3,680 | |
| - Other | | | | | | | | | 51,424 | | 37,891 | |
| Result for the financial year (profit) | | | | | | | | | 33,059 | | 32,664 | |
| TOTAL SHAREHOLDERS' EQUITY | | | | | | | | | 147,994 | | 134,066 | |
| PROVISIONS FOR LIABILITES AND CHARGES | | | | | | | | | | | | |
| Provisions for charges | | | | | | | | | 298 | | 514 | |
| TOTAL PROVISIONS FOR LIABILITES AND CHARGES | | | | | | | | | 298 | | 514 | |
| LIABILITIES | | | | | | | | | | | | |
| Bank borrowings | | | | | | | | | 35,936 | | 46,030 | |
| Trade notes and accounts payables | | | | | | | | | 855 | | 737 | |
| Tax and social liabilities | | | | | | | | | 1,538 | | 1,385 | |
| Debt on fixed assets and related accounts | | | | | | | | | 5,187 | | 5,397 | |
| Other liabilities | | | | | | | | | 42,337 | | 40,373 | |
| TOTAL LIABILITIES | | | | | | | | | 85,853 | | 93,922 | |
| OVERALL TOTAL | | | | | | | | | 234,145 | | 228,502 | |
| LIST OF SUBSIDIARIES (in thousands of euros) | Share capital at 31/12/2023 | Premium, reserves and retained earnings | Percentage of share capital held at 31/12/2023 | Book value of holdings: | | Outstanding loans and advances granted by the company | Guarantees and endorsements granted by the company | Ex-VAT turnover of the last year ended | Profit of the last year ended | 2022 profit received by the parent company in 2023 | Year end | |
| | | | | gross | net | | | | | | | |
| SFERACO S.A.S | 3,200 | 35,599 | 100 | 3,049 | 3,049 | 1,562 | None | 98,077 | 10,041 | 4,400 | 31/12 | |
| THERMADOR S.A.S | 3,200 | 20,116 | 100 | 3,049 | 3,049 | 97 | None | 100,624 | 14,589 | 9,600 | 31/12 | |
| JETLY S.A.S | 3,200 | 11,341 | 100 | 3,049 | 3,049 | None | None | 63,404 | 10,630 | 9,000 | 31/12 | |
| ODREA S.A.S | 2,284 | 20,114 | 100 | 24,632 | 24,632 | 7,776 | None | 62,876 | 1,872 | - | 31/12 | |
| PBTUB S.A.S | 960 | 9,514 | 100 | 896 | 896 | None | None | 27,851 | 1,955 | 1,620 | 31/12 | |
| THERMACOME S.A.S | 1,466 | 3,255 | 100 | 7,000 | 7,000 | None | None | 19,853 | 1,064 | 209 | 31/12 | |
| ISOCEL S.A.S | 160 | 2,502 | 100 | 152 | 152 | None | None | 9,736 | 1,177 | 1,200 | 31/12 | |
| SECTORIEL S.A.S | 780 | 10,684 | 100 | 3,255 | 3,255 | None | None | 34,517 | 3,904 | 3,754 | 31/12 | |
| THELY S.C.I | 3,100 | 32,226 | 100 | 8,670 | 8,670 | 23,034 | None | 7,670 | 1,576 | None | 31/12 | |
| SYVECO S.A.S | 1,000 | 4,606 | 100 | 1,000 | 1,000 | None | None | 34,744 | 4,548 | 3,875 | 31/12 | |
| OPALINE S.A.S | 80 | 351 | 100 | 80 | 80 | None | None | 2,202 | 109 | 40 | 31/12 | |
| AXELAIR S.A | 1,000 | (443) | 99.997 | 3,000 | 3,000 | 4,412 | None | 7,387 | (761) | None | 31/12 | |
| MECAFER S.A.S | 540 | 15,029 | 100 | 24,300 | 24,300 | None | None | 25,998 | 1,917 | None | 31/12 | |
| AELLO S.A.S | 2,000 | 3,374 | 100 | 2,000 | 2,000 | None | None | 19,226 | 933 | None | 31/12 | |
| FGINOX S.A.S | 490 | 10,693 | 100 | 22,882 | 22,882 | None | None | 16,977 | 800 | None | 31/12 | |
| DECO HOLDING N.V | 2,703 | 8,657 | 100 | 10,000 | 10,000 | None | None | 1,049 | 409 | None | 31/12 | |
| DISTRILABO S.A.S | 500 | 2,337 | 100 | 5,200 | 5,200 | None | None | 6,961 | 917 | None | 31/12 | |
| DPI S.A.M | 150 | 4,883 | 100 | 36,160 | 36,160 | None | None | 41,957 | 2,484 | None | 31/12 | |

7. Company accounts and legal information regarding the parent company

7.1.4 OTHER ITEMS IN THE FINANCIAL STATEMENTS

Values in thousands of euros

| PAST FIVE FINANCIAL YEARS | 31/12/2023 12 MONTHS | 31/12/2022 12 MONTHS | 31/12/2021 12 MONTHS | 31/12/2020 12 MONTHS | 31/12/2019 12 MONTHS |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| SHARE CAPITAL AT YEAR-END | | | | | |
| Share capital (in thousands of euros) | 36,803 | 36,803 | 36,803 | 36,803 | 36,439 |
| Number of ordinary shares | 9,200,849 | 9,200,849 | 9,200,849 | 9,200,849 | 9,109,752 |
| INCOME AT YEAR END (IN THOUSANDS OF EUROS) | | | | | |
| Pre-tax profits (operating and financing) | 53,732 | 62,923 | 50,693 | 33,635 | 30,221 |
| Profit before tax, depreciation, amortisation and provisions and reversals of provisions | 34,714 | 34,368 | 27,483 | 23,755 | 21,081 |
| Current tax charge | 825 | 1,088 | 1,264 | 1,122 | 1,202 |
| Profit after tax, depreciation and amortisation | 33,059 | 32,664 | 25,494 | 22,141 | 19,554 |
| Dividends | 19,138 | 19,138 | 18,402 | 16,746 | 16,398 |
| NET EARNINGS PER SHARE (IN EUROS) | | | | | |
| Profit after tax and before depreciation and provisions | 3.68 | 3.62 | 2.85 | 2.46 | 2.18 |
| Profit after tax, depreciation and provisions | 3.59 | 3.55 | 2.77 | 2.41 | 2.15 |
| Net dividend payable per share | 2.08* | 2.08* | 2.00* | 1.82 | 1.80 |
| EMPLOYEES | | | | | |
| Average number of employees during the year | 23 | 22 | 15 | 10 | 9 |
| Wages and salaries of the year (in thousands of euros) | 2,214 | 2,002 | 1,448 | 1,161 | 1,042 |
| Social charges paid during the year (in thousands of euros) | 927 | 825 | 617 | 510 | 420 |

* Dividend proposed at the AGM of 02/04/2024.

| CASH FLOW STATEMENT (IN THOUSANDS OF EUROS) | 31/12/2023 | 31/12/2022 |
|--|-----------------|-----------------|
| Profit for the financial year | 33,059 | 32,664 |
| Depreciation and provisions net of reversals | 555 | 616 |
| Eliminations of gain or losses on disposal | 60 | - |
| CASH FLOW FROM OPERATIONS | 33,674 | 33,280 |
| Change in working capital | 12,380 | (1,453) |
| CASH FLOW FROM OPERATIONS | 46,054 | 31,827 |
| Acquisition of fixed assets | (951) | (732) |
| Net book value of fixed assets sold | 203 | 248 |
| Financial assets | (792) | (31,296) |
| TOTAL NET CASH FLOW FROM INVESTING ACTIVITIES | (1,540) | (31,780) |
| Dividends paid | (19,132) | (18,396) |
| Change in financial debts | (8,147) | 18,242 |
| TOTAL NET CASH FLOW FROM FINANCING ACTIVITIES | (27,279) | (154) |
| Net cash flow | 17,235 | (107) |
| OPENING CASH POSITION | 9,378 | 9,485 |
| Of which, positive cash | 12,181 | 18,495 |
| Of which, short-term loans | (2,803) | (9,010) |
| NET CASH | 26,613 | 9,378 |
| Of which, positive cash flow | 26,809 | 12,181 |
| Of which, short-term loans | (196) | (2,803) |

7. Company accounts and legal information regarding the parent company

7.1.5 NOTES TO THERMADOR GROUPE'S ANNUAL ACCOUNTS

Thermador Groupe is the lead company of the consolidated Thermador Groupe.

The year's milestone

PROPOSED ACQUISITION OF A MINORITY STAKE IN FEMAT SOLUTIONS:

On June 29, 2023, Thermador Groupe entered into negotiations with the shareholders of Groupe Femat, whose head office is at 14 chemin des Hironnelles in Dardilly (69570), to acquire a minority stake in Femat Solutions, a wholly-owned subsidiary of Femat (a specialist distributor of materials and solutions for high-performance buildings). As part of the deal, Garibaldi Participations, which has been supporting the Femat group since 2021, is looking to strengthen its capital footprint alongside the group's banking partners, who are working on putting in place financing to boost the company's working capital. Femat Solutions provides services to professionals, in particular the valuation of energy saving certificates (CEE) and the organisation of financing solutions for government aid to improve the energy performance of buildings (MaPrimeRénov' scheme). More specifically, it provides support to professionals at every stage of their projects, ensures that the projects are technically sound, guarantees payment of the grants and manages the administrative and financial formalities required for the French housing improvement agency (ANAH), which promotes and finances a large part of the thermal and energy renovation of buildings.

Femat Solutions also supports and advises its customers, both public and private clients, project managers and contractors, on energy-efficient renovation and construction projects (in the residential, collective and tertiary sectors). The company employs 4 people and generated turnover of €1.19m in its last financial year. The deal would Thermador Groupe companies enabled in the energy renovation of buildings access to Femat Solutions' expertise and network, enabling them to anticipate regulatory requirements, promote their technical solutions (and this would include large-scale projects), deliver training that targets stable installation professionals expected to be active on the market over the long term, and ensure that their products are properly installed, a sure-fire way of enhancing their reputation. As a reminder, sales of accessories for installing heat pumps and solar water heaters made a significant contribution to Thermador's growth in 2021 and 2022.

At December 31, 2023, this project had still not been completed. By mutual agreement with the management of Femat Solutions, we have decided to give ourselves more time to think about acquiring a minority stake.

PROPOSED ACQUISITION OF COMPTEUR-ENERGIE.COM:

On 24 November 2023, we announced our discussions with the shareholders of Compteur-energie.com, the holding of a group of 3 companies employing eight people and generating turnover of €2.8m. They combine expertise in the design and marketing of remote reading systems (Internet Of Things) and electricity, water, gas, heating oil and energy meters for professionals. We will do our utmost to complete this acquisition in the first half of 2024.

INFLATIONARY CONTEXT:

2023 inflation was expected to average 4.1% in France and 2.9% in Europe. This inflationary phenomenon has several effects on our business. We pay particular attention to the spending power of all our employees, with regular salary reviews. We also distributed a value-sharing bonus to a large proportion of our employees, based on length of service with the company. To help employees with their home-to-work journeys, the company has also introduced a sustainable mobility package (FMD). This tool, combined with more working from home, has encouraged the use of 'soft' modes of transport and limited the financial impact of rising fuel prices.

IMPACT OF THE WAR IN UKRAINE:

The war in Ukraine has not had a significant direct impact on the company's assets, financial position or results.

Accounting rules and methods

The accounting policies have been applied in accordance with the provisions of the French Companies' Code, the Accounting Decree of 29/11/83, ANC regulation 2014-03 and ANC regulation 2018-07 relating to the rewriting of the general chart of accounts applicable at the year-end.

General accounting conventions have been applied in compliance with the precautionary principle, in accordance with some basic assumptions:

- Continuity of operations,

- Consistency of accounting methods from one financial year to the next,
- Independence of financial years, all of this in accordance with the general rules for the preparation and presentation of annual accounts. The basic method used for the valuation of items recorded in the accounts is the historical cost method. There have been no changes in valuation or presentation methods compared to the previous year.

NOTE 1 Fixed and intangible assets

Fixed and intangible assets were assessed at their acquisition cost (purchase price plus accessory cost). Amortisations for depreciation are calculated on a straight-line basis according to expected service life:

| | |
|-----------------------------|-------------------------|
| Software | 3 and 5 years |
| Renovation and installation | 3, 6 and 10 years |
| Office and IT equipment | 2, 3, 4, 5 and 6 years |
| Furniture | 2, 4, 5, 6 and 10 years |

Intangible assets concern software in particular. The balance sheet includes a 'goodwill' item valued at €5,717k representing the three businesses acquired by Thermador Groupe through the merger/absorption in 1987 with three former private limited companies: Thermador, Sferaco and Jetly. This 'goodwill' item has not been amortised since amortisation is not legally compulsory in France.

They were not written down because their values - assessed either according to market values or to the method based in particular on future forecastable net cash flows over a period of 5 years and a post factum growth rate of 1% and a discount rate of 9.1% - exceed their accounting values. The calculation of foreseeable future net cash flows is performed at the legal entity level.

NOTE 2 Investments and other asset stock

The gross value of investments and other asset stock is calculated according to the acquisition cost of the stock. A list of subsidiaries and participations appears in paragraph 7.1.3.

Method of valuation: Equity securities appear on the balance sheet at their acquisition value, or their current value if it is lower. The current value is assessed either in relation to the market value or via an analysis of the most recent accounts closed by the companies whose shares we own. The analysis above concerns the equity position, profit level and development prospects of the companies concerned. When the current value of shares is lower than the acquisition cost of those shares, a provision for depreciation is booked in accounts.

NOTE 3 Receivables

Trade receivables are mainly comprised of customer receivables and other receivables, including those under the treasury agreement in place within the group. These receivables are valued at their nominal value. An allowance for impairment is recognized when there is a risk of non-payment on the receivables concerned.

NOTE 4 Debt

The 'Debt' item consists mainly of borrowings and other debt, including liabilities under the Group's cash management agreement. These debts are valued at their nominal value.

NOTE 5 Provisions for risks and charges

Treasury shares

In 2018 and 2021, Thermador Groupe purchased 3,000 of its own shares for a purchase value of €220k. In July 2023, 2,864 shares were allocated to the free share plan granted to employees and corporate officers of Aello and Axelair by decision of the Board of Directors of July 29, 2021. The value of the 2,864 shares has been reduced to zero in the financial statements. At December 31, 2023, Thermador Groupe held only 136 of its own shares, valued at €11k, representing a capital loss of €476.

Retirement benefits

Pension compensation was calculated at €297.6k including charges (of which Board members and corporate officers €203.3k) according to age, length of service, salary and the collective agreement for wholesalers. They are calculated on the basis of departure at the employee's initiative. The calculation takes into account the following hypotheses:

- Reference retirement age: 64.5 to take the retirement age law and the average retirement age within Thermador Groupe into account,
- Rate of staff turnover: calculated by age group (under 35, 35-50 and over 50),
- Growth in salaries according to salary policy,
- Probability of survival to retirement age and an discount rate of 3.17%.

The provision entered in the accounts of €297.6k therefore concerns all employees and company managers. The 2023 reversal is €59.1k.

According to the industry-wide agreement for the wholesale trade, the end-of-career pay-off is capped at three months' salary, which is the case for 30 years' service for employees, six months' salary which is the case for 30 years' service for managers, and six months' salary which is the case for 43.33 years' service for supervisors.

7. Company accounts and legal information regarding the parent company

NOTE 6 Explanation of balance sheet and profit and loss account items: fixed assets and amortisations (in thousands of euros)

| FIXED ASSETS | Gross value at the start of the period | Increases | Decreases | Gross value at the end |
|--|--|--------------|------------|------------------------|
| Business goodwill | 5,717 | | | 5,717 |
| Other intangible assets | 5,150 | 268 | 333 | 5,085 |
| TOTAL INTANGIBLE ASSETS | 10,867 | 268 | 333 | 10,802 |
| Machinery and equipment | | | | |
| General installations, fixtures and improvements | 568 | 26 | 207 | 387 |
| Office equipment and furniture | 830 | 417 | 152 | 1,095 |
| Tangible assets in progress | 54 | 30 | | 84 |
| TOTAL TANGIBLE ASSETS | 1,452 | 473 | 359 | 1,566 |
| Long-term investments ⁽¹⁾ | 158,375 | | | 158,375 |
| Intercompany receivables ⁽²⁾ | 21,396 | 792 | | 22,188 |
| Other financial assets | 6 | 1 | | 7 |
| TOTAL FINANCIAL ASSETS | 179,777 | 793 | | 180,570 |
| OVERALL TOTAL | 192,097 | 1,534 | 692 | 192,939 |

⁽¹⁾ This relates to affiliated companies. ⁽²⁾ Loan to S.C.I. Thely.

| AMORTISATION | Gross value at the start of the period | Increases in amortisation | Decreases in amortisation of removed items | Gross value at the end of the period |
|--|--|---------------------------|--|--------------------------------------|
| Business goodwill | | | | |
| Other intangible assets | 3,500 | 555 | 134 | 3,921 |
| TOTAL INTANGIBLE ASSETS | 3,500 | 555 | 134 | 3,921 |
| Machinery and equipment | | | | 0 |
| General installations, fixtures and improvements | 442 | 25 | 148 | 319 |
| Office equipment and furniture | 652 | 191 | 146 | 697 |
| TOTAL TANGIBLE ASSETS | 1,094 | 216 | 294 | 1,016 |
| OVERALL TOTAL | 4,594 | 771 | 428 | 4,937 |

| NOTE 7 Provisions (in thousands of euros) | Amount at the start of the period | Allocations for the year | Reversals for the year | Amount at the end of the period |
|---|-----------------------------------|--------------------------|------------------------|---------------------------------|
| Provisions for retirement indemnities | 238 | 59 | | 297 |
| Provision for share-based payments | 276 | | 276 | |
| Other provisions | | | | |
| TOTAL PROVISIONS FOR LIABILITIES AND CHARGES | 514 | 59 | 276 | 297 |
| Provision for company-owned share depreciation | | | | |
| GRAND TOTAL | 514 | 59 | 276 | 297 |
| Including: - operating items | | 59 | | |
| - financial | | | 276 | |
| Including uses | | | | |

NOTE 8 Breakdown of receivables (in thousands of euros)

| BREAKDOWN OF RECEIVABLES | Gross | Affiliated companies | Within one year | More than one year |
|-----------------------------------|---------------|----------------------|-----------------|--------------------|
| Receivables from equity interests | 22,188 | 22,188 | | 22,188 |
| Other financial assets | 7 | | | 7 |
| Customers | 4 | | 4 | |
| Other debtors | 432 | | 432 | |
| Group | 18,609 | 18,609 | 18,609 | |
| Prepaid expenses | 456 | | 456 | |
| TOTAL | 41,696 | 40,797 | 19,501 | 22,195 |

NOTE 9 Debt statement (in thousands of euros)

| THE STATE OF THE DEBTS | Gross | Affiliated companies | Under one year | More than one year |
|---|---------------|----------------------|----------------|--------------------|
| Loans and debt from credit establishments | 35,090 | | 7,711 | 27,379 |
| Loans and miscellaneous financial debt | 846 | | 846 | |
| Suppliers | 855 | | 855 | |
| Supplier fixed assets | 5,187 | | 5,187 | |
| Corporation tax | | | | |
| Personnel and social bodies | 905 | | 905 | |
| VAT | 522 | | 522 | |
| Other taxes and duties | 111 | | 111 | |
| Group of which, cash management agreement | 42,337 | 42,337 | 42,337 | |
| Other parties | | | | |
| TOTAL | 85,853 | 42,337 | 58,474 | 27,379 |

The Group aggregate includes funds advanced by subsidiaries for €42,337k under the cash management agreement set up in 2021. These current account advances are subject to the €STR rate +0.5%.

7. Company accounts and legal information regarding the parent company

NOTE 10 Off-balance-sheet commitment

Thermador Groupe decided to introduce centralised management of cash in dollars as of January 1, 2018 to cover the requirements of all the Group subsidiaries. Accordingly, Thermador Groupe subscribed to USD forward currency purchases for US\$29,500k with a maturity date in the first quarter of 2024. The fair value of these financial instruments was assessed at €391.3k on December 31, 2023.

NOTE 11 Information linked to significant transactions concluded with the parties bound by article r-123-197-1 of French companies' code

- ❖ Rent invoiced by SCI Thely €2,963k of which €103k for Thermador Groupe's own offices.
- ❖ Lease with Jetly, Sferaco and Thermador:
 - Rent invoiced on to the three companies for the following amounts respectively: Jetly €961k, Sferaco €1,219k and Thermador €667k,
 - Levy on the three companies' turnover: Jetly €1,569k, Sferaco €1,126k and Thermador €1,912k.

NOTE 12 Other information

Accrued income: Group: €1,033k in fees, €4k in bank charges and expenses.

Outstanding expenses: Suppliers and related accounts: €89k, fixed asset suppliers: €5,160k, for the DPI earn-out.

Tax and social security liabilities: €630k, of which €267k in respect of the variable earnings of the company's chairman and CEO and Deputy CEO (Guillaume Robin and Patricia Mavigner) to be voted at the AGM of April 2, 2024, provision for paid holidays: €140k, Group: €846k, accrued interest on loans: €131k.

Pre-paid expense: €456k.

Average headcount: Managers: 21 and non-managers: 2.

Make-up of capital: The capital was set at €36,803,396 at the beginning of the financial year, divided up into 9,200,849 shares with a nominal value of €4 each.

There are no stock options.

Executive's earnings: The gross earnings and all direct and indirect fringe benefits for each corporate representative in the Group (including consolidating and controlled companies, according to article L233-3 L233-16 of French companies' code) allocated for the financial year to members of the Board of Directors on account of their functions totalled €1,495.7k.

Tax on profit: Taxes due.

Total taxes plus social security contributions of 3.3% came to €835k on the financial year's profit with no tax on the exceptional profit. The tax burden is therefore €835k of net profit. For the planned distribution of €19,138k, taxes and contributions will be €6,280k.

Tax relief: Reversal of provision for bonus shares: €275k, acquisition costs: €110k, total tax relief: €385k.

Tax credits: €12k.

NOTE 13 Auditors' fee (in thousands of euros)

| | DELOITTE | | CABINET ROYET | | MAZARS | | TOTAL | |
|---|-----------|------|---------------|-----------|--------|-----------|-----------|-----------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| FEES FOR CERTIFICATION OF ACCOUNTS | | | | | | | | |
| Fees for certification of accounts | 45 | | 45 | 36 | | 36 | 90 | 72 |
| NON-AUDIT SERVICES (NAS) | | | | | | | | |
| NAS required by the texts | | | | 5 | | 5 | | 10 |
| Other NASs | None | None | None | None | None | None | None | None |
| TOTAL STATUORY AUDITOR'S FEES | 45 | | 45 | 41 | | 41 | 90 | 82 |

NAS = Non-Audit Services: examination of regulated conventions, management report review, annual financial report review.

7.1.6 GENERAL LEGAL INFORMATION

INFORMATION

- ❖ Company name: Thermador Groupe.
- ❖ Head office: Parc d'Activités de Chesnes, CS 10710 - 60, rue de Luzais, 38297 Saint-Quentin-Fallavier Cedex France. Tel. +33 (0)4 74 95 63 28
- ❖ Companies' Register number: 339 159 402 RCS Vienne.
- ❖ APE Code: 7420Z.
- ❖ Legal form: Société Anonyme (plc) with Board of Directors governed by the French companies' code of July 24, 1966 (French law).
- ❖ Date of incorporation and term: the company was founded on October 2, 1986 and for a period of 99 years as from the date of incorporation in the Companies' Register, i.e. October 31, 1986.
- ❖ Fiscal period: January 1 to December 31.

During the period of validity of this Registration Document, the company by-laws, the auditors' reports and the financial statements of the previous 3 financial years, along with all reports, correspondence and other documents, historical financial information about Thermador Groupe and its subsidiaries over the past three financial years, valuations and declarations drawn up by experts at the request of the issuer, and any other document required by law are available for consultation at the issuer's head office.

Company business (article 2 of the by-laws)

The company's business purpose includes:

- ❖ acquisition of all interests through whatever means, contributions, purchase of stocks, bonds and ownership interests, in all companies, businesses or commercial, industrial, financial, real estate companies, as well as management and promotion of these interests,
- ❖ ownership, management or leasing of all businesses,
- ❖ consulting and all other services,
- ❖ and more generally, any transactions, of whatever nature, whether in France or abroad, directly or indirectly connected to this business purpose, and liable to contribute to the business or facilitate its development.

Form of the shares

Identification of bearer shares (article 11 of the by-laws).

Shareholders may choose whether fully paid-up shares are in registered form or bearer form. Shares are registered in the name of the owner in accordance with applicable regulations.

7. Company accounts and legal information regarding the parent company

Share transfer (article 12 of the by-laws)

Shares may be freely traded. Transfer of shares is by transfer from one account to another in accordance with applicable regulations.

Conditions required in order to acquire voting rights (article 22 of the by-laws, § right of vote)

Each shareholder has as many votes as he or she shares, without limitation. In application of the provisions of article L225-123 paragraph 3, of the commercial code, the ability to benefit from dual voting rights for shareholders whose shares have been registered for more than two years, or any other period defined by law, in the name of that same shareholder, is expressly excluded from the terms and conditions of these company by-laws. Votes are cast either with a show of hands or by roll-call. Secret ballots can only be held at the request of members representing the majority required for the vote of the resolution in question, in person or by proxy. As soon as current regulations are applied, any shareholder may vote by correspondence using a form that complies with legal requirements and which is only taken into account if it is received by the company two days at least before the date of the AGM. Forms giving no indication of vote or expressing abstention will be considered as negative votes.

Participation in AGMs (article 22 of the by-laws, § Participation in meetings)

All shareholders have the right to attend the AGMs or to be represented at such meetings, regardless of the number of shares held, on condition that the shares have been fully paid up. However, shareholders must have registered their shares in a holder account in their name and holders of bearer shares must obtain a certificate, issued by the accredited financial intermediary, stating the number of shares owned by the holder and certifying that the said shares are not transferable prior to the date at which the meeting is to be held.

These formalities must be carried out at least five days prior to the date set for the meeting. The Board of Directors may reduce this delay by means of a general provision that would apply to all shareholders.

Distribution of profits (of the by-laws)

The AGM decides, in accordance with current laws and regulations, the allocation of the profits from the financial period and the amount of dividends distributed. The AGM allows each shareholder the choice, for all or part of the dividends, to receive payment or instalments in the form of shares in the company. Payment of dividends or instalments on company shares will be performed out in compliance with current laws and regulations.

Statutory limits on change in ownership requiring registration:

Article 13 of the Articles of company's by-laws requires it,

within five trading days, to declare any direct, indirect or joint holding of securities representing at least 2% of the share capital or voting rights, or any multiple thereof.

Change in capital structure and voting rights

The share capital is €36,803,396 divided into €9,200,849 fully paid up shares of €4.

Change in capital structure and rights attached to shares.

The company's capital can be increased, decreased or amortized by any means authorised by law. Any modification to voting rights attached to the shares representing the company's capital is subject to prevailing legal and regulatory provisions, as the by-laws contain no specific contingency in this case.

Powers of the CEO

The Board or company by-laws impose no specific limitation on the powers of the CEO who operates according to the powers given to him by law. Authorised capital not issued: €2,000,000 until June 4, 2024.

Potential capital: none.

Trading in its own shares: see note 17 - chapter 6.

Company's or subsidiaries' pledged shares or assets: none.

Other information

The company respects the conditions concerning members' terms imposed by the NRE law. There are no family ties between the members of the Board of Directors. No loan or guarantee has been extended by the company or a company of the Group to Corporate Officers. No conflict of interests exists between the Board members' duties to Thermador Groupe and their private interests.

To our knowledge, over the past five years, no Board member:

- exercises or has exercised mandates or functions outside Thermador Groupe, except as independent Board members;
- has been found guilty of fraud;
- has been involved in a bankruptcy, receivership or liquidation;
- has been incriminated or penalised publicly and officially by the statutory or regulatory authorities;
- has ever been forbidden by a court to act as a member of a body dedicated to the administration, management and supervision of a company, or involved in the management or running of such a company's affairs;
- is subject to any arrangement or agreement struck with the main shareholders, customers, suppliers or others by way of which a member of the Board of Directors may have been chosen as a member of a body dedicated to the administration, management and supervision of a company or as a member of the management team.

CHANGES TO SHARE CAPITAL OVER THE LAST FIVE YEARS

| Year | Transaction | Nominal value in euros | Capital increase | Number of shares issued | Total number of shares | Capitalisation in euros |
|------------|--|------------------------|------------------|-------------------------|------------------------|-------------------------|
| 12/05/2015 | Payment of the dividend in shares | €8 | €262,008 | 32,751 | 4,356,484 | €34,851,872 |
| 07/08/2015 | Increase in capital in exchange for the contribution of Mecafer shares | €8 | €670,608 | 83,826 | 4,440,310 | €35,522,480 |
| 09/05/2016 | Payment of the dividend in shares | €8 | €471,656 | 58,957 | 4,499,267 | €35,994,136 |
| 17/05/2017 | Payment of the dividend in shares | €8 | €444,872 | 55,609 | 4,554,876 | €36,439,008 |
| 09/05/2018 | Division of the nominal share | €4 | | | | |
| 28/04/2020 | Capital increase in cash reserved for employees | €4 | €364,388 | 91,097 | 9,200,849 | €36,803,396 |

7.2

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

For the year ended December 31, 2023.

To the Thermador Groupe Shareholders' Meeting,

Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying financial statements of Thermador Groupe for the year ended December 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis of opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the 'Statutory Auditors' Responsibilities for the Audit of the Financial Statements' section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for statutory Auditors for the period from January 1, 2023 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we bring your attention to the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period, as well as our responses to those risks.

These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on specific items of the financial statements.

Valuation of equity securities (Notes 2 and 6 to the financial statements)

Identified risks

Equity securities were recognized in the balance sheet as at December 31, 2023 for a net amount of €158 million, representing 67,6% of total assets. They are initially recognized at acquisition cost and, where necessary, impaired based on their value in use.

As stated in Note 2 to the financial statements, value in use is assessed using the share of net assets or, if deemed more relevant, discounted cash flows, taking into account the future outlook of the companies in question. If the value in use of the equity securities is lower than their acquisition cost, a provision for impairment loss is recognized.

We considered the valuation of equity securities to be a key audit matter considering:

- the materiality of these assets in the Thermador Groupe balance sheet,
- the need for Management to use estimates and assumptions to determine the value in use,
- and the sensitivity of this valuation to some of these assumptions.

Audit procedures implemented in response to identified risks

We (i) assessed the compliance of the methodology adopted by Management with current accounting standards and (ii) obtained an understanding of the internal control procedures relating to the valuation of equity securities. We also reviewed the methods used by Management to determine the value in use based on the estimates obtained and documented according to the various criteria described below.

For valuations based on the share of net assets, we verified that the equity matched the audited accounts of the relevant entities.

For estimates based on forecast data, and where applicable, we:

- verified the consistency of the assumptions used in the cash flow forecasts with past performances and the economic environment and assessed their consistency with the forecast data taken from the most recent strategic plans, prepared under the supervision of the Executive Management of each of these activities
 - analyzed the methods and parameters used to determine the present value of estimated cash flows, and
 - verified the mathematical accuracy of these estimates.
- Finally, we verified that Notes 2 and 6 to the financial statements provide appropriate disclosure.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

Information given in the management report and in the other documents addressed to shareholders with respect to the financial position and the financial statements

We have no comments to make on the fair presentation and consistency with the financial statements of the information given in the Board of Directors' management report and in the documents addressed to shareholders with respect to the financial position and the financial statements.

We attest the fair presentation and consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code.

We attest that the non-financial statement required by Article L.225-102-1 of the French Commercial Code (Code de Commerce) is included in the management report, it being specified that, in accordance with Article L.823-10 of this code, we have verified neither the fair presentation nor the consistency with the financial statements of the information contained therein.

7. Company accounts and legal information regarding the parent company

Report on corporate governance

We attest that the Board of Directors' report on corporate governance contains the information required by

L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code relating to remunerations and benefits received by or awarded to the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled enterprises included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

Other Legal and Regulatory Verifications or Information

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory Auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (Code Monétaire et Financier), prepared under the responsibility of Chairman and Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation 2019/815 of December 17, 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed statutory Auditors of Thermador Groupe:

- by your Shareholders' Meeting of April 2, 2023 for Deloitte & Associés

- by your Shareholders' Meeting of April 4, 2005 as deputy statutory Auditors for Royet which became principal statutory Auditors on April 17, 2015 following the resignation of SSEC

As at December 31, 2023, Deloitte & Associés was in the 1st year of total uninterrupted engagement and

Royet was in the 18th year of total uninterrupted engagement (including 9 years as principal statutory Auditors), including respectively 1 and 18 years since the company's securities were admitted to trading on a regulated market.

Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory auditors' responsibilities in relation to the audit of the annual accounts

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory Auditor exercises professional judgment throughout the audit and furthermore:

- ✦ Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

7. Company accounts and legal information regarding the parent company

- ✦ Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- ✦ Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- ✦ Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- ✦ Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as significant audit findings. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) no. 537/2014, confirming our independence pursuant to the rules applicable in France as defined in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of ethics for statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors,

CABINET ROYET
Saint-Etienne, February 29, 2024
Serge Guillot

DELOITTE & ASSOCIÉS
Lyon, February 29, 2024
Patrice Choquet

7.3

STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

For the year ended December 31, 2023

To the Thermador Groupe Shareholders' Meeting,

In our capacity as statutory Auditors of your company, we present to you our report on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such agreements are in the Company's interest, without expressing an opinion on their usefulness and appropriateness or identifying other such agreements, if any. It is your responsibility, pursuant to Article R.225-31 of the French Commercial Code (Code de Commerce), to

assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R.225-31 of the French Commercial Code (Code de Commerce) relating to the implementation during the past year of agreements previously approved by the Shareholders' Meeting, if any.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents.

7. Company accounts and legal information regarding the parent company

Agreements submitted to the approval of the Shareholders' Meeting

Agreements authorised and continued during the last financial year

We inform you that we have not been given notice of any agreement authorized and concluded during the past financial year to be submitted to the Board of Directors for approval pursuant to the dispositions of article L.225-38 of the French Commercial Code (Code de Commerce).

Agreements previously approved by the Shareholders' Meeting

Agreements approved in previous years that have continued to be implemented in this year

Pursuant to article R. 225-30 of the French Commercial Code (Code de Commerce), we have been informed that the execution of the following agreements, already approved by your Board of Directors in previous financial years, has continued during this financial year.

- Management leases of business assets and rental of storage and administrative premises with certain group companies

Entities involved:

Jetly Sas, Sferaco Sas and Thermador Sas (wholly owned subsidiaries).

Nature and purpose:

Lease management contracts have been signed by Thermador Groupe SA with its subsidiaries, including Jetly Sas and Sferaco Sas, in respect of the business assets owned and operated by Thermador Groupe SA. Contracts were also signed by Thermador Groupe SA with the same subsidiaries for the rental of storage and administrative premises. The royalties provided for in these contracts are of three natures:

- ⁽¹⁾ Rent royalties: lease income based on the area occupied by each subsidiary (i.e. offices, workshops and warehouses) representing 8,800m², 14,550m² and 11,419m² respectively in the 2023 financial year and the price per square meter;
- ⁽²⁾ Royalty on turnover: depending on the application of the rate provided for in the contract, i.e. 2.3% for Thermador, 1.7% for Sferaco and 2.5% for Jetly respectively of the turnover attached to the business;
- ⁽³⁾ Equipment royalties: related to the leased equipment, i.e. 10% of the net value of the equipment concerned.

Terms:

Pursuant to these agreements, your company recorded the following revenues for the year ended December 31, 2023:

| (in €) | Rent charges (1) | Royalties on turnover (2) | Royalties on equipments (3) |
|------------------|---------------------|------------------------------|--------------------------------|
| THERMADOR | 666,559 | 1,912,444 | 0 |
| SFERACO | 1,219,118 | 1,126,394 | 0 |
| JETLY | 961,333 | 1,568,907 | 1,440 |
| TOTAL | 2,847,010 | 4,607,745 | 1,440 |

Your Board of Directors has specified that, given the Group's organisation, the continuation of regulated lease-management and rental agreements is necessary for the business.

- End-of-career indemnities for executives

Persons involved:

Corporate officers of Thermador Groupe SA.

Nature and purpose:

Your company has undertaken to pay an end-of-career indemnity to its corporate officers in the event of retirement. This allowance is calculated in the same way as for that paid to a salaried executive, in accordance with the provisions of Article 5 of Amendment I of the collective agreement for the wholesale trade to which your company belongs.

Terms and conditions:

This agreement did not apply to the 2023 financial year.

Your Board of Directors has specified that this agreement is maintained.

The Statutory Auditors,

Cabinet Royet
Lyon, February 29, 2024
Serge Guillot

Deloitte & Associés
Saint-Etienne, February 29, 2024
Patrice Choquet

7.4 STATUTORY AUDITORS

Statutory auditors:



Cabinet Royet

9, place Jean Moulin BP 30 005 - 42001 Saint-Etienne (Loire), appointed on 4 April 2016 and renewed on 10 April 2017, represented by Serge Guillot since 2021 and previously by Stéphane Guichard, the charge been made with the advent of the financial security law.



Deloitte

106 cours Charlemagne, 69002 Lyon (Rhône), appointed on 3 April 2023 represented by Patrice Choquet.



ADDITIONAL INFORMATION FOR THE UNIVERSAL REGISTRATION DOCUMENT

| | | |
|-----|--|-----|
| 8.1 | Cross-reference table | 188 |
| 8.2 | Component elements of annual financial report, management report and report on the governance of the company | 191 |
| 8.3 | Statement of the person responsible for the document | 191 |

8. Additional information from the Universal Registration Document

8.1

CROSS-REFERENCE TABLE

According to the sections appearing in annexes 1 and 2
of the Delegated Regulation (EU) 2019/980 of March 14, 2019:

SECTION OF THE UNIVERSAL REGISTRATION DOCUMENT

| 1 | PERSONS RESPONSIBLE, INFORMATION FROM THIRD PARTIES, EXPERT REPORTS AND APPROVAL BY THE COMPETENT AUTHORITY | |
|--------|--|---------------------------------------|
| 1.1. | Identity of the persons responsible | 8.3 |
| 1.2. | Declaration of the persons responsible | 8.3 |
| 1.3. | Name, address, qualifications and potential interests of persons acting as experts | N/A |
| 1.4. | Certificate relating to information from a third party | N/A |
| 1.5. | Declaration without prior approval from the competent authority | Summary |
| 2 | STATUTORY AUDITORS | |
| 2.1. | Identity of the Statutory Auditors | 7.4 |
| 2.2. | Possible changes | 7.4 |
| 3 | RISK FACTORS | Chapter 4 |
| 4 | INFORMATION ABOUT THE ISSUER | |
| 4.1. | Company name and trade name of the issuer | 7.1.6 |
| 4.2. | Place, registration number and LEI of the issuer | 2.8 |
| 4.3. | Date of incorporation and term of the issuer | 7.1.6 |
| 4.4. | Registered office and legal form of the issuer, legislation governing the activities, country of origin, address and telephone number of the registered office, website with warning | 2.10 / 7.1.6 |
| 5 | OVERVIEW OF BUSINESS ACTIVITIES | |
| 5.1. | Main activities | |
| 5.1.1. | Nature of the operations | 1.2 / 1.3 / Chapter 5 |
| 5.1.2. | Important new products and services | 1.2 |
| 5.2. | Main markets | 1.2 / 1.3 / 6.3.3 / Chapter 5 |
| 5.3. | Important events | 6.3.2 |
| 5.4. | Strategy and objectives | 1.5 |
| 5.5. | Dependence of the issuer on patents, licenses, contracts and manufacturing processes | N/A |
| 5.6. | Statement on the competitive position | 1.2 / 1.3 / Chapter 5 |
| 5.7. | Investments | |
| 5.7.1. | Significant investments made | 1.13 / 6.1 / 6.3.3 / 6.3.8 |
| 5.7.2. | Main ongoing or future investments of the issuer for which its management bodies have already made firm commitments and financing methods | 1.13 / 6.3.8 |
| 5.7.3. | Joint ventures and commitments in which the issuer holds a significant share of the capital | N/A |
| 5.7.4. | Environmental issues | Chapter 3 |
| 6 | ORGANISATIONAL STRUCTURE | |
| 6.1. | Brief description of the Group | 2.1 |
| 6.2. | List of significant subsidiaries | 2.1 / Chapter 5 / 6.3.3 |
| 7 | REVIEW OF THE FINANCIAL POSITION AND PROFIT OR LOSS | |
| 7.1. | Financial position | |
| 7.1.1. | Results and financial position trends, including key performance indicators of a financial and, where applicable, extra-financial nature | 1.11 / 1.12 Chapters 3, 5, 6 and 7 |
| 7.1.2. | Future development forecasts and research and development activities | N/A |
| 7.2. | Operating results | |
| 7.2.1. | Significant factors, unusual, infrequent events or new developments | 1.1 / 6.3.2 |
| 7.2.2. | Reasons for significant changes in turnover sales or net profit | N/A |
| 8 | CASH AND CAPITAL RESOURCES | |
| 8.1. | Information on equity | 6.1 |
| 8.2. | Cash flow | 6.2 |
| 8.3. | Financing needs and financing structure | 6.1 / 6.2 |
| 8.4. | Restrictions on the use of capital | N/A |
| 8.5. | Expected sources of funding | N/A |

8. Additional information from the Universal Registration Document

| | | SECTION OF THE UNIVERSAL REGISTRATION DOCUMENT |
|-------|--|--|
| 9 | REGULATORY ENVIRONMENT | 4.1 |
| 10 | INFORMATION ON TRENDS | |
| 10.1. | Description of the main trends and any significant changes in the Group's financial performance since the end of the last financial year | Chapters 1, 4, 5 and 6 |
| 1.2. | Events likely to have a material impact on the outlook | 1.1 |
| 11 | PROFIT FORECASTS OR ESTIMATES | |
| 11.1. | Published profit forecasts or estimates | N/A |
| 11.2. | Statement setting out the main assumptions for the forecasts | N/A |
| 11.3. | Statement of comparability with historical financial information and compliance with accounting policies | N/A |
| 12 | EXECUTIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT | |
| 12.1. | Information concerning members: name, business address and position, nature of any existing family relationship, expertise and experience, statement of non-conviction | 1.14 / 1.15 / 2.2 / 2.3 / 7.1.6 |
| 12.2. | Conflicts of interest | 2.3.3 / 2.6.9 / 7.1.6 |
| 13 | COMPENSATION AND BENEFITS | |
| 13.1. | Compensation paid and benefits in kind | 2.7 |
| 13.2. | Provisions for pensions and retirement benefits | 2.7 / 6.3 - Annex to the accounts annual consolidated - Notes 5 and 6 |
| 14 | OPERATION OF THE ADMINISTRATIVE AND MANAGEMENT BODIES | |
| 14.1. | Expiry date of terms of office | 1.14 |
| 14.2. | Service contracts between members of the administrative, management or supervisory bodies and the issuer | 2.3 / 7.1.6 |
| 14.3. | Information on the Audit committee and the Earnings committee | 2.4 / 2.6 |
| 14.4. | Declaration of compliance with the corporate governance regime in force | 2.3 |
| 14.5. | Potential significant impacts on corporate governance | N/A |
| 15 | EMPLOYEES | |
| 15.1. | Number of employees | 3.2.2.1 / 5.1 / 6.3 - Annex to the accounts annual consolidated - Note 4 |
| 15.2. | Shareholdings and stock options | 2.7 / 6.3 - Annex to the accounts annual consolidated - Note 17 |
| 15.3. | Agreement providing for employee holdings in the capital | 2.9.1 / 6.3 - Annex to the accounts annual consolidated - Note 5 |
| 16 | MAIN SHAREHOLDERS | |
| 16.1. | Shareholders holding more than 5% of the share capital on the date of the registration document | 2.9 |
| 16.2. | Existence of various voting rights | 2.9 / 7.1.6 |
| 16.3. | Direct or indirect control | N/A |
| 16.4. | Agreements whose implementation could result in a change of control | N/A |
| 17 | TRANSACTIONS WITH RELATED PARTIES | 2.3 / 2.4 / 2.7 / 6.3 - Annex to the accounts annual consolidated - Note 6 / 7.3 |

8. Additional information from the Universal Registration Document

SECTION OF THE UNIVERSAL REGISTRATION DOCUMENT

| 18 | FINANCIAL INFORMATION CONCERNING THE ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS OF THE ISSUER | |
|---------|---|---|
| 18.1. | Past financial information | |
| 18.1.1. | Audited past financial information for the last three financial years and the audit report | Chapters 6 and 7 |
| 18.1.2. | Change in the accounting reference date | N/A |
| 18.1.3. | Accounting standards | 6.3.1 |
| 18.1.4. | Change in accounting standards | N/A |
| 18.1.5. | Financial information under French accounting standards | Chapter 7 |
| 18.1.6. | Consolidated financial statements | Chapter 6 |
| 18.1.7. | Date of the latest financial information | N/A |
| 18.2. | Interim and other financial information | N/A |
| 18.2.1 | Quarterly or half-yearly financial information | N/A |
| 18.3. | Audit of past yearly financial information | |
| 18.3.1. | Independent audit of past annual financial information | 6.4 / 7.2 / 7.3 |
| 18.3.2. | Other audited information | N/A |
| 18.3.3. | Sources and reasons why information was not audited | N/A |
| 18.4. | Pro forma financial information | N/A |
| 18.5. | Dividend distribution policy | |
| 18.5.1. | Description of the dividend distribution policy and any applicable restrictions | 1.1 / 2.8 |
| 18.5.2. | Dividend amount per share | 1.1 / 2.8 / Chapter 9 |
| 18.6. | Administrative, judicial and arbitration proceedings | 6.3.10 |
| 18.7. | Significant change in financial position | 6.3.10 |
| 19 | ADDITIONAL INFORMATION | |
| 19.1. | Share capital | |
| 19.1.1. | Amount of subscribed capital, number of shares issued and fully paid up and nominal value per share, number of shares authorised | 7.1.6 |
| 19.1.2. | Information relating to non-equity shares | N/A |
| 19.1.3. | Number, book value and nominal value of shares held by the issuer | 6.3.9 / 7.1 Annex to the accounts social - Note 4 |
| 19.1.4. | Information relating to convertible, exchangeable securities or those with share warrants attached | N/A |
| 19.1.5. | Information on the conditions governing any acquisition right and/or obligation attached to the subscribed but not paid-up capital, or on any company seeking to increase the capital | N/A |
| 19.1.6. | Information on the share capital of any member of the Group who is the subject of options or of a conditional or unconditional agreement to be issued options and the details of such options | N/A |
| 19.1.7. | History of the share capital | 7.1.6 |
| 19.2. | Memorandum and Articles of Association | |
| 19.2.1. | Register and Company purpose | 7.1.6 |
| 19.2.2. | Rights, preferences and restrictions attached to each class of shares | 7.1.6 |
| 19.2.3. | Provision delaying, deferring or preventing a change of control | 2.9 |
| 20 | SIGNIFICANT CONTRACTS | N/A |
| 21 | AVAILABLE DOCUMENTS | 2.10 |

8.2

COMPONENT ELEMENTS OF ANNUAL FINANCIAL REPORT, MANAGEMENT REPORT AND REPORT ON THE GOVERNANCE OF THE COMPANY

| ELEMENTS | SECTION OF THE UNIVERSAL REGISTRATION DOCUMENT |
|---|--|
| Management report including Extra-Financial Performance Statement | 1.1 to 1.3 / 1.6 to 1.10 / 2.7 / 2.9 / Chapter 3 / 4.3 / Chapter 5 / 6.1 / 6.2 / 7.1 |
| Report on corporate governance | Chapter 2 |
| Annual accounts | Chapters 6 and 7 |
| Auditors' reports | 6.4 - 7.2 - 7.3 |
| Statement | 8.3 |

8.3

STATEMENT OF THE PERSON RESPONSIBLE FOR THE DOCUMENT

I can certify that, to my knowledge, the information contained in this reference document reflects reality and contains no omissions which may alter its scope.

To my knowledge, I certify that the accounts have been drawn up in compliance with applicable accounting standards and give a faithful reflection of the assets, financial situation and profits of the company and of all the companies included in the consolidation, and that the management report, which appears in this universal registration document, offers a reliable representation of trends in business and results and the financial situation of the company and all companies included in the consolidation as well as a description of the main risks and uncertainties which they face.

From the statutory auditors of the accounts I obtained a letter of consent in which they state they have checked the information concerning the financial situation and accounts given in this document and have read the document in full.

The historical financial information presented in this document has been reviewed by legal auditors whose none observation.

Saint-Quentin-Fallavier, February 29, 2024

Guillaume Robin
Chairman & CEO
Tel. +33 04 74 95 63 28



DRAFT RESOLUTIONS

TO THE COMBINED GENERAL MEETING OF APRIL 2, 2024

Ordinary resolutions

FIRST RESOLUTION

The General Meeting, having heard the reports of the Board of Directors and the Statutory Auditors, approves the financial statements for the year ended December 31, 2023 as presented, as well as the transactions reflected in the statements or summarised in these reports.

SECOND RESOLUTION

The General Meeting, having heard the report on the management of the Group and the Statutory Auditors' report, approves the consolidated financial statements for the year ended December 31, 2023 as presented, as well as the transactions reflected in the statements or summarised in these reports.

THIRD RESOLUTION

The General Meeting decides to allocate the profit for the financial year of €33,059,028.05 as follows:

- distribution of a dividend of €2.08 per share, i.e. for 9,200,849 shares an amount of €19,137,765.92.
- allocation of the balance to 'other reserves', i.e. €13,921,262.13.

The General Meeting notes that this dividend package is based on the total number of shares in existence on the day of publication of the text of the resolutions potentially giving rise to those dividends, it being further specified that treasury shares held on the day of detachment of the dividend right will not give right to dividends; consequently the total amount of dividends is likely to vary downwards according to the number of shares actually qualifying for dividends on the day of detachment of the said right, and that the possible difference will be automatically allocated to the 'other reserves' account.

The entire amount thus distributed qualifies for the single flat-rate withholding tax (PFU) of 30% for individuals domiciled in France for tax purposes, or, if more advantageous, for the 40% allowance mentioned in Article 158-3-2° of the General Tax Code.

The dividends to be distributed will be detached on April 12 and paid on April 16, 2024.

The General Meeting further acknowledges that it has been reminded, in order to comply with legal requirements by reference to Article 243 bis of the General Tax Code, that the company has distributed the following dividends for the last three financial years:

| FINANCIAL YEAR | INCOME ELIGIBLE FOR THE ALLOWANCE | | INCOME NOT ELIGIBLE FOR THE ALLOWANCE |
|----------------|-----------------------------------|----------------------------|---------------------------------------|
| | DIVIDENDS | OTHER DISTRIBUTED EARNINGS | |
| 2022 | €19,131,526 | - | - |
| 2021 | €18,395,698 | - | - |
| 2020 | €16,743,361 | - | - |

Directors

In order to keep close tabs on what is going on in the field, we have always welcomed subsidiary managers onto our Board of Directors. In 2017, we reduced their number to give more weight to independent directors. In 2020, following the retirement of

our founder Guy Vincent, the Annual General Meeting approved the appointment of two independent directors. This created a balance of power between independent directors and directors with a vested interest. In 2024, we are proposing a further step: to maintain the permanent presence of two subsidiary managers on the Board for two years, but with only one vote. If the General Meeting accepts our proposal, Frank Bourgois (CEO of Jetly) will become a director for one year from April 2, 2024 and Peter Wartel (CEO of Sodeco Valves) will become a permanent guest of the Board. Their roles will be reversed from the 2025 General Meeting held to approve the 2024 financial statements, and for a period of one year.

As a result, independent directors would have 5 votes, non-independent directors 4 votes and employee-directors 2 votes.

FOURTH RESOLUTION

On the proposal of the Board of Directors, the General Meeting appoints **Mr Frank Bourgois**, residing at 15 Chemin de Monteferrand, Ternay (Auvergne Rhône Alpes), as Director for a one-year term expiring at the 2025 Annual General Meeting to approve 2024's financial statements.

FIFTH RESOLUTION

The General Meeting, ruling in accordance with Article L. 22-10-34 II of the French Commercial Code, approves the fixed and variable components of the total earnings and benefits of any kind paid to **Mr Guillaume Robin**, Chairman and CEO, during the past financial year or awarded in respect of the same financial year in application of the earnings policy approved by the General Meeting of April 3, 2023 (cf: pages 40 to 47 of our universal registration document).

SIXTH RESOLUTION

The General Meeting, ruling in application of Article L. 22-10-34 II of the French Commercial Code, approves the fixed and variable components of the total earnings and benefits of any kind paid during the past financial year or awarded in respect of the same financial year in application of the earnings policy approved by the General Meeting of April 3, 2023, to **Mrs Patricia Mavigner**, Deputy CEO (cf: pages 42 to 47 of our universal registration document).

SEVENTH RESOLUTION

The General Meeting, ruling in application of Article L. 22-10-34 II of the French Commercial Code, approves the fixed and variable components of the total earnings and benefits of any kind paid during the past financial year or awarded in respect of the same financial year in application of the earnings policy approved by the General Meeting of April 3, 2023, to **Mr Lionel Monroe**, Deputy CEO (cf: pages 43 to 47 of our universal registration document).

EIGHTH RESOLUTION

The General Meeting, voting in accordance with Article L. 22-10-8 of the French Commercial Code, approves the earnings policy for members of the Board of Directors set out in the Corporate Governance Report contained in our Universal Registration Document (cf: pages 40 to 47 of our universal registration document).

9. Draft Resolutions

NINTH RESOLUTION

The General Meeting, voting in accordance with Article L.22-10-34 I of the French Commercial Code, approves the information referred to in paragraph I of Article L. 22-10-9 of the French Commercial Code set out in the corporate governance report in our universal registration document (cf: pages 40 to 47 of our universal registration document).

TENTH RESOLUTION

The General Meeting, ruling under the quorum and majority voting conditions required for General Meeting's, having taken note of the report of the Board of Directors on the earnings of **Mr Guillaume Robin**, Chairman and CEO of Thermador Groupe, approves the application of the earnings policy for the financial year 2024 as presented in this report (cf: pages 40 to 47 of our universal registration document).

ELEVENTH RESOLUTION

The General Meeting, ruling under the quorum and majority voting conditions required for General Meeting's, having taken note of the report of the Board of Directors on the earnings of **Mrs Patricia Mavigner**, Deputy CEO of Thermador Groupe, approves the application of the earnings policy for the financial year 2024 as presented in this report (cf: pages 42 to 47 of our universal registration document).

TWELTH RESOLUTION

The General Meeting, ruling under the quorum and majority voting conditions required for General Meeting's, having taken note of the report of the Board of Directors on the earnings of **Mr Lionel Monroe** Deputy CEO of Thermador Groupe, approves the application of the earnings policy for the financial year 2024 as presented in this report (cf: pages 43 to 47 of our universal registration document).

THIRTEENTH RESOLUTION

The General Meeting raises the maximum annual global amount of earnings allocated to board members to two hundred and twenty thousand euros (€220,000). This amount, which applies to the current financial year, shall be maintained until a further decision of the General Meeting has been taken.

Approval of regulated conventions

FOURTEENTH RESOLUTION

Having heard the reading of the auditors' special report on the regulated agreements and commitments referred to in Article L. 225-38 of the Commercial Code, the General Meeting approves the terms of the said report and, successively, each of the agreements mentioned therein. (cf: pages 185 and 186).

Purchase of shares by Thermador Groupe

FIFTEENTH RESOLUTION

The General Meeting, on the proposal of the Board of Directors in accordance with the provisions of Articles L.225-209 et seq. of the Commercial Code, authorises the Board of Directors to have the company purchase its own shares. The maximum purchase price per share is set at €113, excluding acquisition costs. The number of shares acquired may not exceed 3% of the company's share capital. However, this maximum purchase price may be adjusted in the event of changes in the nominal value of the

share, capital increases by capitalisation of reserves or other assets and any other transactions affecting shareholders' equity, to take account of such transactions on the value of the share.

The company may purchase its own shares or use treasury shares for the following purposes:

- ❖ encourage trading on the market,
- ❖ meet obligations arising from any stock option or other share allocation programmes for employees or members of the administrative or management bodies of the company or its affiliate companies; or
- ❖ retain the shares and subsequently remit them in payment or exchange in the context of any external growth, merger, split or contribution transactions in accordance with the market practices permitted by the French financial market authority (AMF); or
- ❖ more generally, carry out any transactions not expressly prohibited by law, in particular if they are part of a market practice that may be accepted by the French financial market authority (AMF).

Such shares may be acquired by any means, on one or more occasions, on the market or by mutual agreement, including by acquisition of blocks of shares. Transactions may be carried out at any time, in compliance with the regulations in force on the date of the transactions in question, excluding periods of public offers on the company's capital.

The General Meeting decides that this authorisation shall expire at the end of a period of 18 months from the date of this Meeting.

Appointment of our sustainability information auditor

The European CSRD Directive, which gives us very precise rules for extra-financial reporting from 2025 onwards relating to the financial year 2024, was transposed into French law in the Official Journal on December 7, 2023. Among other obligations, from 2024 our Group will have to ask the Annual General Meeting to appoint the independent third party responsible for auditing the future sustainability report.

We are very satisfied with the performance of the independent third party Finexfi, newly acquired by KMPG, that has audited our extra-financial performance report since 2013, and we therefore propose that this mandate be renewed for a period of 3 years.

SIXTEENTH RESOLUTION

The Ordinary General Meeting, acting on a proposal from the Board of Directors, appoints the following auditor responsible for certifying sustainability information:

- ❖ Cabinet KPMG SA, Tour Eqho, 2 avenue Gambetta, 92066 Paris La Défense (Ile-de-France), for three financial years, as Statutory Auditor.

Extraordinary resolutions

It is clear that we will not be able to achieve our target of 8.5% of capital held by (active and retired) employees by 2030 unless we allocate additional resources to the company savings plan (PEE).

With this objective in mind, but also with the idea of rewarding and even encouraging employee and manager loyalty, we have decided to initiate a scheme that is well known to companies seeking to reduce staff turnover: a free share plan open to all employees and voted on annually.

Allocations of free shares existing or to be issued for the benefit of salaried staff and executive corporate officers.

SEVENTEENTH RESOLUTION

(Authorisation for the Board of Directors to grant existing or new shares free of charge to employees, with shareholders waiving their pre-emptive rights in the latter case).

The Board of Directors wishes to include a long-term earnings plan for all Thermador Groupe employees in order to build loyalty, encourage employee shareholding and attract new talent. If this plan is approved by the General Meeting, this resolution will be presented annually.

It is proposed that the General Meeting authorise the allocation of free shares to employees of Thermador Groupe and its subsidiaries (with the exception of its executive corporate officers, who are the subject of a separate authorisation). Under this authorisation, the number of shares that may be allocated free of charge may not account for more than 0.6% of share capital on the date of the Board's decision. Pursuant to Article L. 225-197-1 of the French Commercial Code, the allocation of free shares to beneficiaries may become definitive three (3) years after the allocation date.

The terms of allocation are as follows:

- 50% of the planned number of shares, accounting for a maximum of 0.3% of share capital, will be allocated to employees present at the end of three (3) years after the allocation date.
- 50% of the planned number of shares accounting for a maximum of 0.3% of share capital will be allocated if the sustainability objectives as defined on page 21 of the Universal Registration Document are met. Fulfilment of our sustainability objectives will be assessed three (3) years after the allocation date.

If the General Meeting approves this resolution, any free share allocations will be decided by the Board of Directors on the basis of proposals from the Earnings and appointments committee. The Board of Directors will determine the identity of the beneficiaries of the allocations and the number of shares allocated to each.

The General Meeting, voting according to quorum and majority rules for Extraordinary Meetings, having reviewed the Directors' Report and the Statutory Auditors' Special Report, and in accordance with Article L. 225-197-1 et seq. of the French Commercial Code:

- Authorises the Board of Directors to allocate existing or new shares free of charge, on one or more occasions as it sees fit, within the limits set by this authorisation,
- Decides that the beneficiaries of the allocations may be employees of the company and of companies that are directly or indirectly affiliated to it in the meaning of Article L. 225-197-2 of the French social security code, to the exclusion of the Company's executive corporate officers,
- Decides that the Board of Directors will be responsible for ensuring that the free shares are allocated in accordance with the presence and performance conditions set out above.
- Decides that the total number of free shares allocated under this resolution may not account for more than 0.6% of share capital on the date of the Board's decision to allocate them,
- Decides that the number of free shares allocated under this resolution will be between sixty-three (63) and one hundred and

seventy-five (175) shares per beneficiary, on condition that all the conditions are met,

- Decides that the allocation of shares to beneficiaries will be definitive after a minimum acquisition period of three (3) years,
- Decides that the length of the share holding period by the beneficiaries will be set by the Board of Directors, where applicable, it being noted that the combined length of the acquisition period and the share holding period may not be less than five (5) years,
- Decides that in the event of the beneficiary's non-qualification because of classification in the second or third of the categories provided for in Article L. 341-1 of the French Social Security Code, the shares will be definitively allocated to the beneficiary before the end of the acquisition period and will be freely transferable from the date of allocation,

- Acknowledges that this decision automatically entails the waiver by shareholders of their rights to the portion of reserves that may be used in the event of the issue of new shares.

The General Meeting delegates full powers to the Board of Directors, with the option to delegate these powers within the legal limits, for the purpose of implementing this authorisation and in particular:

- provide for the possibility of temporarily suspending allocation rights,
- determine the impact on the rights of beneficiaries of transactions that modify the share capital or are likely to affect the value of the shares allocated and carried out during the acquisition and share holding periods,
- if necessary, in order to preserve the rights of beneficiaries, adjust the number of free shares allocated in the light of any transactions affecting the company's share capital,
- determine, in the event of the issue of shares, the amount and nature of reserves, profits, premiums or other sums that may be capitalised and incorporated into the share capital,
- set aside an unavailable reserve to cover an increase in capital through the creation of free shares,
- record the definitive allocation of shares and the increase(s) in capital performed pursuant to this authorisation,
- carry out all acts, formalities and declarations, and make any necessary adjustments in connection with any transactions involving the company's share capital,
- if necessary, set acquisition periods and share holding obligations beyond the minimum periods set above,
- set the dividend entitlement date, which may be retrospective, for shares issued, increase the share capital by incorporating reserves or additional paid-in capital in order to issue shares, duly record any capital increase(s) carried out pursuant to this authorisation,
- inform the shareholders each year of allocations made under this authorisation, by means of a special report in accordance with Article L. 225-197-4 of the French Commercial Code,
- amend the company's by-laws accordingly, carry out the formalities relating to the listing of the shares issued, and generally do whatever is necessary under current legislation to implement this authorisation.

This authorisation is given for a period of thirty-eight (38) months from the date of this General Meeting.

EIGHTEENTH RESOLUTION

At the outset of this project, we wanted to reach out to all those who will contribute to achieving our goals, i.e. employees and corporate officers. With the aim of ensuring a good social climate, facilitating internal dialogue and offering the fairest and simplest distribution, we are proposing identical allocation conditions for employees and corporate officers. We believe that the loyalty of our employees and our executives should be rewarded according to the same principles.

To reassure our stakeholders, we are committed to maintaining a maximum ratio of 5.6 between the largest and smallest number of shares allocated, and from the outset we are proposing a limit of 350 shares per person per year, which we believe to be reasonable.

In our view, this context explains why the allocation of 50% of the free shares would not be conditional on any level of financial or extra-financial performance.

(Authorisation for the Board of Directors to allocate free existing or new shares to corporate officers, with shareholders waiving their pre-emptive rights in the latter case).

The Board of Directors wishes to introduce a long-term earnings plan for all Thermador Groupe operational corporate officers in order to build their loyalty, encourage shareholding amongst them and possibly attract new talent. If this plan is approved by the General Meeting, this resolution will be presented annually.

Only 15 of the Thermador Group's 20 operational corporate officers will be affected on December 31, 2023. The 5 corporate officers who benefited from the free share plan allocated in 2010 would waive their entitlement to this new scheme if it were introduced. They are Fabienne Bochet, Xavier Isaac, Eric Mantione, Lionel Monroe and Guillaume Robin.

It is proposed that the General Meeting authorise the allocation of free shares to the operational corporate officers of Thermador Groupe and its subsidiaries. Under this authorisation, the number of shares that may be allocated free of charge may not represent more than 0.06% of share capital on the date of the Board's decision. Pursuant to Article L. 225-197-1 of the French Commercial Code, the allocation of free shares to beneficiaries may become definitive three (3) years after the allocation date.

The terms of award are as follows:

- 50% of the planned number of shares, representing a maximum of 0.03% of share capital, will be allocated to operational corporate officers present three (3) years after the allocation date.
- 50% of the planned number of shares representing a maximum of 0.03% of share capital will be allocated if our sustainability objectives as defined on page 21 of the Universal Registration Document are met. The fulfilment of our sustainability objectives will be assessed three (3) years after the allocation date.

The total number of shares allocated to each corporate officer is capped at 350.

If the General Meeting approves this resolution, any free share allocations will be decided by the Board of Directors on the basis of proposals from the Earnings and appointments committee. The Board of Directors will determine the identity of the beneficiaries of the allocations, the number of shares allocated to each and the performance conditions to be met for the definitive acquisition of all or part of the shares.

The General Meeting, voting according to quorum and majority rules for Extraordinary Meetings, having reviewed the Directors' Report and the Statutory Auditors' Special Report, in accordance with the provisions of Article L. 225-197-1 et seq. of the French Commercial Code, and having noted that the 'say on pay' procedure as described in Articles L. 22-10-57 to L. 22-10-59 of the French Commercial Code and the requirements of the Middenext Corporate Governance Code have been complied with:

- Authorises the Board of Directors to allocate existing or new shares free of charge, on one or more occasions as it sees fit, within the limits set by this authorisation,
- Decides that the beneficiaries of the allocations will be corporate officers of the Company and of the companies it controls within the meaning of Article L.233-3 of the French Commercial Code.
- Decides that the Board of Directors will be responsible for ensuring that the free shares are allocated in accordance with the presence and performance conditions set out above.
- Decides that the total number of free shares allocated under this resolution may not represent more than 0.06% of share capital on the date of the Board's decision to allocate them,
- Decides that the maximum number of free shares allocated under this resolution may not exceed three hundred and fifty (350) shares per corporate officer,
- Decides that the allocation of shares to their beneficiaries will be definitive after a minimum acquisition period of three (3) years,
- Decides that the length of the share holding period by the beneficiaries will be set by the Board of Directors, where applicable, it being noted that the combined length of the acquisition period and the holding period may not be less than five (5) years,
- Decides that in the event of the beneficiary's non-qualification because of classification in the second or third of the categories provided for in Article L. 341-1 of the French Social Security Code, shares will be definitively allocated to the beneficiary before the end of the acquisition period and will be freely transferable from the date of allocation,
- Acknowledges that this decision automatically entails shareholders' waiver of their rights to the portion of reserves that may be used in the event of the issue of new shares.

The General Meeting delegates all powers to the Board of Directors, with the option to delegate these powers within the legal limits, and in particular:

- provide for the possibility of temporarily suspending allocation rights,
- determine the impact on the rights of beneficiaries of transactions that modify the share capital or are likely to affect the value of the shares allocated and carried out during the acquisition or holding periods,
- if necessary, in order to protect the rights of beneficiaries, adjust the number of free shares allocated in the light of any transactions affecting the company's share capital,
- determine, in the event of the issue of shares, the amount and nature of reserves, profits, premiums or other sums that may be capitalised and incorporated into the share capital,

9. Draft resolutions

- set aside an unavailable reserve to cover an increase in capital through the creation of free shares,
- record the definitive allocation of shares and increase(s) in capital carried out pursuant to this authorisation,
- carry out all acts, formalities and declarations,
- make any adjustments required as a result of transactions involving the Company's share capital,
- if necessary, set acquisition periods and share holding obligations in excess of the minimum periods set above,
- where applicable, set the dividend entitlement date, even retroactively, for the shares issued,
- increase the share capital by incorporating reserves or additional paid-in capital in order to issue shares, and record any increase(s) in capital carried out pursuant to this authorisation,
- amend the Company's by-laws accordingly,
- carry out the formalities relating to the listing of the shares issued, and generally, within the framework of current legislation, do whatever is necessary to implement this authorisation.

This authorisation is given for a period of thirty-eight (38) months from the date of this General Meeting.

NINETEENTH RESOLUTION

The General Meeting, having considered the report of the Board of Directors:

- 1) Authorises the Board of Directors to increase the share capital on one or more occasions within a maximum period of 26 months by a total nominal amount of €2m through the capitalisation of reserves, profits or share or merger premiums, by creating and distributing free shares or by increasing the nominal value of existing shares.

- 2) Grants the Board of Directors the widest powers provided by law to determine all the characteristics, terms and conditions for the execution of these transactions and to take all the necessary measures and complete all necessary formalities.

The General Meeting authorises the Board of Directors, in the event of the allocation of new shares to shareholders following the capitalisation of reserves, profits or share or merger premiums, to decide, by way of derogation from the provisions of Article L. 225-149 of the Companies' Code, that fractional rights shall not be traded and that the corresponding shares be sold in accordance with the conditions laid down by law.

TWENTIETH RESOLUTION

The General Meeting decides to give full powers to the bearer of the original an extract or a copy of these minutes to carry out all publicity, filing and other formalities as well as all necessary amendments to the company's by-laws.

This paper is made from 100% recycled fibres (i.e. 100% reclaimed de-inked paper).

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Producing this document consumed 130 kg of paper.

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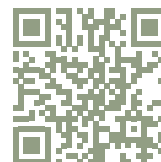
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