



Including the annual financial report,
the management report, the extra-financial
performance statement
and the corporate governance report





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CHAIRMAN'S STATEMENT



After a year of record sales volumes in 2021, we were expecting a return to normality early 2022. Unfortunately, Russia's invasion of sovereign Ukrainian soil caused a global shockwave, the many and

sudden knock-on effects of which are still with us today and will probably be felt for decades to come. Some have directly affected our business.

First of all, this fresh crisis has once again put our staff to the test. We thank them for their agility, commitment, resilience and loyalty.

Secondly, it represents a further catalyst to an existing situation of underlying inflation. We had to pass on a 10.8% price increase to our customers.

On the upside, the end of cheap electricity and the prospect of possible shortages have put savings and frugality centre-stage, especially in the area of energy efficiency in the home. The success of our ranges of solar water heaters, heat pump and solid fuel boiler accessories has not waned and has catapulted our subsidiary Thermador past the €100 million turnover mark.

Finally, the risk of further armed conflicts in areas where we have suppliers will inevitably lead our organisations to seek alternatives, if possible in Europe.

In this general state of turmoil, we seized an opportunity to add public works to our product ranges by acquiring DPI (see page 121 of our Universal Registration Document).

Finally, Our consolidated turnover finished the year at €554 million, our operating profit 14.2% and our net profit 10.5%.

Our stock level decreased to 192 days of purchases consumed, compared to 201 days at the end of December 2021. Our consolidated operating working capital requirement finished the year at 39.7% of sales.

We have taken out two new fixed-rate bank loans totalling €31m over 7 years to finance the acquisition of DPI. As the probability of meeting the conditions required for the payment of an earn-out of €5,160,000

was very high, we made a provision for the full amount.

At December 31, 2022, our cash position was €16m, our bank debt €46.6m and our equity after allocation of profit, €299.7m. Our financial structure remains very sound. We maintain ten-year targets based on an average annual turnover growth of 7%, respecting the environment and our stakeholders (see pages 10, 11 and 21). For more details, we invite you to read our extra-financial performance statement on page 59.

We go into 2023 with the certainty of having to pass on an average price increase in excess of 4%. For the time being, we cannot assess the extent of the impact of inflation on volumes and on investment. In the construction market, we expect renovation to offset the expected decline in new housing starts. In parallel with the gradual onboarding of DPI, we will focus on possible synergies with the public works sector. In industry and internationally, where our development potential is high, we will seek to grow market share. Finally, we anticipate a difficult year for consumer-facing business as a direct consequence of the decline in purchasing power of the French population.

In December 2022, institutional investors held 49.1% of the group's capital, private shareholders 37.8% and our active or retired employees, 7%. We are committed to a policy of distributing dividends to our shareholders, and therefore propose a 4% increase in the dividend to €2.08, or 32.5% of net earnings per share.

Our AGM will be held in Lyon on April 3, 2023 at 5pm at the Théâtre des Célestins. We count on your presence or your votes to once again get past the 73% attendance mark.

We will also hold an information meeting in Paris on April 6, 2023 at 4pm at Salons Hoche.

Guillaume Robin

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 gave 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 = 49.8% of our turnover



80% of our sales
in maintenance
and renovation



37.6 million
housing units in France, of which
5.2m are poorly insulated



670,000
energy optimisations
in 2022 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 respectively 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.

MaPrimeRenov', financed by the public authorities, and the Energy Saving Certificates, financed by the energy suppliers, could deliver financing over €6bn for 2023. Recent statements by the French government bode well for the next five years.

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. 118



See p. 119



See p. 126



See p. 123



See p. 124-125



See p. 127

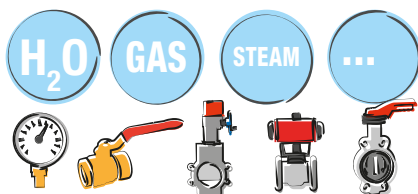


See p. 129

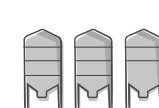


See p. 131

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. 127



See p. 128



See p. 129



See p. 130



See p. 131



See p. 132

Domestic pumps (watering, swimming pool, lifting, rainwater harvesting) = 17% of our turnover



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



1.5 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 pumps 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 renovate pools, as well as to private individuals who install and maintain.

Odrea
See p. 118

aello
See p. 120

Jetly
See p. 122

SYVECO
YOUR VALVE STOCKIST
See p. 131

Pipework for public works = 1.6% of our turnover



220,000 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 1,000,000 km of drinking water pipework and 380,000 km 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.



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Heavy tooling for public, professional and industrial customers = 8.7% of our turnover



€105m
The DIY superstore market for
compressors, generators
and welding units



€110m
The market for high-pressure
cleaners in DIY superstores



€110m 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).

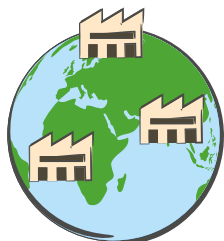
Under the Nuair and Fini brands, we also sell our piston and screw compressor to professionals in industry, which complete the reservoir and valve ranges already distributed to wholesalers of industrial supplies, compressed air specialists and distributors of supplies for the automotive industry.

mecafer
domac
See p. 117

SECTORIEL
NUAIR FRANCE
See p. 128

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

802 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



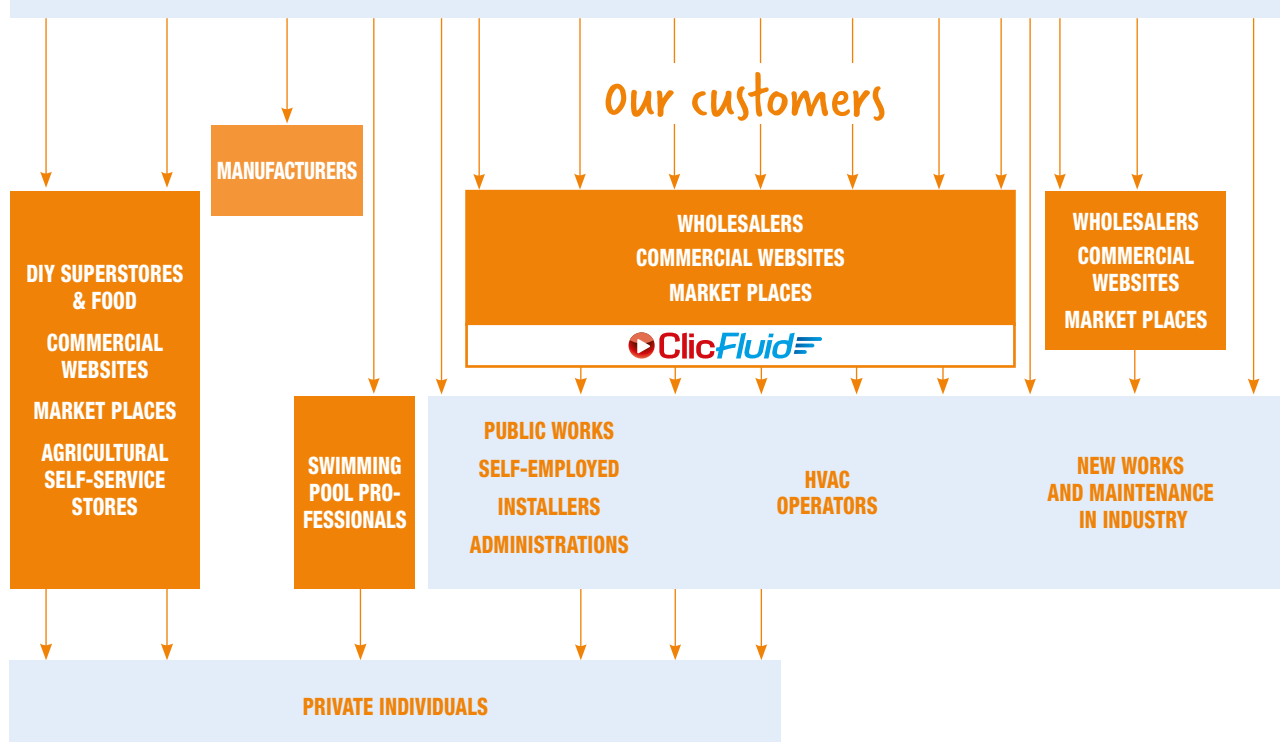
Distribution
in France



Distribution
Internationally



Our customers





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.

1.4 OUR COMPANY HISTORY

The stages of our development



1968

Thermador founded:

The initial capital was FRF300,000 (€45,735).

Importing and distributing central heating accessories.

Founders: Guy Vincent, Jacques Borde, Hubert Fournier, Geneviève Boreil and Marc de Sereys.



1973

Creation of Thely.

Property company



1977

Creation of Jetly.

Sale of domestic pumps and pump accessories.



1978

Creation of Sferaco.

Sale of valves to the construction business and industry.



1986

Creation of Dipra.

Sale to DIY superstores: pumps, household valves, plumbing.

Merger of Dipra and Edouard Rousseau.

Name changed to **Odrea** in 2022.



2002

Creation of Opaline.

Communications agency.



2006

Creation of Thermador International.

Distribution of the group's products on international markets.

Name changed to **Syveco** in 2019.



2013

Creation of Axelair.

Specialised distribution of ventilation equipment and accessories.



2013

Creation of a Thewa.

Taps business within the Thermador subsidiary.



2015

Creation of Aello.

Specialised distribution of swimming pool equipment and accessories.



2017

Acquisition by Mecafer of Domac.

Sale of air compressors, generators, welding stations and battery chargers.



2017

Acquisition of Valfit group by Sferaco.

Sale to specialised wholesalers of a targeted range of connectors, meters and valves.



2018

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 **Odrea** in 2022.



2019

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.



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 distribution.



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.

1.5 OUR OBJECTIVES AND OUR STRATEGY

Challenges 2023-2028

Human resources	<ul style="list-style-type: none"> - Attract and retain talent at all levels of the group. - Promote parity in all governance bodies and diversity in all organisations.
Sustainable development	<ul style="list-style-type: none"> - Meet our commitments as set out on page 21 of this document. - Encourage and support internal initiatives for the protection of the environment.
Business	<ul style="list-style-type: none"> - 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	<ul style="list-style-type: none"> - Develop our skills and digital tools to gain operational efficiency. - Ensure the integrity of our information systems.
Geopolitics	<ul style="list-style-type: none"> - 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.

Objective

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 communication 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.

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 serves 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	CUSTOMER accounts	CUSTOMERS having visited our group	COMMERCIAL WEBSITES and internal activity
 52,435 - 2022	 32,081 - 2022	 668 - 2022	 8 - 2022
47,059 - 2021	31,943 - 2021	174 - 2021	5 - 2021
38,612 - 2020	34,324 - 2020	97 - 2020	4 - 2020

In number of units.

50% 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. Indeed, our colleagues have a duty to gain an in-depth understanding of the ranges they promote and thereby demonstrate their efficiency.









Each week, training actions are led in the field or in our offices



with our customers' staff members. They also consult our websites for easy access to technical information.

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

			
CALLS RECEIVED per year	PAGES CONSULTED on our websites	PAGES VISITED of catalogues and product references	CUSTOMERS REPLYING to a satisfaction survey
 581,994 - 2022	 6,172,080 - 2022	 4,623 - 2022	 262 - 2022
508,267 - 2021	5,246,669 - 2021	4,331 - 2021	1,576 - 2021
495,241 - 2020	5,613,911 - 2020	4,115 - 2020	383 - 2020

In number of units.



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.

Virtual reality

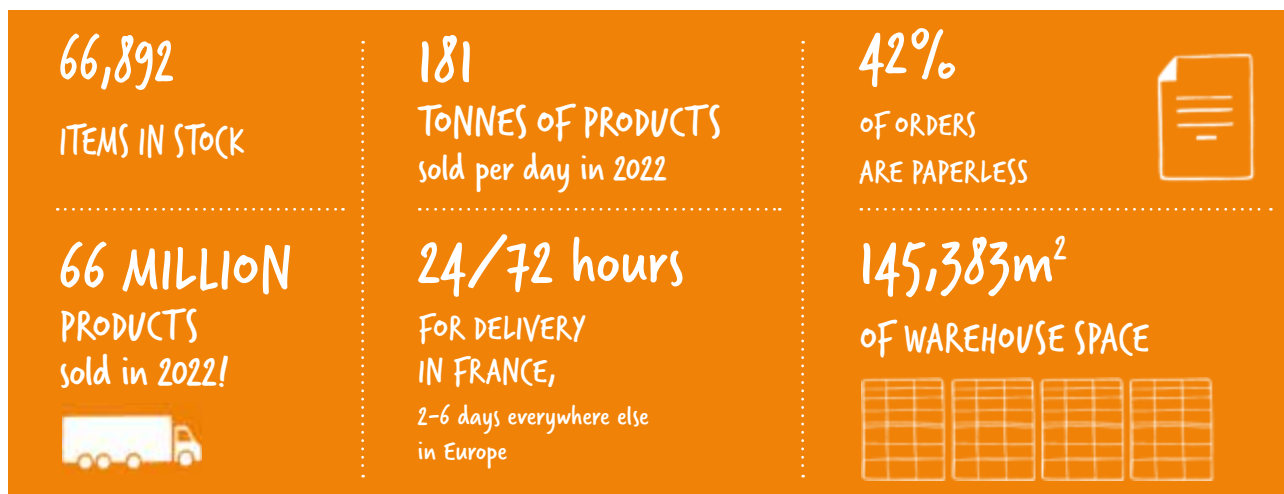
Begun in 2021, the virtual buildings and industries projects led by Opaline's 3D studio, continue their deployment. At the Interclima exhibition of the 2022 "Mondial du Bâtiment" show, visi-

tors 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.

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 2023, further immersive projects are on the agenda...

1.7 OUR LOGISTICS



The merchandise we buy is delivered to our warehouses on trucks (37% being delivered by container). The total volume represents the equivalent of 2,239 20-foot containers. During 2022, we started investigating a new approach for handling our imports from Asia (containers), with a view to looking at and adopting greener solutions (river, rail) for post-carriage by 2024 at the latest. We have 145,383m² of storage area, with a capacity of 114,938 pallets. There are 289 forklift trucks supplied by three hand-picked manufacturers. We held 66,892 items in stock. Our teams of 185 warehousemen and women have prepared and shipped 548,062 orders coming from 3,175,081 product lines. Our customers' purchasing processes are computerised: their orders are integrated into their system and then sent to us primarily by electronic data interchange. 42% of our orders are now processed by EDI, character recognition and our commercial websites, thus reducing manual entry.

The average value of an order is €1,142. Each of our subsidiaries has a single storage centre from whence they ship their orders to their customers in France, Europe and Africa. They guarantee customers that their orders will be delivered complete in 98% of cases according to the following delivery deadlines:

- **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

The giant steps made in Supply Chain technology and the experiences of recent years have moved monitoring to the heart of our concerns. This is why, in 2022, we joined the Club Agora of Supply Chain Management to have a permanent and regular link with a number of companies of all sizes, on a platform allowing discussion and sharing of experiences, thus developing our own approach.

2022 was also a year of consolidation:

- **ThermAppro:** This tool, which uses machine-learning algorithms, has been custom-developed to optimise our supplies. It was deployed in 2021 in 4 pilot subsidiaries and underwent numerous functional additions in 2022. Our

teams of buyers/suppliers now have a sophisticated tool that is part of a continuous improvement cycle. 2022 also saw us planning future roll-outs to other subsidiaries in the group.

- **New platform for our subsidiary FGinox:** Following a project lasting almost two years, our logistics teams have been operating in a new warehouse in Saint-Quentin-Fallavier since June 2022. Numerous organisational, technical and technological solutions have been deployed to meet the various challenges identified (densification, gains in efficiency/productivity and traceability, reduction in the arduousness of work for employees, coping with the shortage of logistics employees, particularly in the Auvergne-Rhône-Alpes region). All the warehouse's flows have been optimised and digitalised to allow our teams to gain in agility and traceability, with almost 70% of our product lines now being prepared from an automated storage solution. We have also acquired numerous handling machines and aids to allow our employees to work in the best possible conditions.

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.

Anais Der Hagopian heads the group which handles annual negotiations of 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 2022, 9 companies handled express deliveries for us, 11 courier deliveries and 32 chartering. Some of the leading projects in 2022 sought to further improve service and traceability: the deployment of label printing for two of our partners to avoid relabelling on their platforms, the onboarding of a new partner to meet specific needs in terms of deadlines for our customers in Lyon and the north of Isère and the arrival of a new partner for our inter-subsidiary flows.

Because of the need to rationalise our approach to inbound transport, we created a cross-functional team in 2022 with the aim of understanding the needs and expectations of our subsidiaries before launching a call for tenders in 2023. The results of the tender will materialise in 2024, initially including solutions for greening our post-carriage operations.

1.8 OUR SUPPLIERS

40-year partnerships for 22% of our suppliers



Our biggest supplier: 8.1% of our merchandise purchases

The top 5 account for: 27.8%

The top 10 account for: 38.2%

€361m:  of goods purchased in 2022

In 2021: €311m

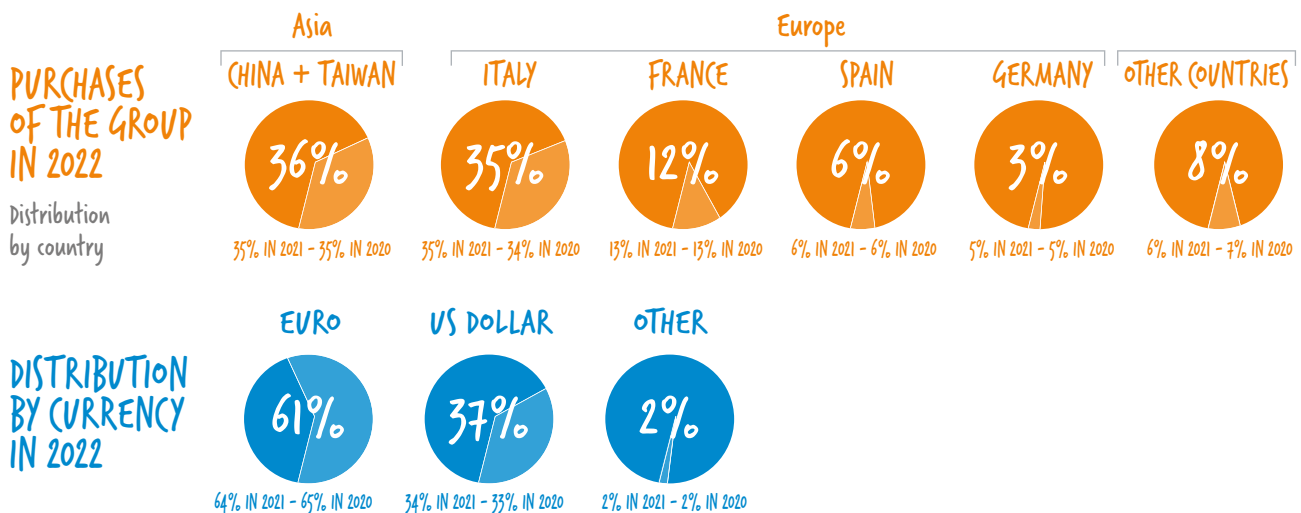
In 2020: €252m



+ of 802 manufacturer partners throughout the world



61% of our purchases come from European manufacturers



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 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 European 'Duty of Care' regulation, its French version, and the challenges linked to sustainable development have 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 2023, 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 (see our EFPS on page 97 of this 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 35% of our supplies. Caleffi and DAB consolidated their rankings as number 1 and number 2 suppliers in 2022.

Over the past 15 years, we have also established relationships with Chinese and Taiwanese manufacturers. Today, 36% of our purchases come from China and Taiwan, where we have about 100 regular, good-quality suppliers. If they are not prevented by health constraints such as those experienced since 2020, our teams make 20 to 30 trips to the country each 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.

1.9 OUR FRENCH CUSTOMERS

28,000 customers in France

Our biggest customer accounts for 6% of our turnover.
The top 5 account for 23.9%, the top 10 35%

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:

Adeo, Pompac Développement, Saint-Gobain Distribution, LesMousquetaires, MrBricolage, Rexel, Descours & Cabaud,

Richardson, Qèrys, Kingfisher, Fransbonhomme, Leclerc BBJ, Algorel and Socoda members.

Commercially, we are very active with national decision-making 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.



Thermador shelves on a wholesaler's site.



Aello products on the premises of a swimming pool company.



Odrea shelves in DIY stores.

1.10 OUR CUSTOMERS ABROAD

55 countries visited since 2019
17.3% in export business
3,373 customers



More of 20 languages spoken by our teams



In 2022, the share of our business from exports increased compared to 2021, reaching 17.3% (vs. 16.4% in 2021). Exports have regained real momentum, particularly in the industrial sector, thanks to large-scale projects won and delivered by Sodeco Valves and the efforts made in Europe by Syveco and FGinox with our distributor customers. In Spain, Rousseau continued to make progress with large DIY stores.

The French overseas territories (DROM-COM) account for 1.9% of the group's turnover, and are serviced by several of our subsidiaries. International business now accounts for 15.4% 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 or Africa via our subsidiaries Syveco, Sodeco Valves, FGinox and Rousseau. Syveco, created in 2006, contributed 39.8% of our international sales in 2022. Sodeco Valves, FGinox and Rousseau contributed 49.1%, 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 2 and 6 days. 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. Odrea has a sales 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.

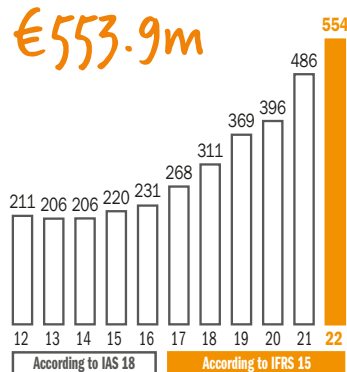
1.11 OUR KEY FINANCIAL FIGURES

Growth based on essential needs

CONSOLIDATED TURNOVER

(in millions of euros)

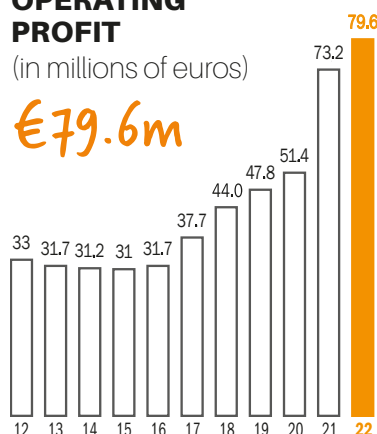
€553.9m



OPERATING PROFIT

(in millions of euros)

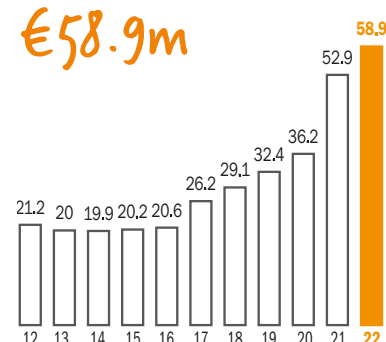
€79.6m



CONSOLIDATED NET PROFIT AS A PORTION OF THE GROUP

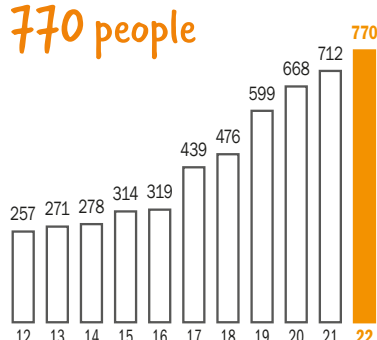
(in millions of euros)

€58.9m



EMPLOYEES

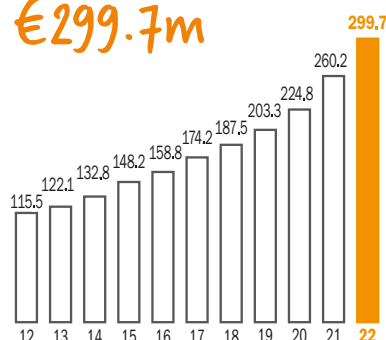
770 people



SHAREHOLDERS' EQUITY AFTER DISTRIBUTION OF NET PROFIT

(in millions of euros)

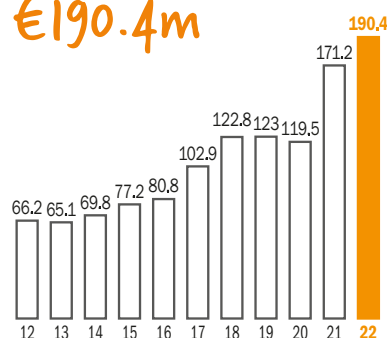
€299.7m



STOCK

(in millions of euros)

€190.4m



CASH

(in millions of euros)

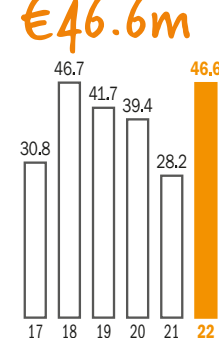
€16.0m



LOANS AND FINANCIAL DEBT

(in millions of euros)

€46.6m



2016 and previous years:
no loans or debts.

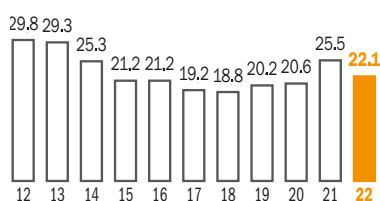
Our profitability ratios

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)

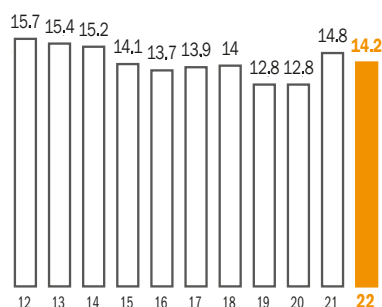
(with goodwill)
(excluding IFRS 16) (in %)

22.1%



OPERATING PROFIT / TURNOVER (in %)

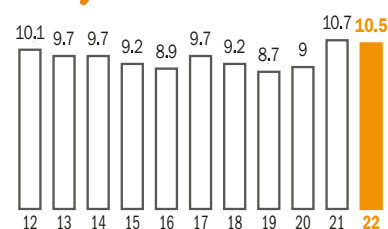
14.2%



NET PROFIT AS A PORTION OF GROUP TURNOVER

(in %)

10.5%



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 %)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Operating profit / Turnover	14.2	14.8	12.8	12.8	14.0	13.9	13.7	14.1	15.2	15.4	15.7
Pre-tax return on equity (ROE)	19.7	20.3	16.1	15.9	15.5	15.1	13.0	13.6	14.9	16.4	18.4
Cash flow from operations / Turnover	12.0	12.2	10.7	10.2	10.4	11.0	9.9	10.2	11.0	11.1	11.6

PRODUCTIVITY RATIOS (IN THOUSANDS OF EUROS)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Turnover per employee	730	693	599	623	662	729	725	727	740	759	819

FINANCIAL RATIOS AFTER DISTRIBUTION (IN %)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Cash flow from operations / Equity	22	23	19	18,7	17	17	14	15	17	19	21
Non-current assets + stock / Equity	125	120	113	121	125	117	96	101	93	92	97
Long-term capital / Non-current assets	162	183	167	165	168	172	219	206	249	261	252
Long-term capital / Stocks	157	152	188	165	153	169	197	192	190	188	175

1.12 OUR KEY EXTRA-FINANCIAL FIGURES

We have chosen 19 medium- and long-term priorities

GOVERNANCE



PEOPLE



ENVIRONMENT



SOCIETAL



Working every day to improve our extra-financial performance, we propose 19 priorities that we are committed to following over the medium-to-long term. They cover four key areas: governance, people, environment and society.

THE VARIABLE EARNINGS OF OUR CORPORATE OFFICERS AND SUBSIDIARY AND GROUP MANAGERS WILL NOW DEPEND ON THE RESULTS ACHIEVED ON EACH PRIORITY

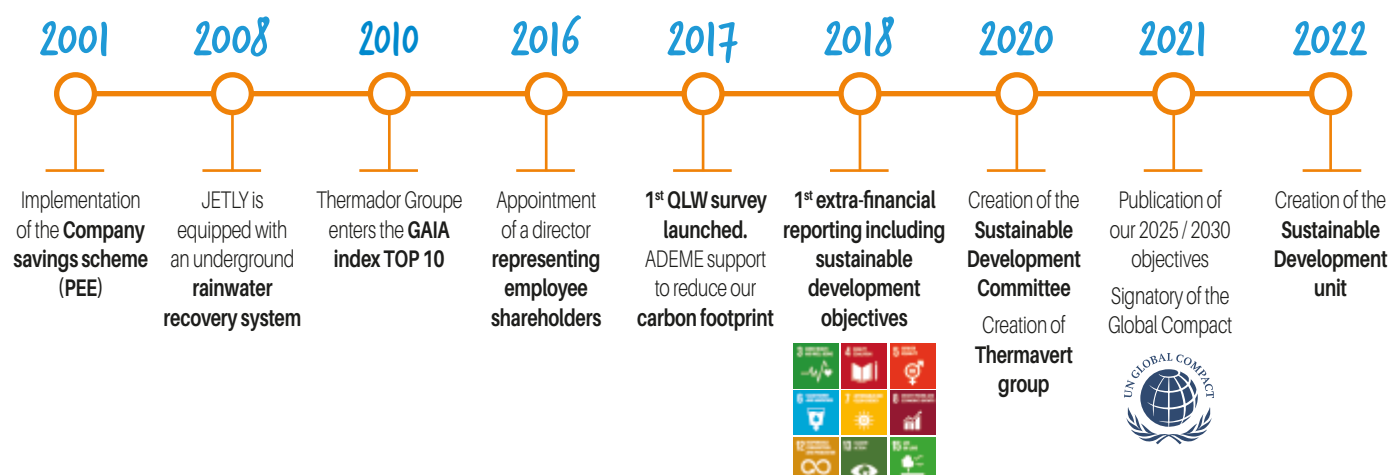
Each priority converts into a quantified objective in our consolidated indicators, allowing everyone to follow progress on our extra-financial performance in detail. The chosen milestones of 2025 for the medium term and 2030 for the long term reflect the commitment of Thermador Groupe's current management, through to the retirement of most of its members.

2022 and 2021 were years rich in progress on our extra-financial achievements. In 2021, we completed our carbon footprint on all three Scopes and committed to the Global Compact. Through our responsible purchasing charter, we are encouraging our stakeholders to contribute to our sustainable development objectives. The Scope 3 objective has not yet been determined, as current practices differ; we will press on and hope to set our carbon trajectory during FY 2023.

According to Article 8 of Regulation (EU) 2020/852, **"every extra-financial undertaking shall include in its consolidated extra-financial statement information on the manner and extent to which the undertaking's activities are associated with economic activities that may be considered environmentally sustainable under Articles 3 and 9 of Regulation (EU) 2020/852."**

The application of this regulation translates into the following for Thermador Groupe:

- Publication of the share of turnover coming from products or services considered as sustainable: our activity as a distributor is not eligible according to the delegated acts on taxonomy that came into force on June 4, 2021, which leads us to consider a share of eligible turnover of 0% for the period. Some of the products we sell fulfil the criteria for substantial contribution from other eligible sectors and we have undertaken to assess them. The share of turnover is presented under the heading "green turnover", which is an alternative indicator of taxonomy performance.
- Publication of the proportion of our capital expenditure related to assets considered sustainable: our real-estate company SCI Thely has capital expenditure (construction and renovation of buildings) eligible for taxonomy and represents 53% of Thermador Groupe's CAPEX. The group's other capital expenditure is not eligible for the current version of European taxonomy.
- Publication of the portion of our operating expenses that can be considered sustainable: expenses related to the maintenance and upkeep of the buildings are borne by the tenants, Thermador Groupe subsidiaries, but represent an insignificant amount compared to the other operating expenses. The group's other expenses are not eligible for the current version of European taxonomy.



PRIORITIES & OBJECTIVES

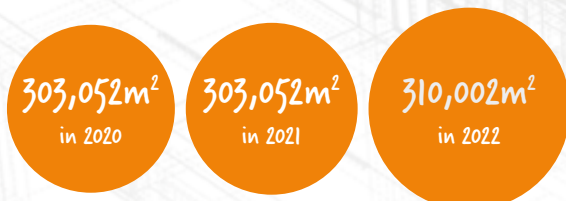
INDICATORS	2021 ACTUAL	2022 ACTUAL	ADVANCED	MID-TERM TARGETS 2025	LONG-TERM TARGETS 2030
GOVERNANCE					
1 Attendance rate at the Board of Directors	100%	98.8%	● ● ●	≥95%	≥95%
2 Participation rate in the AGM	71.5%	74.1%	● ● ●	≥68%	≥73%
3 Employee ownership	7.0%	7.0%	● ○ ○	≥8.0%	≥8.5%
4 Percentage of exposed employees trained in anti-corruption over the last 3 years	98.9%	96.9%	● ● ●	≥95%	≥95%
HUMAN					
5 Professional equality index (x/100)	88	86	● ● ○	≥90	≥90
6 Women in management positions	39%	41.5%	● ● ●	≥40%	≥40%
7 Average seniority (years)	9.68	9.70	● ● ●	≥8	≥8
8 Percentage of permanent employees trained per year (including internal training)	72.1%	81%	● ● ○	≥95%	≥95%
9 Absenteeism (including long-term illness)	3.4%	3.5%	● ● ●	<4%	<4%
ENVIRONMENT					
10 Scope 1 - Direct emissions - vehicle fleet (Teq CO ₂ per vehicle)	2.81	2.69	● ○ ○	< 2.19	< 1.36
11 Scope 1 - Direct emissions - heating and cooling of buildings (Teq CO ₂ per km ²)	6.37	5.01	● ● ●	< 5.70	< 4.44
12 Scope 2 - Indirect emissions from energy consumption in buildings (Teq CO ₂ per km ²)	1.25	1.03	● ● ○	<0.94	<0.83
13 Scope 3 - Indirect emissions from our products and activities (kTeq CO ₂)	211	221	○ ○ ○	In progress	In progress
14 Waste from our activities (kg/tonnage received)	20.28	22.83	● ● ○	<20.71	<18.72
15 Waste recovery	90.7%	95.7%	● ● ●	≥90%	≥95%
SOCIETAL					
16 Percentage of turnover from rated suppliers	17.1%	74.1%	● ● ●	≥50%	≥80%
17 Percentage of turnover from ISO 9001 or 14001 certified suppliers	80.4%	87.4%	● ● ●	≥85%	≥90%
18 Percentage of turnover achieved by ISO 9001 or 14001 subsidiaries	32.6 %	34.1%	● ● ○	≥70%	≥90%
19 Percentage of turnover from suppliers who have signed our Responsible Purchasing Charter or equivalent charter	4.8%	85.5%	● ● ●	≥60%	≥80%

● ● ● : Ahead of mid-term targets ● ● ○ : On-track mid-term targets ● ○ ○ : Behind mid-term targets

○ ○ ○ : Target-setting ongoing - Eq. T CO₂: tonnes of CO₂ equivalent

1.13 OUR REAL ESTATE

310,002m² of land



123,114m² of buildings



The group's desire is to own its real estate in order to best support the development of its subsidiaries' activities and better control the carbon footprint of its buildings.

Our real estate is mainly owned by SCI Thely, which in turn is wholly owned by Thermador Groupe.

This strategy enables us to guarantee all our subsidiaries the flexibility needed for stock management, responsiveness in building maintenance and upkeep, and the planning and funding of long-term works, and the possibility of installing the products sold by our subsidiaries in our buildings.

Our buildings comply with current regulations. Our offices are convenient and functional and offer employees a pleasant working environment. Our logistics warehouses feature light and airy spaces best adapted to our business.

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 "Odrea" (9,345m²).

In July 2022, the portfolio was further expanded with SCI Thely's €1.4m acquisition of a 2,927m² building on a 6,889m² plot, also in Saint-Quentin-Fallavier.

Our real estate is in good condition. Its operation will not give rise to any major costs for operations such as dismantling, decontamination or upgrade.

Since 2009, our specifications for any new construction or rehabilitation have taken biodiversity into account with the choice of local planting and rainwater recovery for sanitary use. Since 2019, any new building has included the installation of photovoltaic panels to cover our own electricity consumption. Our warehouses are built up to 14m high, thus reducing their footprint.

To take into account the economic context and the obligations of the new tertiary sector decree, we systematically aim to obtain environmental certifications such as RT 2012. To achieve this, we pay particular attention to the thermal and acoustic insulation of our properties, use high-performance climatic equipment combining energy savings and thermal comfort, and adopt centralised energy management systems to control and regulate the building's facilities.

In 2022, we addressed energy performance in our buildings by carrying out five energy audits covering almost 50% of our area of operation in Saint-Quentin-Fallavier. These audits will enable us to draw up an action plan to optimise our equipment and optimise the thermal renovation and modernisation of our buildings.

The well-being of our employees is also at the heart of our concerns. For this reason, we continue to provide each of our sites with rest rooms, outdoor terraces, boule tracks and sanitary facilities with showers and changing rooms.

S.C.I. Thely A NON-TRADING PROPERTY 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, 2022: €35,326,000.
- Borrowings from Thermador Groupe at December 31, 2022: €21,399,000.
- 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. 156).
- Net book value of real estate assets excluding fixed assets in price: €56,176,000.
- 2022 result: €2,433,000 (€2,064,000 in 2021).



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

LAND RESERVE

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



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 (see pages 33 to 35).

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 Syvoco since 2008.
Permanent guest of the Audit committee.



Patricia Mavigner

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



Philippe Bories

CEO of Mecafer since 2016.
CEO of Domac depuis 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 2023.
Independent Audit committee member.
Independent member of the Sustainable development committee.



Karine Gaudin

Independent board member since April 4, 2011.
End of current mandate: April 2023.
Chairwoman and independent member of the Audit committee.



Caroline Meignen

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



Laurence Paganini

Independent board member since April 10, 2017.
End of current mandate: April 2025.
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 2023.
Chairwoman and independent member of the Sustainable development committee.

1.15 OUR EXECUTIVE COMMITTEE

3.7% of the company's capital
in all, the members of the executive
committee own 341,420 shares



**Christophe
Arquillière**
CEO of Sferaco since 2016.



**Arlette
Berliocchi**
CEO of Opaline since 2002.



**Philippe
Bernardet**
CEO of FGinox since 2009.



**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
CEO of Sectoriel since 2008.
Chairman of Distrilabo
since 2020.



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 2008.
Board member.



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



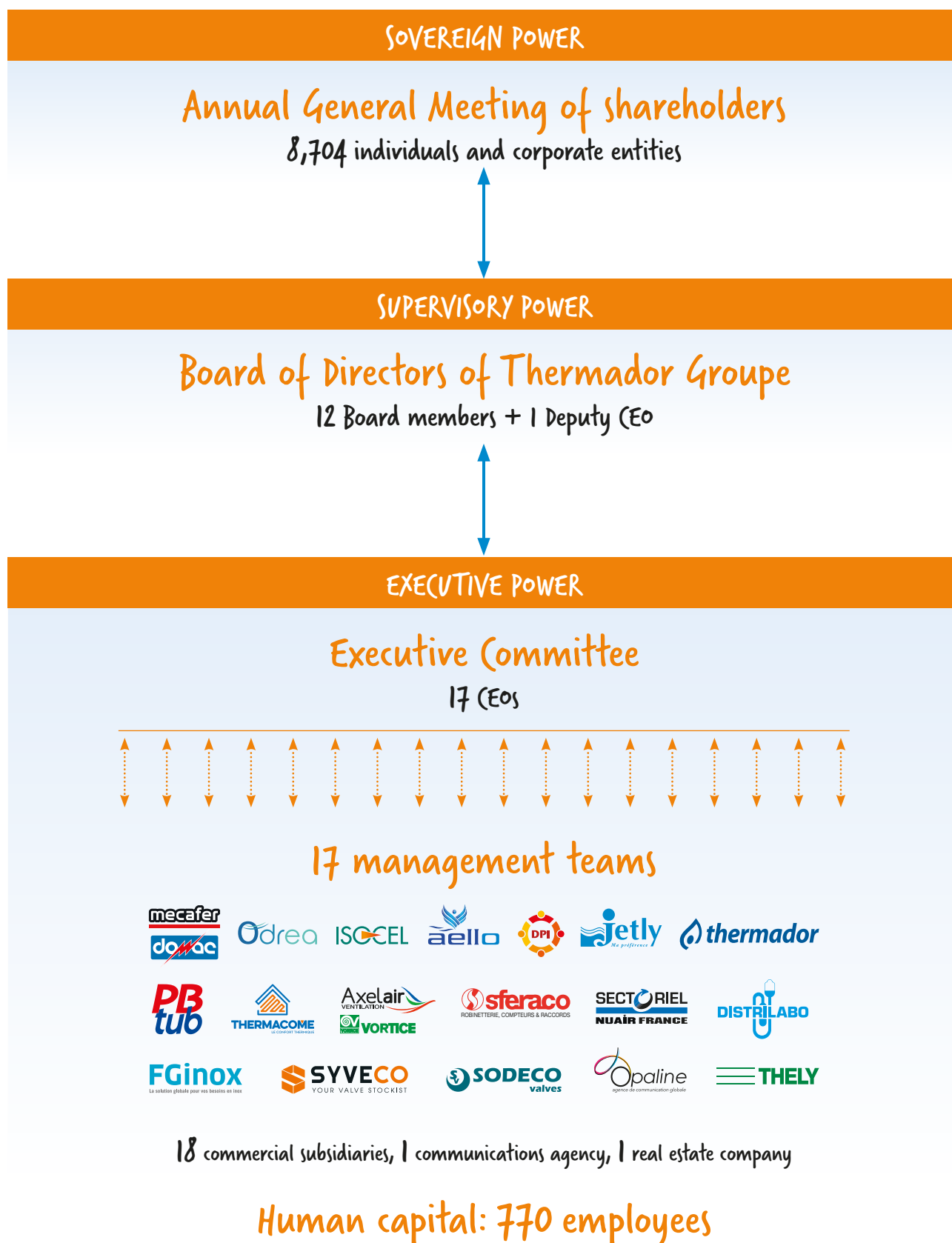
**Yves
Ruget**
D.G. de Thermador
depuis 2014.



**Peter
Wartel**
CEO of Sodeco Valves
since 2019.

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.



2

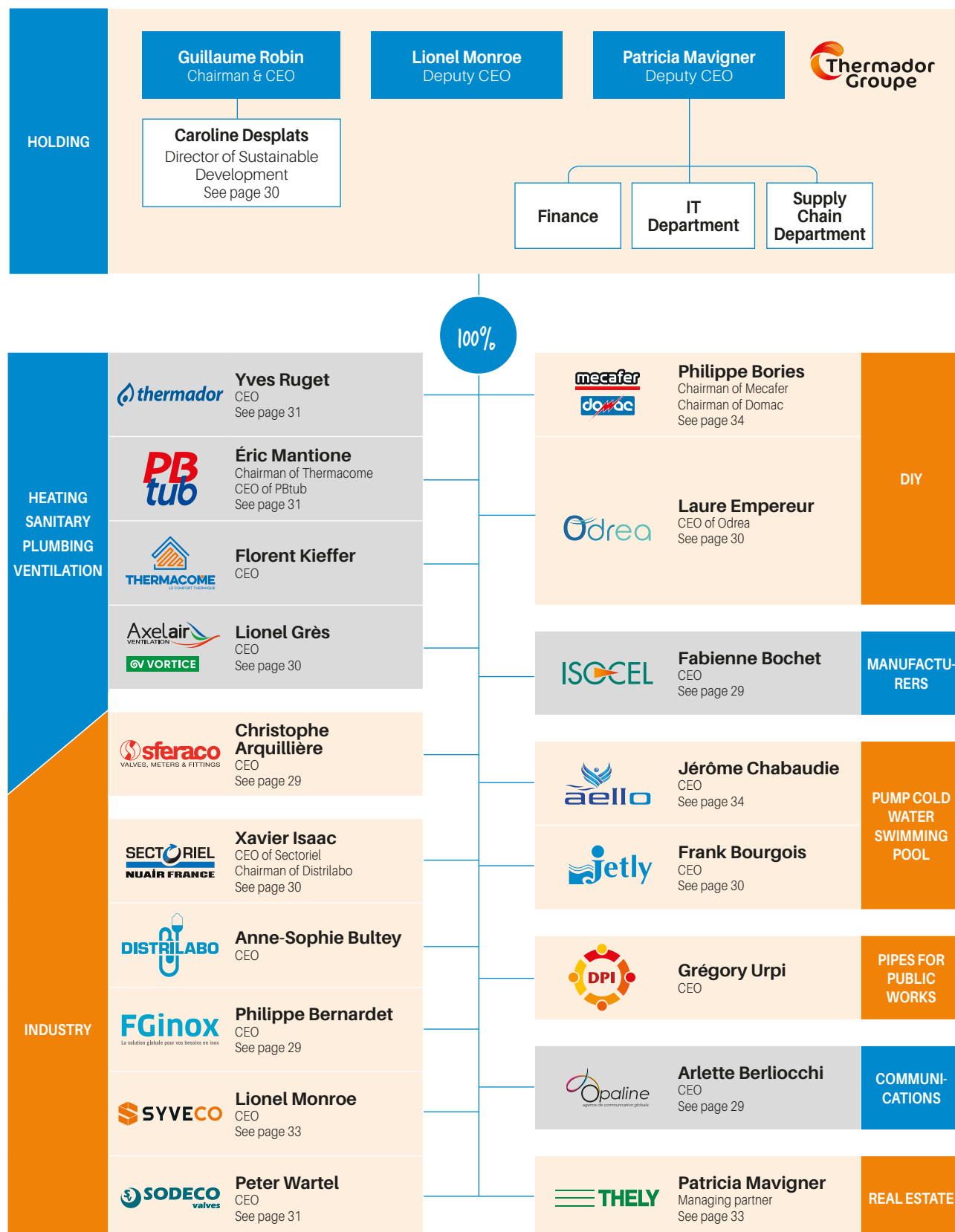


REPORT ON CORPORATE GOVERNANCE

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2.1 ORGANISATION CHART

All Thermador Groupe subsidiaries are 100%-owned.



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 17 CEOs, management teams of subsidiaries indeed do 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, the managers get together during Executive Committee lunches to discuss group news. Recent arrivals amongst the subsidiary CEOs (Anne-Sophie Bultey, Florent Kieffer and Grégory Urpi) or future CEOs (Jean-Philippe Paul, Marylène

Pattard) were very often invited to take part in this wider Comex platform, which currently has 22 members. Twice a 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 early February 2022, we invited 43 women and 79 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 Comex 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: 10,915**

EDUCATION AND CAREER:

- 1992: Graduated from EM Lyon.
- 1994-2005: Site Manager, Darty.
- 2005-2007: Site Manager, Lapeyre Saint-Gobain.



**Arlette
Berliocchi**



- CEO of Opaline since 2002.
- Joined in 2002.
- Born in 1970.
- French nationality.
- **Number shares held: 9,652**

EDUCATION AND CAREER:

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



**Philippe
Bernardet**



- CEO of FGinox since 2009.
- Joined in 2017.
- Born in 1958.
- French nationality.
- **Number shares held: 364**

EDUCATION AND CAREER:

- 1981: Graduated from École Supérieure de Commerce de Clermont-Ferrand.
- 1987-2006: Director of subsidiaries and regions, Kloeckner Distribution Industrielle group.
- 2006-2009: Company takeover course.
- 2009-2011: Managing Director of FGinox and GMR (FAREX group).



**Fabienne
Bochet**



- CEO of IsoceI 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.

2.2 EXECUTIVE COMMITTEE



Frank Bourgois



- CEO of Jetly depuis 2020.
- Joined in 2002.
- Born in 1968.
- French nationality.
- **5,449 shares held.**

EDUCATION AND PROFESSIONAL BACKGROUND:

- 1993: Graduated from Institut Commercial de Nancy.
- 1998-2000: Regional Director for West Paris at Kraft Foods.
- 2000-2019: Sales Director at Jetly.



Jérôme Chabaudie



- CEO of Aello since 2016.
- Board member.
- Joined in 2015.
- Born in 1965.
- French nationality.
- **8,890 shares held.**

EDUCATION AND PROFESSIONAL BACKGROUND:

- See page 34.



Caroline Desplats



- Director of the Sustainable Development.
- Joined in 2022.
- Born in 1974.
- French nationality.
- **5 shares held.**

EDUCATION AND PROFESSIONAL BACKGROUND:

- 1997: Graduated from ESSCA.
- 2009: Master 2 in Sustainable Development and Organisations - Université Paris Dauphine.
- 2013-2020: Communications and CSR consultant.
- 2020-2022: CSR Manager - CSR Consulting & Audit - Mazars.



Laure Empereur



- CEO of Odrea 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.
- **6,678 shares held.**

EDUCATION AND PROFESSIONAL BACKGROUND:

- 1990: Graduate Engineer Arts & M tiers 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.
- **59,268 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.



**Éric
Mantione**



- Chairman of Thermacome since May 1, 2020.
- CEO of PBtub since 1995.
- Joined in 1990.
- Born in 1959.
- French nationality.
- **142,134* 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.
- **18,102 shares held.**

EDUCATION AND PROFESSIONAL BACKGROUND:

- See page 33.



**Lionel
Monroe**



- Deputy CEO of Thermador Groupe since 2021.
- CEO of Syveco since 2008.
- 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.
- **68,294* shares held.**

EDUCATION AND PROFESSIONAL BACKGROUND:

- See page 33.



**Yves
Ruget**



- CEO of Thermador since 2014.
- Joined in 2012.
- Born in 1971.
- French nationality.
- **3,152 shares held.**

EDUCATION AND PROFESSIONAL BACKGROUND:

- Board member since April 6, 2020.
- End of current mandate: April 2022.
- Joined the group in 2012 as Director of Trade and Development of Thermador.
- CEO of Thermador since 2014.
- Permanent guest member of the Sustainable development committee.



**Peter
Wartel**



- CEO of Sodeco Valves since 2019.
- Joined in 2017.
- Born in 1968.
- Belgium 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.

2.3 BOARD OF DIRECTORS

2.3.1 – Principle of governance and constitution

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

The Board of Directors' in-house regulations can be consulted on the group's website.

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 70% of the group's capital. Comex members own 3.7% 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 4.5% of the capital directly and via the Thermador Groupe FCPE (mutual fund), investors 49.1%, and individual shareholders 40.4%.

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.
- One Board member and Deputy CEO of Thermador Groupe.
- One Secretary of the Board and Deputy CEO of Thermador Groupe.
- One Board member not free of interest, proposed 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.
- Two Board members not free of interests representing the employees.
- Four independent Board members (3 women and 1 man).
- One independent Board member representing individual shareholders.

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.


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 during 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 organize direct meetings between Board members and members of the executive Committee, concurrent with Board meetings.

Since 2016, every year we have confirmed the succession process for the Chairman and CEO in the event of an accident or sudden unavailability. Thermador Groupe's executive Committee met for the first time in conclave in July 2020 to collectively choose the person among them with the qualities to succeed him and the desire to do so. After three rounds of voting, a majority emerged in favour of Lionel Monroe, currently CEO of Syveco. The Board members, involved in this new process from the outset to define the target profile, approved this decision at the Board meeting held on July 29, 2020.

The rules of procedure of the conclave are available for consultation on our website.


41.7% WOMEN MEMBERS

2.3.2 – Make-up of our Board of Directors

 <ul style="list-style-type: none"> • Born in 1968. • French nationality. • Number of shares held: 18,102. 	<p>Patricia Mavigner</p> <ul style="list-style-type: none"> • Deputy CEO of Thermador Groupe since May 1, 2016. • 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 Sodalis Investment COMM VA. • Member of the Supervisory Board of Deco Holding BVBA. • No other mandate is exercised outside the group. • Permanent guest of the Sustainable development committee. <hr/> <p>Education and professional background:</p> <ul style="list-style-type: none"> • 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).
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Board members not free of interests

 <ul style="list-style-type: none"> • Born in 1965. • French nationality. • Number of shares held: 68,294. 	<p>Guillaume Robin</p> <ul style="list-style-type: none"> • Chairman and CEO of Thermador Groupe since June 30, 2011. • Board member since April 12, 2010. End of current mandate: April 2022. • 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 Aello, Jetly, Sferaco, Thermador, Sectoriel and Axelair. • Chairman of FGinox, PBtub, Isocel, Syveco, Sferaco, Thermador and Sectoriel. • Representative of Thermador Groupe, Chairman of Etablissements Edouard Rousseau and Opaline. • Representative of Thermador Groupe, sole Board member of Rousseau SA (Spain). • General representative of Etablissements Edouard Rousseau's branch in Shanghai. • Board member of Middenext. • Member of orientation committee of Lyon Place Financière association. • No other mandate is exercised outside the group. <hr/> <p>Education and professional background:</p> <ul style="list-style-type: none"> • 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.
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 <ul style="list-style-type: none"> • Born in 1967. • French nationality. • Number of shares held: 82,192. 	<p>Lionel Monroe</p> <ul style="list-style-type: none"> • Deputy CEO since April 1, 2021. • 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 Sodalis Investment NV (BE). • Representative of Thermador Groupe on Deco Holding NV (BE). • CEO of Syveco since 2008. • Audit committee member. • No other mandate is exercised outside the group. <hr/> <p>Education and professional background:</p> <ul style="list-style-type: none"> • 1990: Graduate of Business School of Paris. • 1992-1996: Sales Manager of Regional on Mars. • 1996-2006: Director of Zone Export Groupe Deveaux textiles (of which 3 years in U.S.A.).
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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: 8,890.**



Janis Rentrop

- Board member since April 10, 2017. End of current mandate: April 2025.
- Since 2021: Lawyer at Herbert Smith Freehills in Düsseldorf.
- 2012-2019: Appointed representative of Investmentaktiengesellschaft für langfristige Investoren TGV at several European companies' AGMs.
- **Member of the Earnings committee.**
- 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.
- 2020-2021: Lawyer at DLA Piper in Cologne.

- Born in 1989.
- German nationality.
- **Number of shares held: 420.**

Salaried board member



Bertrand Chevalier

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

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.
- E-commerce project manager of Syveco.
- Joined in 2018.
- End of current term: April 2026.
- **Member of the Earnings and appointments committee.**

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.**

Independent board members

 <ul style="list-style-type: none"> • Born in 1972. • French nationality. • Number of shares held: 1,500. 	<p>Olivier VILLEMONTÉ DE LA CLERGERIE</p> <ul style="list-style-type: none"> • Board member since April 5, 2016. End of current mandate: April 2023. • Since 2001: CEO of Groupe LDLC. • Independent Audit Committee member. • Independent member of the Sustainable development committee. • No other mandate is exercised outside the group. <p>Education and professional background:</p> <ul style="list-style-type: none"> • 1994: Graduate, ECAM engineering school. • 1996: Graduate, EM Lyon business school.
 <ul style="list-style-type: none"> • Born in 1966. • French nationality. • Number of shares held: 1,044. 	<p>Karine GAUDIN</p> <ul style="list-style-type: none"> • Board member since April 4, 2011. End of current mandate: April 2023. • Since 2020: Founder of 2econde LIGNE • Since 2021: Co-Manager of Pep's Advisory. • Chairwoman and independent member of the Audit committee. <p>Education and professional background:</p> <ul style="list-style-type: none"> • Graduate of Audencia, Nantes Business School. • Qualified chartered accountant. • 2018-2019: Director Norimagerie. • 2015-2017: Director of Innovation & Supply Engineering - COVED. • 2001-2015: Deputy Managing Director, in charge of change management - Lamy Lexel.
 <ul style="list-style-type: none"> • Born in 1961. • French nationality. • Number of shares held: 374. 	<p>Caroline MEIGNEN</p> <ul style="list-style-type: none"> • Board member since April 10, 2017. End of current mandate: April 2025. • 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. • Independent member of the Earnings and appointments committee. • No other mandate is exercised outside the group. <p>Formation et parcours professionnel :</p> <ul style="list-style-type: none"> • 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.
 <ul style="list-style-type: none"> • Born in 1964. • French nationality. • Number of shares held: 670. 	<p>Laurence PAGANINI</p> <ul style="list-style-type: none"> • Board member since April 10, 2017. End of current mandate: April 2025. • Since 2013: CEO of Kaporal groupe, a French clothing brand based to Marseille. • Chairwoman and independent member of the Earnings committee. • Independent member of the Sustainable development committee. • Mandate held outside the group: Chairwoman of Procos, a specialist trading federation and elected member of Marseille - Provence Chamber of Commerce and Industry. <p>Education and professional background:</p> <ul style="list-style-type: none"> • 1985: Graduate of University Paris Dauphine, Masters degree in Finance and Strategy. • 1987: Graduate of ESSEC Business School. • 1997-2006: Career at Carrefour in different executive director positions, including group Marketing Director. • 2006-2008: CEO of Marionnaud. • 2009-2012: CEO of 3 Suisses. • 2019: 'Woman Executive of the Year' trophy.
 <ul style="list-style-type: none"> • Born in 1987. • French nationality. • Number of shares held: 107. 	<p>Mathilde YAGOUBI</p> <ul style="list-style-type: none"> • Board member since April 8, 2019. End of current mandate: April 2023. • Since 2020 - General Delegate of Game Only, an association of video game companies in Auvergne-Rhône-Alpes. • Since 2017: Lecturer in market surveys and business plans - Ecole Supérieure du Digital. • Chairwoman and independent member of the Sustainable development committee. • No other mandate is exercised outside the group. <p>Education and professional background:</p> <ul style="list-style-type: none"> • 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. • 2022-2023: Ecological transition and business transformation diploma, Sciences Po Paris.

2.3 BOARD OF DIRECTORS

2.3.3 – Work of the Board of Directors in 2022

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

- Attend the “Subsidiaries’ Objectives, Strategies, Projects and Challenges” day on February 1, 2022, attended by the auditors and 122 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 half-yearly 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 Middenext 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 €2,600 from groupe LDLC).
- Confirm the **succession process** in the event of an accident or sudden unavailability of the CEO. The principle of a conclave that could be held within the Comex 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 2022, this self-assessment was entrusted to an independent director, Olivier Villemonte de la Clergerie.
- 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 39).
- 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 Karine Gaudin, Caroline Meignen, Laurence Paganini, Janis Rentrop, Olivier Villemonte de la Clergerie, Mathilde Yagoubi.
- Increase individual board meeting fees by 4.6% subject to members’ presence and propose to increase the maximum fee package allocated to €190,000.
- Ratify the stability of rents as of 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 98.8%.

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

BOARD MEMBERS’ PHYSICAL ATTENDANCE RATE = 98.8%



Board of directors, December 8, 2022.

2.4 AUDIT COMMITTEE

In compliance with the Middlednext 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 2022, the committee met three times, with 100% attendance and lasting for 2-3 hours. The Audit committee is comprised of three members, Karine Gaudin (Chairwoman and independent member), Olivier Villemonte de la Clergerie (independent member) and Lionel Monroe (non-interest free director).

The Deputy CEO responsible for finance and information systems in her capacity as financial director, the Financial Controller, 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 15, 2022 to discuss the following topics:

- Review of the 2021 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.
- Update on the quality of the accounts closing process.

The committee met on July 26, 2022 to discuss the following topics:

- Review of the half-yearly accounts at June 30, 2022.
- 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 interim review.



Lionel Monroe and Olivier Villemonte de la Clergerie.

The committee met again on October 7, 2022 to discuss the following topics:

- The situation at September 30, 2022 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 roll-out of our responsible purchasing charter.
- 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: Mazars and 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 MEETINGS

2.5 SUSTAINABLE DEVELOPMENT COMMITTEE

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 clergie - Committee member, independent director and member of the Audit committee.

Bertrand Chevalier - Committee member, director representing employees.

Permanent guests:

Caroline Desplats - Sustainable Development Director, Thermador Groupe.

Patricia Mavigner - Deputy CEO, Thermador Groupe.

Nicolas Klein - CSR Officer, Thermador Groupe.

Yves Ruget - CEO of the subsidiary Thermador.

2.5.2 – The 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.

Following on from work undertaken in 2021, the Committee focused in 2022 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 2022

Meetings and training

Meetings of the Sustainable development committee

The committee met four times in 2022: on January 24, February 15, July 18, and October 19. Committee members' attendance rate was 100%.

In addition to the committee meetings, its Chairwoman also represented the group at CSR working groups held by Middenext on March 7, June 20, September 12 and October 12, 2022. Patricia Mavigner, Caroline Desplats and Nicolas Klein took turns attending all the working group sessions.

Training of committee members

The Chairwoman attended an 11-day training course at Middenext in 2022. She also started a CSR and Business Transformation Certification at Sciences Po Paris in October 2022. The course consists of 12 days in all, and ends in June 2023.

Laurence Paganini, member of the committee and Chair of the Earnings and appointments committee, participated in the Business for Climate Convention (BCC) and received training during the event.

Olivier Villemonte de la Clergerie, independent director and CEO of LDLC group, also strongly committed to CSR, will attend a 2-day training course («Global issues and corporate sustainability strategy») with the other Thermador Groupe managers in March 2023.

All members will continue to receive regular training throughout 2023.

Landmarks

In 2022, the committee was pleased to welcome two new members: Bertrand Chevalier, an employee-director, as a permanent member, and Caroline Desplats Scotti, the group's Sustainable Development Director and guest member.

The committee spotlighted the crucial work carried out by all of the group's operational teams on sustainable development issues and the committed involvement of the group's managers.

In its work, the committee paid particular attention to monitoring the implementation of action plans in the subsidiaries to ensure the effective implementation of the CSR roadmap announced by the group in 2021. The committee highlighted the fit between the CSR roadmap and the group's global strategy. Performance levels in respect of the group's quantified objectives was challenged twice by the committee, first on the results for N-1, then on the results to end-September.

Following on from 2021, the committee closely monitored the exercise of measuring Scope 3 CO₂ emissions by a specialised service provider, as well as the results of the carbon assessments carried out by certain subsidiaries, together with the corresponding action plans. A quantified objective for Scope 3 will be identified in 2023, as will the corresponding objectives and an associated strategy concerning the impact of the group's activities on biodiversity.

In terms of governance and compliance, the committee was able to monitor the group's compliance with the legislation and regulations applicable to it. In particular, the application of the ELAN law and its consequences – particularly financial – for the group were challenged by the committee. It also saw to it that the operational team took proper account of the challenges of the transition from the extra-financial performance statement (EFPS) to the Corporate Sustainability Reporting Directive (CSRD) (applicable in 2025 on 2024 figures). In 2023, the Committee will therefore ensure that it increases the coordination of its work with the Audit committee and the Earnings and appointments 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. Finally, the committee took a close look at the quantified objectives relating to professional equality and the implementation of specific concrete actions within the group.

2.6 EXECUTIVES' EARNINGS

2.6.1 – The Earnings and appointments committee

In accordance with the recommendation of the Middelnext code, the Board of Directors set up an Earnings committee on November 27, 2020 and extended its remit to include appointments from 2022 onwards.

The committee's task is to prepare and facilitate the decisions of the Board of Directors regarding:

- The various components of the earnings of the executive directors of Thermador Groupe.
- The earnings allocated to the directors: total amount and distribution.
- Overall earnings practices and their compliance with current regulations and codes of governance.
- The appointment or renewal of Board members, and membership of Board of Directors' committees.
- The appointment of the CEO and Deputy CEOs of the Thermador Groupe.
- Ensuring that a management succession process is always in place.

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

In 2022, the Earnings and appointments committee met three times for three hours, with a 100% attendance rate, and prior to any Board of Directors' meeting deciding on executives' earnings, on the allocation of the earnings package for directors or on changes in the composition of the Board of Directors and the committees. The committee has four members: Laurence Paganini (Chairwoman of the committee and Independent Director), Caroline Meignen (Independent Director), and Noémie Gonin (Employee-Director), then Marion Granger (Employee Director) as of April 5, 2022, and Janis Rentrop (Director not free of interest). The members of the Committee were provided with regularly-updated, comprehensive information.

The Chairman and the members of the committee are put forward by the Chairman of the Board of Directors and appointed by the Board of Directors from among its members, taking into account their independence, experience and competence. The Earnings and appointments committee reports on its work to the Board of Directors.

The committee met on January 14, 2022 and covered the following topics:

- Change of format of the Earnings committee, to become the Earnings and appointments committee as of 2022.
- 2021 and 2022 earnings policy: final supervision of the drafting of the 2021 Universal Registration Document.
- Possible separation of the mandates of Chairman and CEO of the group and study of an alternative with the appointment of a lead director.

The committee met on September 22, 2022 and covered the following topics:

1) Governance 2023

- Possible separation of Lionel Monroe's fixed earnings, in respect of his mandate as Deputy CEO of Thermador Groupe, from his earnings derived from his mandate as

CEO of Syveco. This will give rise to a resolution at the 2023 Annual General Meeting.

- Possible increase in the number of independent directors to more than 50% of the total, excluding employee-directors.
- Possible separation of the mandates of Chairman and CEO of the group and study of an alternative with the appointment of a lead director.
- Addition of a paragraph in the 2022 Universal Registration Document on the role and place of employee-directors on the Board of Directors.
- Directorships expiring in April 2023.
- Changes in the composition of the Audit committee.

2) 2022/2023 earnings

- Policy on executives' earnings for 2023 based on the group's historical practices and on a comparison with listed companies of similar size.
- Annual variable earnings criteria for 2023 for Thermador Groupe executive directors Guillaume Robin and Patricia Mavigner (ex-ante).
- Study of the feasibility and possible implementation of a multi-year variable earnings system.
- Discussions on the earnings attributable to executive directors for the 2022 financial year (ex-post).

The committee met on December 7, 2022 and covered the following topics:

- Finalisation of the proposals concerning the terms and conditions of executive directors' variable earnings for 2023.
- Review of the 2022 year-end bonus package in the subsidiaries and decisions on 2022 year-end bonuses and salaries of subsidiary executives for 2023.
- Review of the decisions regarding the 2022 year-end bonuses for the executives of Thermador Groupe.
- Discussions around the proposed changes to Thermador Groupe executives' fixed monthly earnings and benefits for 2023.
- Discussions around earnings allocated to directors per board meeting for 2023 as well as the amounts allocated for the committees (Audit, Earnings and appointments and Sustainable development).
- Examination of the proposal for the company savings plan top-up for 2023.
- Work on the 2022 Universal Registration Document: drafting/updating of topics concerning the Earnings and appointments committee.
- Review of the committee meeting schedule for 2024.
- Committee members' training in 2023.
- Submission of confirmation of a succession process in case of accident or sudden unavailability of the CEO.

2.6 EXECUTIVES' EARNINGS

2.6.2 – Earnings policy

General points

Once per year, in December, the Board of Directors is informed about the Earnings and appointments committee's conclusions to review the fixed and variable parts of executives' salaries, and the final decisions on the subsidiaries' CEOs belonging to the Boards of Directors of the subsidiaries concerned.

In 2022, 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 €1,440.4k broken down as mentioned on page 45. 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 €2,400 in 2022. 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 2.6.5 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° 7 and 8).

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. 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 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 shareholders 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 subject to a target amount of 60% of annual fixed earnings with objectives achieved, no minimum or minimum guaranteed.
- any increase cannot exceed the increase in consolidated operating profit on a like-for-like basis (for Guillaume Robin and Patricia Mavigner).
- are capped at 100% of annual fixed earnings.

2.6.2.1. Executive directors' earnings for FY 2022

The fixed part of Guillaume Robin's Patricia Mavigner's and Lionel Monroe's earnings was increased by 3%.

The target amount for the variable portion for executive directors in 2022 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.

Quantifiable criteria account for 80%

Lionel Monroe does not receive any variable earnings for his position as Deputy CEO of Thermador Groupe. In his capacity as CEO of Syveco, he is assessed according to the subsidiary's operating profit and against 8 qualitative criteria corresponding to the definition of the position of subsidiary CEO (see paragraph 2.6.2.3.).

2022 variable earnings for CEO Guillaume Robin:

The fixed part amounts to €207.87K for 2022.

1. Economic criterion: 61% of variable earnings.

This is a percentage of the 2022 consolidated operating profit and the target represents 60% of the total variable earnings:
 $0.119\% \times €78,676,000 = €93,860k$ for 2022.

2. Sustainable development criteria (quantitative): 22% of variable earnings.

The 2022 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 118.7%.

Premium amount = €33,766

3. Individual managerial criteria: 17% of variable earnings

The Board validated an achievement of 90%, i.e. €26,192 for 2022. An excellent year for Thermador Groupe in all respects. Under the stewardship of its CEO Guillaume Robin, the group is well ahead of its growth ambitions and a little behind in its digital transformation roll-out.

Criterion 1: Statement, compliance and implementation of the strategy

- A lot of effort has been put into the statement of, and compliance with, the company's strategy. The Board also underlines the approach taken with the subsidiaries to present the strategy to the Board of Directors.
- The Board also notes the quality of the group's digital transformation (major logistical evolution towards more automation in the FGinox subsidiary) in spite of some delays.
- It also notes the quality of the integration of previous acquisitions, with very good results recorded at Sodeco (2017 acquisition).
- Under the impetus of the CEO, the group has experienced strong growth, in a context of crisis: gaining market share, acquiring DPI and AFY's goodwill.
- Among the year's innovations, Thermador's growth in the solar water heater market was very strong, with two European suppliers, including a new Greek supplier.

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:

- Directed at private shareholders representing 40.4% 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 trade fairs, web conferences and road shows (see pages 56 and 57).

All this good work has been rewarded: Thermador Groupe has been named 2022 winner of the Investor Relations and Financial Communication Awards in the best investor relations category by for Midcaps.

The different elements of variable earnings produced a total amount of €153,818, reduced to €150,364 so that percentage-wise, it does not exceed that of the consolidated operating result increase to constant scope (+7.48%).

Finally, in the interests of consistency and cohesion with the subsidiary managers, Guillaume Robin chose to reduce his 2022 variable earnings to **€146,800**, i.e. an increase of 4.9% compared to 2021.

2022 variable earnings for Chairman and CEO Guillaume Robin

		Interpolation grid			
		Min	Target	Max	Actual
Financial indicators (quantitative)					
Percentage of operating result	In % of fixed earnings	0%	42%	60%	60%
	Amount	€0	€87,305	€124,722	€93,860
	Indicator value	0%	100%	143%	108%
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 2022)	In % of fixed earnings	0%	14%	20%	16.2%
	Amount	€0	€29,102	€41,574	€33,766
	Indicator value	80%	100%	150%	118.7%
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%	5.6%
	Amount	€0	€14,551	€20,787	€11,641
	Indicator value	0%	100%	143%	80%
Corporate image-reputation/dialogue with stakeholders	In % of fixed earnings	0%	7%	10%	7.0%
	Amount	€0	€14,551	20,787 €	€14,551
	Indicator value	0%	100%	143%	100%
Sub-total managerial indicators (qualitative)	In % of fixed earnings	0%	14%	20%	12.6%
	Amount	€0	€29,102	€41,574	€26,192
	Indicator value	0%	100%	143%	90%
TOTAL	Total variable in % of fixed earnings	0%	70%	100%	74%
	Amount	€0	€145,509	€207,870	€158,818
Ceiling: the increase in the variable cannot exceed the increase in consolidated operating profit to constant scope					€150,364
For reasons of consistency and cohesion with the subsidiary managers, Guillaume Robin chose to reduce his variable for FY 2022 to:					€146,800

2.6 EXECUTIVES' EARNINGS

2022 variable earnings for Deputy (EO Patricia Mavigner):

The fixed part amounts to €151,32k for 2022.

1. Economic criterion: 61.6% of the variable pay.

This is a percentage of the 2022 consolidated operating profit and the target is 60% of the total variable compensation:

$$0.097\% \times 78,676,000 = €76,080\text{k for 2022.}$$

2. Sustainability criteria (quantitative):

21.1% of variable earnings.

The 2022 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 118.7%.

Bonus amount = €26,096

3. Individual managerial criteria:

17.2% of variable earnings.

The Board validated an achievement of 90%, i.e. €21,245k for 2022.

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 40.4% of the capital 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,

- Directed at institutional investors through participation in trade fairs, webconferences and road shows (see pages 56 and 57).
- In addition, a great deal of work has been done on GDPR deployment in the subsidiary with the presentation of a platform for a paperless GDPR compliance process (100% of people have been trained to meet the objective). For Anti-corruption, the Board underlined the implementation of the EQS platform and the continuation of employee training.

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.

The Board underlines the completion of a number of priority projects during the year: implementation of logistics in the FGinox subsidiary, completion of the Dipra-Rousseau merger, measures taken to increase IT security (no major incidents during the year), gradual deployment of e-commerce in the subsidiaries, although less rapidly than expected.

- Implementation of a new information systems organisation which has enabled staff to be trained and upskilled.
- The Board also notes the excellent results of SCI Thely: turnover, net income and profitability are up sharply. 2022 was packed with highlights: relocation of the Axelair and FGinox subsidiaries, energy audits in the subsidiaries, implementation of solutions to reduce energy consumption.

The different elements of variable earnings produced a total amount of €123,421, reduced to €122,849 so that percentage-wise, it does not exceed that of the consolidated operating result increase to constant scope (+7.48%).

Finally, in the interests of consistency and cohesion with the subsidiary managers, Patricia Mavigner chose to reduce her 2022 variable earnings to **€119,900**, i.e. an increase of 4.9% compared to 2021.

2022 variable earnings for Deputy Managing Director Patricia Mavigner

		Interpolation grid			
		Min	Target	Max	Actual
Financial Indicators (quantitative)					
Percentage of operating result	In % of fixed earnings	0%	46.8%	60%	50.3%
	Amount	€0	€70,818	€90,792	€76,080
	Indicator value	0%	100%	128%	107%
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 2022)	In % of fixed earnings	0%	15.6%	20.0%	16.3%
	Amount	€0	€23,606	€30,264	€26,096
	Indicator value	80%	100%	150%	118.7%
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	€11,803	€15,132	€11,803
	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	€11,803	€15,132	€9,442
	Indicator value	0%	100%	128%	80%
Managerial indicators sub-total (qualitative)	In % of fixed earnings	0%	15.6%	20%	14.0%
	Amount	€0	€23,606	€30,264	€21,245
	Indicator value	0%	100%	128%	90.0%
TOTAL	In % of fixed earnings	0%	78%	100%	82%
	Amount	€0	€118,030	€151,320	€123,421
Ceiling: the increase in the variable cannot exceed the increase in consolidated operating profit to constant scope					€122,849
For reasons of consistency and cohesion with the subsidiary managers, Patricia Mavigner chose to reduce his variable for FY 2022 to:					€119,900

2.6.2.2. Earnings of executive directors Guillaume Robin and Patricia Mavigner for FY 2023

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

Thus, the structure of the earnings of the executive directors Guillaume Robin and Patricia Mavigner in 2023 would be as follows:

Fixed part: Increase of 4.6%, i.e. €217,490 for Guillaume Robin and €158,340 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: 60% of the total variable annual earnings.
- Quantifiable sustainability component, established by reference to Thermador Groupe objectives (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.

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.

It is expressed as a percentage of the consolidated operating result (see table on page 44).

2. Sustainable Development criterion (quantitative extra-financial criterion):

The Earnings and appointments committee stresses the importance of cooperation with the Sustainable development committee (SDC).

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 2022 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.

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

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.

2.6.2.3. Earnings of the executive director Lionel Monroe for FY 2023

On a proposal of the Earnings and appointments committee, the Board of Directors changes the terms and conditions of the earnings of the executive director Lionel Monroe in 2023 as follows: Thermador Groupe will pay him €40,950 directly for the portion of his fixed annual earnings that corresponds to his mandate as Deputy Managing Director of Thermador Groupe. Lionel Monroe will not receive any variable earnings for this mandate. His variable earnings are linked to and allocated in respect of his mandate as CEO of Syveco. In that capacity, Lionel Monroe is assessed on 8 qualitative criteria corresponding to the definition of the position of subsidiary CEO (cf. next paragraph).

2.6.2.4. Earnings of executive directors of commercial subsidiaries for FY 2023

For simplicity's sake, the variable part of the earnings of the CEOs of the group's commercial companies has always been closely linked to the operating results of the company under their management. In 2021, we changed their mission statements to include extra-financial criteria which can be summarised as follows.

- Communication
 - In the company they run
 - Shared with the group
- Human resources
- Environmental protection
- Objectives and Strategies
- Customer relations
- Supplier relations
- Compliance
 - Internal
 - External
- Reporting
 - Financial indicators
 - Extra-financial indicators

2.6 EXECUTIVES' EARNINGS

Interpolation grid for Guillaume Robin's 2023 variable earnings

Interpolation grid for Guillaume Robin’s 2023 variable earnings		Interpolation grid		
		Min	Target	Max
Financial indicators (quantitative)				
Percentage of operating result	In % of fixed earnings	0%	42%	60%
	Amount	€0	€91,346	€130,494
	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 2022)	In % of fixed earnings	0%	14%	20%
	Amount	€0	€30,449	€43,498
	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	€15,224	€21,749
	Indicator value	0%	100%	143%
Corporate image-reputation/dialogue with stakeholders	In % of fixed earnings	0%	7%	10%
	Amount	€0	€15,224	€21,749
	Indicator value	0%	100%	143%
Sub-total managerial indicators (qualitative)	In % of fixed earnings	0%	14%	20%
	Amount	€0	€30,449	€43,498
	Indicator value	0%	100%	143%
TOTAL	Total variable in % of fixed earnings	0%	70%	100%
	Amount	€0	€152,243	€217,490

Interpolation grid for Patricia Mavigner's 2023 variable earnings

Interpolation grid for Patricia Mavigner’s 2023 variable earnings		Interpolation grid		
		Min	Target	Max
Financial indicators (quantitative)				
Percentage of operating result	In % of fixed earnings	0%	46.8%	60.0%
	Amount	€0	€74,103	€95,004
	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 2022)	In % of fixed earnings	0%	15.6%	20.0%
	Amount	€0	€24,701	€31,668
	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	€12,351	€15,834
	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	€12,351	€15,834
	Indicator value	0%	100%	128%
Sub-total managerial indicators (qualitative)	In % of fixed earnings	0%	15.6%	20%
	Amount	€0	€24,701	€31,668
	Indicator value	0%	100%	128%
TOTAL	Total variable in % of fixed earnings	0%	78%	100%
	Amount	€0	€123,505	€158,340

2.6.3 - Table of earnings

Earnings correspond to a corporate mandate.

Values in thousands of euros.

Operational Board members Chairman & CEO and Deputy CEO	Earnings fixed and variable (due and paid and to be paid according to the decision of the AGM of April 3, 2023)								
	Fixed annual share			Variable annual share			Total annual earnings		
	2022	2021	2020	2022	2021	2020	2022	2021	2020
Philippe Bories, Board member, Chairman of Mecafer and Domac ⁽¹⁾	173.0	168.0	166.7	30.0	37.0	34.0	203.0	205.0	200.7
Jérôme Chabaudie, Board member, and CEO of Aello ⁽²⁾	156.7	152.1	150.8	51.0	56.6	36.0	207.7	208.7	186.8
Patricia Mavigner, secretary of the Board of Directors and Deputy CEO since May 1, 2016 permanent guest of the Sustainable development committee ⁽⁴⁾	151.3	146.9	145.6	119.9	114.3	91.0	271.2	261.2	236.6
Lionel Monroe, Board member, Audit committee member and Deputy CEO ⁽³⁾									
- Earnings as CEO of Syveco	117.5	119.8	150.8	73.0	73.0	61.0	190.5	192.8	211.8
- Earnings as deputy CEO of Thermador Groupe	39.2	32.3					39.2	32.3	
Guillaume Robin ⁽⁴⁾ , CEO	207.9	201.8	200.5	146.8	139.9	111.0	354.7	341.7	311.5
SUBTOTAL	845.6	820.9	814.4	420.7	420.8	333.0	1,266.3	1,241.7	1,147.4
External Board members	Attendance fees (due and paid)								
Janis Rentrop, Independent member of the Earnings and appointments committee	26.5	19.3	20.1				26.5	19.3	20.1
Independent Board members	Attendance fees (due and paid)								
Olivier Villemonte de la Clergerie, independent member of the Audit committee and the Sustainable development committee	33.2	25.7	20.1				33.2	25.7	20.1
Karine Gaudin, Chairwoman and independent member of the Audit committee	26.5	19.3	22.7				26.5	19.3	22.7
Caroline Meignen, Independent member of the Earnings committee	28.2	20.9	20.1				28.2	20.9	20.1
Laurence Paganini, Chairwoman and independent member of the Earnings Committee, independent member of the Sustainable development committee	33.2	25.7	20.1				33.2	25.7	20.1
Mathilde Yagoubi, Chairwoman and independent member of the Sustainable development committee	26.5	20.1	15.9				26.5	20.1	15.9
SUBTOTAL	174.1	131.0	119.0				174.1	131.0	119.0
TOTAL	1,019.7	951.9	933.4	420.7	420.8	333.0	1,440.4	1,372.7	1,266.4

Earnings of operational Board members, CEO and Deputy CEOs:

(1) Philippe Bories, Chairman of Mecafer and Domac, was appointed to the Board at the AGM of April 4, 2022.

(2) Jérôme Chabaudie, CEO of Aello, was appointed to the Board at the AGM of April 4, 2022.

(3) Lionel Monroe was appointed to the Board at the AGM of April 6, 2021. Lionel Monroe's variable earnings are contingent upon Syveco's operating profit relating to his position as CEO of Syveco only. As a result, it will not be subject to approval at the AGM on April 4, 2022. It is due on December 31, 2022 and will be paid in 2023. However, the AGM of April 3, 2023 will be asked to debate the approval of the fixed earnings policy for Lionel Monroe and for FY 2023 as presented in paragraph 2.6.2.3. of this report.

(4) The variable earnings of Guillaume Robin and Patricia Mavigner will be decided by vote at the AGM of April 4, 2023. If that AGM votes in favour, their variable earnings will be paid in April 2023.

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 of the Company's shares with a view to granting them free of charge to certain employees and corporate officers of Axelair and Aello. The Board of Directors' meeting of July 29, 2021 determined the beneficiaries as well as the period of allocation and retention of said shares. Under the scheme, Jérôme Chabaudie was awarded an allocation right of 519 shares.

starting on July 29, 2021. The IFRS 2 expense corresponding to the value of the shares allocated was calculated taking into account this criterion of deducting the value of dividends not received. Jérôme Chabaudie's allocation right was valued at €47,600, i.e. a share price of €91.80.

Philippe Bories benefits from a company car because of the distance between the two subsidiaries of which he is Chairman, Mecafer and Domac. The fringe benefit comes to €6,180.

2.6 EXECUTIVES' EARNING

Corporate officers do not receive any benefits in kind or performance shares or stock options, with the exception of the free share plan presented on page 45.

There are no golden handshakes / parachutes for corporate officers, nor do they have special pension schemes or compensation for noncompetition or severance clauses. Corporate officers receive top-ups for the group's savings plan in the same way as any other employee. The gross top-up was €2,400 for 2022 and €2,100 for 2021 and 2020.

2.6.4 – 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 45.

Ratio for Thermador Groupe (holding company), compared to average earnings	Earnings 2022	2022	2021	2020	2019	2018
AVERAGE EARNINGS RETAINED (IN THOUSANDS OF EUROS)		67.6	68.7	71.4	69.5	70.0
Guillaume Robin, Chairman & CEO of Thermador Groupe	354.7	5.24	4.98	4.36	4.43	4.31
Patricia Mavigner, Deputy CEO of Thermador Groupe since May 1, 2016	271.2	4.01	3.80	3.32	3.34	3.24
Lionel Monroe, Deputy CEO of Thermador Groupe since April 1, 2021	229.7	3.39	3.28	-	-	-
Jean-François Bonnefond, Deputy CEO of Thermador Groupe from April 1, 2016 to March 31, 2021		-	-	3.98	4.00	3.83

Ratio for Thermador Groupe (holding company), compared to average earnings	Earnings 2022	2022	2021	2020	2019	2018
MEDIAN EARNINGS RETAINED (IN THOUSANDS OF EUROS)		56.1	56.8	66.5	65.1	63.9
Guillaume Robin, Chairman & CEO of Thermador Groupe	354.7	6.32	6.02	4.68	4.72	4.72
Patricia Mavigner, Deputy CEO of Thermador Groupe since May 1, 2016	271.2	4.83	4.60	3.56	3.56	3.55
Lionel Monroe, Deputy CEO of Thermador Groupe since April 1, 2021	229.7	4.09	3.96	-	-	-
Jean-François Bonnefond, Deputy CEO of Thermador Groupe from April 1, 2016 to March 31, 2021			-	4.27	4.27	4.20

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 2022	2022		2021		2020		2019	
		Average earnings	Median earnings	Average earnings	Median earnings	Average earnings	Median earnings	Average earnings	Median earnings
AVERAGE EARNINGS RETAINED (IN THOUSANDS OF EUROS)		52.9	44.0	50.2	41.0	49.2	41.0	49.1	41.2
Guillaume Robin, Chairman & CEO of Thermador Groupe	354.7	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	271.2	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	229.7	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

We have calculated this fairness ratio only for 2019-2022 as salary data is not available on a comparable basis for 2018. 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.

Fairness ratio between the earnings of the Chairman and CEO, of the two Executive Vice Presidents of Thermador Groupe and the average annual minimum wage for 2022 (12 months x 151.67 hrs at €10.85 per hour, i.e. €19,747):

Ratios for the whole of Thermador Groupe	Earnings 2022	2022	2021	2020	2019	2018
REFERENCE ANNUAL MINIMUM WAGE EARNINGS (IN THOUSANDS OF EUROS)		19.7	18.8	18.5	18.3	18.0
Guillaume Robin, Chairman & CEO of Thermador Groupe	354.7	17.96	18.21	16.86	16.85	16.78
Patricia Mavigner, Deputy CEO of Thermador Groupe since May 1, 2016	271.2	13.73	13.92	12.81	12.72	12.63
Lionel Monroe, Deputy CEO of Thermador Groupe since April 1, 2021	229.7	11.63	12.00	-	-	-
Jean-François Bonnefond, Deputy CEO of Thermador Groupe from April 1, 2016 to March 31, 2021	0.0	-	-	15.38	15.24	14.93

2.6.5 - Allocated earnings (formerly attendance fees)

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

In 2022, external Board members received €2,210 per Board meeting on condition that they were present.

The amounts due and paid in allocated earnings are mentioned on page 45. Their attendance rate was 98.8%.

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 4, 2022 voted an overall maximum annual amount of €175,000 in attendance fees. The same overall maximum annual amount was maintained for 2022.

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 €190,000 (cf. resolution n°14).

2.6 EXECUTIVES' EARNINGS

2.6.6 – Shareholders' pacts

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	Administrative manager	532	1,064
Patricia Mavigner	Th. 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.

2.6.7 – Valid delegation for a possible increase in capital

One delegation is valid until June 4, 2023. It follows the adoption of the eighteenth resolution at the AGM of April 4, 2022 and has not been used to date.

2.6.8 – Share-related operations performed by board members and Executive Committee members in 2022

Reporting	Function	Acquisitions	Disposals	Donations	Average purchase price in €	Average selling price in €
Christophe Arquillière	Member of the Comex and CEO of Sferaco	141	428		€84.7	€78
Arlette Berliocchi	Member of the Comex and CEO of Opaline	289			€80.73	
Bertrand Chevalier	Member of board of directors	10			€92.35	
Olivier Villemonte de la Clergerie	Member of board of directors	500	-		€95.86	
Caroline Desplats	Member of the Comex and Director of the Sustainable Development - Thermador Groupe	5			€77.60	
Laure Empereur	Member of the Comex and CEO of Odra	150			€96	
Marion Granger	Member of board of directors	10			€80.66	
Lionel Grès	Member of the Comex and CEO of Axelair	287			€86.05	
Xavier Isaac	Member of the Comex and CEO of Sectoriel		4,344			€87.03
Eric Mantione	Member of the Comex and CEO of Pbtub			6,429		
Laurence Paganini	Member of board of directors	100			€100.94	
Yves Ruget	Member of the Comex and CEO of Thermador	196	2,044		€88.05	€78.33
Mathilde Yagoubi	Member of board of directors	6			€95.30	

2.6.9 – 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, 2022, the total of the commitment corresponding to this bonus for Board members and corporate representatives was €306K : €109K for Guillaume Robin, €68K for Patricia Mavigner, €52K for Lionel Monroe, €93K for Philippe Bories and €18K for Jérôme Chabaudie. No pension compensation was paid to executives. There is no commitment concerning separation compensation ('golden parachute') for executives.

2.6.10 – 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 55 of this report. At the Annual General Meeting of April 4, 2016, we adopted the principle of one share, one vote.

2.6.11 – Other information

2.6.11.1 – 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 3, 2023 are not bound by employment contracts. The recommendation to terminate the employment contract when the Board member becomes a corporate officer does not apply.

2.6.11.2 – 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, 2022. Existing conventions appear in a list drawn up by the company for the financial year ending December 31, 2022 and sent to the auditors in compliance with the provisions of articles L 225-39 and L 225-87 of the Commercial Code.

2.6.11.3 – 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.

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

2.7 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 **compartiment 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 compartiment 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

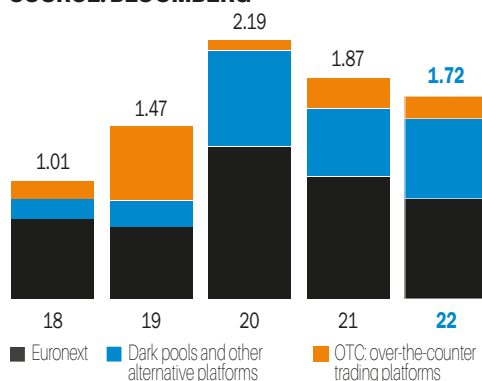
Dividends

For 2022, we propose a dividend of €2.08 per share. This represents 32.5% of consolidated net profit. On the basis of the average 2022 price (€87.30), the yield is 2.38%.

Trading volumes

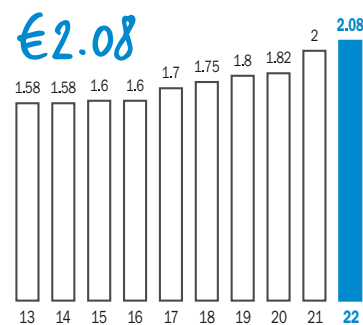
Liquidity: the large number of floating investors (estimated by Euronext at 70%) and the number of shareholders ensure good liquidity. Trading volumes decreased by 7.8% in 2022. On a daily average, 6,705 Thermador Groupe shares were traded, with a peak in March.

DAILY AVERAGE TRADING VOLUME SOURCE: BLOOMBERG



NET DIVIDEND PER SHARE ** IN 2022

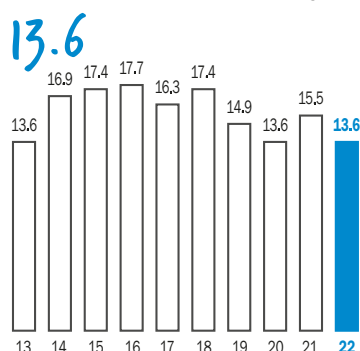
(in euros)



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

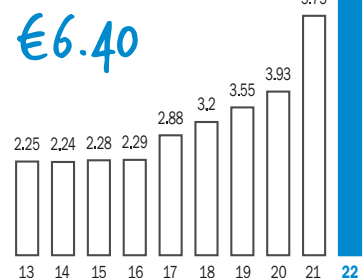
PER IN 2022

(PER on the basis of the annual average price)



CONSOLIDATED NET PROFIT PER SHARE ** IN 2022

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



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

Listing

Identification of the

Thermador Groupe share:

code ISIN FR0013333432

MNEMONICCODETHEP

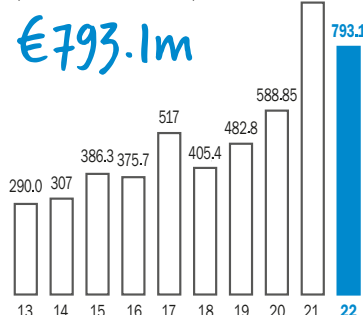
Number of shares: 9,200,849

Capital: €36,803,396

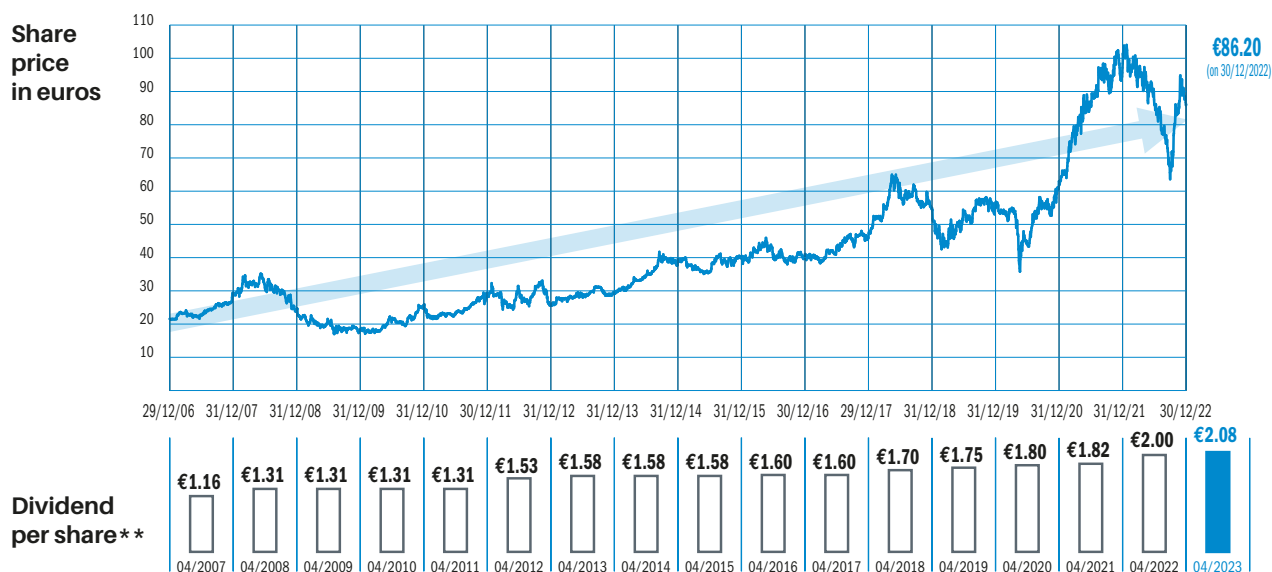
LEI: 969500SSIGMAGT008F11

MARKET CAPITALISATION AT DECEMBER 31, 2022

(in million of euros)



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
JULY 2021	92,214	8,590	88.10	97.80	94.00
AUGUST 2021	91,690	8,780	89.10	99.00	94.10
SEPTEMBER 2021	84,855	7,853	85.00	97.00	91.00
OCTOBER 2021	73,988	7,123	90.60	102.60	98.40
NOVEMBER 2021	65,784	6,427	93.00	102.60	93.40
DECEMBER 2021	63,030	6,293	92.80	105.00	101.60
2021	1,037,143	90,797	64.80	105.00	101.60
JANUARY 2022	50,430	4,978	94.3	106.6	97
FEBRUARY 2022	58,269	5,699	90	104.2	95.8
MARCH 2022	83,500	7,958	90	99.9	94.5
APRIL 2022	57,970	5,422	89.2	97.5	96
MAY 2022	52,407	4,763	83.5	96.5	92.9
JUNE 2022	141,121	12,362	83.8	93.9	86.1
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

The figures are taken from Euronext.

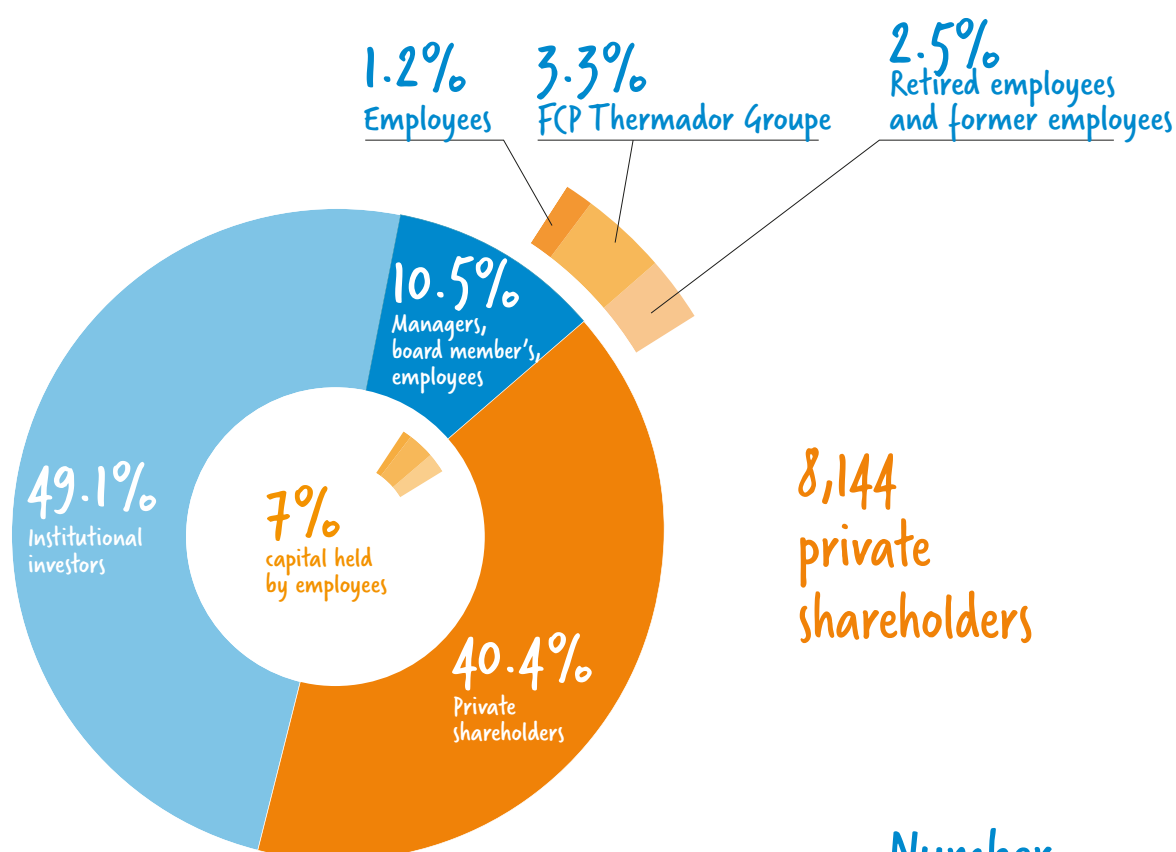
2.8 STRUCTURE OF CAPITAL

2.8.1 - Breakdown of capital

For a company of our size, we have an exceptionally large number of private shareholders: 8,144 individuals, representing 40.4% of the group's capital.

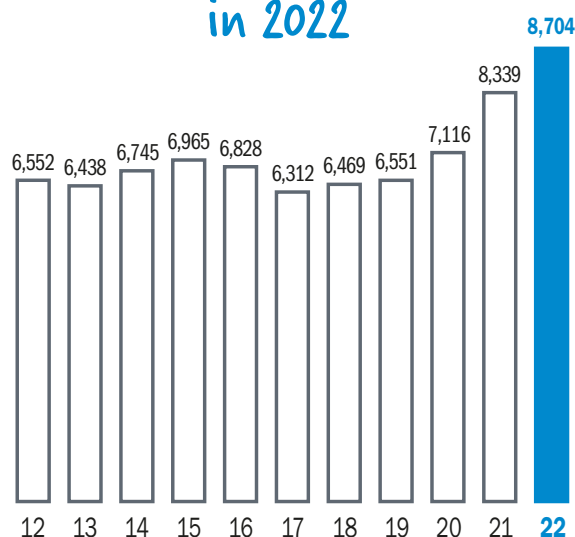
In 2022, 2,563 new shareholders joined us and 2,198 left (temporarily perhaps...).

Following the capital increase reserved for employees (12th resolution of the 2019 AGM), the proportion of capital held by employees and retired employees reached 7%. We are maintaining our objective of reaching the symbolic milestone of 8% of capital in the hands of employees and retired employees.



Number of shareholders in 2022

Number of shareholders	2020	2021	2022
CEOs	17	17	19
Board members	7	7	8
Employees	126	143	143
Retired employees and former employees	40	48	56
Retired CEOs	2	4	4
Founders	4	4	4
Family of founders	29	25	39
French investors	130	193	173
Foreign investors	66	103	114
Individual shareholders	6,695	7,795	8,144
TOTAL	7,116	8,339	8,704



2.8.2 – 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, 2022. There were no significant changes in the registered shares between November 30 and December 31, 2022.

At the AGM of April 4, 2016, we adopted the principle of one share, one vote. On December 31, 2019, 2020 and 2022, the percentages of capital and voting rights were identical.

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

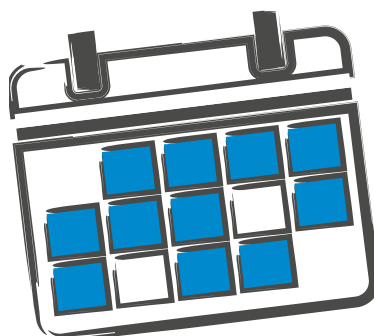
2022 milestones:

Further to the departures of Jean-François Bonnefond and Emmanuelle Desecures, we have added a line in the individual shareholders category which we have entitled «former executives».

	2020		2021		2022	
	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	1,285,690	14%	977,345	10.6%	962,457	10.5%
Board member CEOs	227,051	2.5%	161,877	1.8%	205,168	2.2%
Board members not free of interests	430	NS **	430	NS**	440	0.1%
Independent Board members	2,783	NS **	3,089	NS**	3,695	
Thermador Groupe owning its own shares	1,200	NS **	3,000	NS**	3,000	
Non-Board member CEOs	621,096	6.8%	397,858	4.3%	342,409	3.7 %
Managers and employees	111,130	1.2%	108,591	1.2%	99,895	1.1%
FCP Thermador Groupe (mutual fund)	322,000	3.5%	302,500	3.3%	307,850	3.4%
INDIVIDUAL SHAREHOLDERS	3,664,720	39.8%	3,763,632	40.9%	3,718,864	40.4%
Including retired employees and former employees	257,424	2.8%	232,398	2.5%	236,050	2.5%
Including former executives*	135,307	1.5%	342,222	3.7%	265,464	2.9%
Including Guy Vincent*	490,000	5.3%	490,000	5.3%	490,000	5.3%
Including Marc de Sereys*	353,516	3.8%	358,972	3.9%	319,436	3.5%
Including Geneviève Boreil, Hubert Fournier*	230,266	2.5%	229,796	2.5%	214,396	2.3%
INSTITUTIONAL INVESTORS	4,250,439	46.2%	4,459,872	48.5%	4,519,528	49.1%
Investmentaktiengesellschaft für langfristige Investoren TGV	827,668	9%	827,668	9%	827,668	9%
Crédit Mutuel Equity	629,906	6.9%	629,906	6.8%	629,906	6.9%
Other French investors	1,630,487	17.7%	1,587,785	17.3%	1,479,536	16.0%
Other foreign investors	1,162,378	12.6%	1,414,933	15.4%	1,582,418	17.2%
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.

2.9 LOOKING FORWARD TO 2023



Annual General Meeting – April 3, 2023
at 5pm at théâtre des Célestins
in Lyon

AGENDA

Annual General Meeting	April 3, 2023 at 5pm at théâtre des Célestins in Lyon.
Shareholders meeting in Paris	April 6, 2023 at 4pm at Salons Hoche in Paris.
Payment of dividends	The dividend will be detached on April 12, 2023 and made available for payment on April 14, 2023.
Announcement of quarterly turnover	April 14, 2023, July 12, 2023, October 12, 2023, January 15, 2024, 6pm CET.
Announcement of mid-term results	July 27, 2023, 6pm CET.
Publication of annual results	February 28, 2024, 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: actionnaires@thermador-groupe.fr



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

Our financial publications appear in the 'news' section and 'regulated information' section. They are also relayed on stock exchange information sites, in French and in English, on LinkedIn and on Twitter.

A shareholder space is available so that you can update your details and express your wishes as to how you want our documents to be sent (mail and/or email).

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.

2.10 2022 ANNUAL GENERAL MEETING



Running of our AGM

Our Annual General Meeting was held behind closed doors on April 4, 2022. Voting took place up to March 30, 2022 by letter and to April 3, 2022 on-line. 1,096 voters took part, accounting for 6,816,775 shares, or 74.11% 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 88.01% and 99.9%. The texts of the resolutions appear on pages 166-168 of our 2021 Universal Registration Document and on our website. A dividend of €2 per share was detached on April 12th and

paid on April 14, 2022. 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.

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.

2.11 RELATIONSHIP WITH OUR SHAREHOLDERS



20 events per year to meeting shareholders

2.11.1 – 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.

Thermador Groupe executives answered questions posed via the chat live and a replay was made available for each webinar for those unable to attend. Private shareholders, institutional investors and employees featured in the webinar audiences, all with varying levels of understanding of stock market notions.



Web conference of July 29, 2022.

2.11.2 – Institutional investors

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

2022 events included:

- 2 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 October in Paris.

- 1/2 day on **Impact Investing** with **Portzamparc** in November.
- 1/2 day at **Next'up Ethifinance ESG** forum in December in Paris.
- 1 day with **CM-CIC Market solutions** in December

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 CEO and the Deputy CEO in charge of finance.

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

2.11.3 – 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 (8,144 according to the December 2022 IPT), accounting for 40.4% 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 2022, we met 130 shareholders at Salons Hoche for that purpose.

2.11.3.1 – Investir day

We were at Palais Brongniart on November 29, 2022 for the 4th edition of Investir Day during which we met 94 private shareholders, organised a shareholder meeting and answered various interviews.

2.11.3.2 – 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/>



2.11.3.3 – 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 Bordeaux, accompanied by **Interparfums** and **Wendel** (70 people present) and then Strasbourg, accompanied by **Interparfums** and **Gecina** (100 people present).

We were also involved in the 2nd **Dauphine - NextWise** challenge, an educational course designed with and for students.

Finally, two investment clubs formed by group employees with the help of **F2iC** made their first steps in 2021 and continued their investments in 2022.



2.11.4 – Employee and pensioner shareholders

They hold 7% of capital, directly or via Thermador's company savings scheme, 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 (3.4% of capital) who are thus fully informed to vote according to their views at the time of the AGM.

Traditionally, employee-shareholders (1.1% of capital) are loyal attendees at the AGM. There were about 60 of them at the 2022 edition. Retired and former employees often remain shareholders, and many attend the AGM too. They hold 2.5% of capital.

2.12 SHAREHOLDERS' EMAILS AND CHAT

From BV, 14.04.2022

Thank you for your messages and the quality of their content, but I do have some questions. Do you have a shareholder communication committee like Air Liquide?

Response from the Shareholder Services Department

For the sake of simplicity, we communicate in exactly the same way to all our 8,300 shareholders.

Everyone receives the Universal Registration Document in paper or digital form, as well as our newsletters, every quarter. This e-mail address is reserved for you to ask specific questions. Finally, we are one of the few listed companies to have a private shareholder among our independent directors. What else would you like to see?

From BV, 25.04.2022

Thank you for your answer, I just had a question about how you operate. I am in my third year on the Air Liquide Shareholder Communication Committee. This type of meeting is very helpful in terms of the group's communication and strategy. I note that the presence of a private shareholder among your independent directors is a good initiative.

From BW, 23.05.2022

We wish to express our gratitude and appreciation for the recent meeting with you. Our days are typically filled with reading corporate documents and building financial models, so it is always insightful for us to interact in person with high performing corporate leader's like yourself. It's been a while since we've been able to do that given the pandemic. It was wonderful to visit with you in your offices. Your time is valuable, and we are humbled that you chose to spend it with us. Our investment process remains underway as we are continually assessing the long-term outlook for the company. We hope to follow up in the future. We appreciate your friendship and look forward to further opportunities to interact. Again, thank you for meeting with us and thank you for doing well for our clients! Sorry we were late to the meeting!

From SP, 10.09.2022

I would like to contact you to see if you are still doing free shares.

Response from the Shareholder Services Department

We do not plan to distribute free shares in 2022 or 2023. Contrary to popular belief, these operations do not create shareholder value since the new shares reduce the intrinsic value of existing shares.

The best image to explain this dilution phenomenon is that of a cake that is divided into smaller pieces. Each guest would have more shares at the end of the meal, but the same amount of cake. In other words, dividing a company into more shares does not increase its value. On the other hand, these operations generate significant costs for the company, invoiced by the market operator, Euronext. The only reason that could lead us to propose a distribution of free shares in the years to come would be to try to achieve better share liquidity (more shares traded every day). However, we remain cautious as previous operations have not shown this to be the case.

From CR, 19.09.2022

I see this morning of 19/9, a grouping of stock market sales at 9h8'40", 601 shares in 10 orders, including an order to sell 363 shares at 9h8'41", 63 shares in four orders at 9h9'38", 22 shares in two orders at 9h10'7", one share all these sales being completed at around €68. What is remarkable about these sales is that there are so many of them, that they are grouped together and therefore can come from the same principal grouping together several requests and that there is at least one major seller. In short, if it's not too indiscreet, I'd be interested to have some indication. First of all, the origin and, more generally, whether there are causes that might already be known to some (apart from a downbeat stock market, of course).

Reply from Guillaume Robin:

I would like to start on an optimistic note: in front of every seller there is a buyer for whom the price is right. We are also interested in the latter. Secondly, I would like to reassure you that we are always careful to ensure that no insider information is disclosed. In other words, no shareholder outside the company can find out more than you can. If they did, they would be bound by the strictest confidentiality and would not be able to buy or sell shares under any circumstances (see Market Abuse Regulation). From my point of view, the session of 19 September, with 1980 shares bought/sold, was nothing out of the ordinary.

Indeed, this volume traded on Euronext should be compared with the daily average over 12 months of 3,410 shares.

For information, volumes via Euronext are down by about 17% compared to 2021. We asked CM CIC market solutions to keep a permanent watch on the market in order to inform us of any unusual movements. They did not detect anything that day. They regularly send us this type of message:

(28/09) I would like to inform you of a block trade of 2,478 shares at €67.40 made on Euronext in the off-market by the broker LOUIS CAPITAL MARKETS, LOUIS CAPITAL MARKETS having traded a total of 4,956 shares since business opened. The teams in charge of this monitoring are not authorised to seek out the identity of buyers and sellers, nor are they authorised to transmit this type of information to us. I am therefore unable to answer your question about the seller(s) of the 19 September session.

Reasons why some managers sell:

A proven phenomenon of outflows observed by mid-cap managers. This is typical in times of strong turbulence when investors give priority to the most liquid companies. It means they can arbitrage almost immediately on large volumes.

-Rising interest rates have a direct impact on the value of shares.

The prospect of a recession in Europe is fuelling short-term nervousness. Investors are anticipating a crisis in the property market and we are historically labelled as a «construction» company.

Reasons why some managers buy:

-They know the resilience of our group in times of crisis.

-They know that we primarily sell products for maintenance and renovation, often directly related to «primary» needs.

-Our track record since 1987 speaks for itself.

-Our extra-financial Ethifinance rating is good.

-They appreciate our financial communication and transparency.

From RB, 28.12.2022

Just a small piece of information: looking at Thermador's stock prices, I find that the variations upwards but especially downwards are significant, more so than for the CAC40 as a whole. How can this be explained?

Reply from Guillaume Robin:

As you know, the liquidity of mid-caps is much lower than that of CAC40 companies. As far as Thermador Groupe is concerned, this fully explains the greater short-term variations. Fortunately, the stock market judges companies over the long term and with dividends reinvested. In this respect, we have added a very instructive tool on the homepage of our website.

The curve shown there compares the trend of the value of the Thermador Groupe share and dividends reinvested with CAC40 dividends reinvested and CAC Mid&Small dividends reinvested.

Over a 10-year rolling period, as at 21/11/2022:

Thermador Groupe: +370.96 %, i.e. an annual return of 16.8%

CAC40 dividends: +139.65%, i.e. an annual return of 9.1%.

CAC Mid&Small: 112.07%, i.e. an annual return of 7.8%.

3



EXTRA-FINANCIAL PERFORMANCE STATEMENT

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3.1 OUR CSR STRATEGY

The chairman's message



I would like to thank the group's employees and managers for their strong commitment to the priorities identified in 2021. Thanks to them, we have reached and even exceeded almost all of our targets for 2022 and are ahead of our roadmap, which should enable us to meet our 2030 'sustainable development' objectives.

Fully aware of our staff's workload over the past couple of years, we have created 38 jobs in France and welcomed 33 sandwich-course students.

As we had promised, we have taken an important step by setting up a sustainable development unit within the group. This team of specialists, headed by Caroline Desplats, immediately began working with members of staff in the subsidiaries to take practical measures in the areas of carbon assessments, quality, eco-design, communications, training and sobriety plans.

These efforts have enabled us to record an improved Gaia rating, a first «B» rating from CDP and the first two subsidiaries (Thermador and Sferaco) rated «Platinum» by Ecovadis.

Two major improvement points were noted during the past year.

Firstly, the Life Cycle Assessment of our brass ball valve range showed us the wide disparities of the carbon emission factors for the evaluation of our products' footprint. This led us to postpone the quantification of our reduction targets on our indirect emissions.

Secondly, an investor-shareholder pointed out to us in September 2022 the low rating given by the extra-financial rating agency Moody's - ESG (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), with no controversies identified.

The geopolitical events of 2022 have put energy saving and the players contributing to the necessary ecological transition back centre-stage. It serves to highlight the positive role our group can play in the energy optimisation of buildings and in the circular economy. We also have an active role to play in water management, to be promoted once the taxonomy has classified the economic activities concerned.

We wasted no time in assessing our sales of «green» products that meet European taxonomy criteria, which are estimated at 14.9% of our turnover.

Among our key challenges for 2023, we highlight four of them:

- Analyse the reasons why 41 employees left the group in 2022 and reverse the trend (15 left in 2021),
- Enrich the quality-of-life-at-work questionnaire to be able to better identify and prevent any discrimination in Thermador Groupe,
- Comply with the new «duty of care» regulation by adopting a much more documented and systematic approach to our suppliers,
- Achieve a sufficient level of accuracy for carbon emissions from our products to finally be able to quantify our reduction target.

3.1.1 - Our identity and values

Our identity

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, other stakeholders and the environment. Our values are trust, transparency and simplicity in human relations.

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

Our values

RESPECT

TRUST

HUMILITY

FAIRNESS

SIMPLICITY



EXEMPLARITY

INTEGRITY

FRIENDLINESS

CARE

TRANSPARENCY

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.

We fully accept that there is no group HRD. Our vision is that the director 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.

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.

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.

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

The choice of proximity with our employees.

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.

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

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 in our subsidiaries is an effective means of preserving equal pay regardless of gender, religious conviction, political opinion, social or ethnic origin, sexual orientation or identity, 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 the ecological transition

Thermador Groupe is a player in the distribution. 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.

Our activities contributing to 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 professions are presented from page 6 and 7.

- Our vision, strategy and current challenges are outlined in the Chairman's statement on pages 10 and 11 of this document.

- Our governance is described from page 28 to 41.



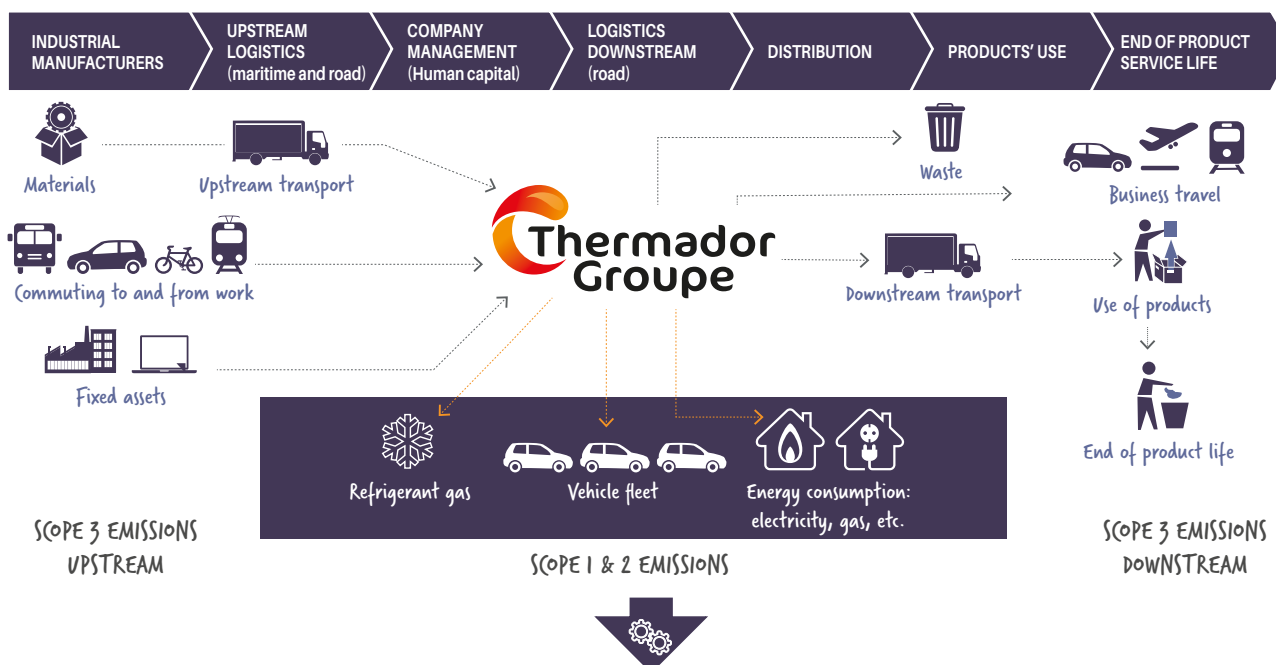
Rainwater harvesting by Jetly and Aello using Globus.

3. EXTRA-FINANCIAL PERFORMANCE STATEMENT

Our resources

ECONOMIC	HUMAN	OPERATIONAL	ENVIRONMENTAL
Financial: Equity: €319m. - Diluted shareholding with 8,704 shareholders of which 40.4% are private shareholders. - Cash: €16 million. - Debt: €46.6m. Suppliers: - 972 suppliers of finished products. Customers: - 32,081 customer-partners. - Product inventories: €190.4m. Real estate: - Market value: €86.3 million.	Our teams comprise: - 753 employees (excluding DPI).	Real estate: - 119,843 m ² of storage space. Products: - 66,892 products in stock. Logistics: - 20 transport partners. Soft-skills: - 4 design offices in our subsidiaries. - Our teams cover more than 20 languages. Information system: - Number of data produced: 766. - 1 communications agency with 14 experts in digital marketing, graphic design, production and video.	Energy: - Electricity: 2,378,488 kWh and gas: 3,755,296 kWh - Fuel. Renewable resources: - Cardboard and wood. Non-renewable resources: - Stretch film.

Our business model



Our achievements

ECONOMIC	HUMAN	OPERATIONAL	ENVIRONMENTAL
Financial: - Turnover: €553,859K, up 12% to constant scope (13.8% overall). - Net income: €58,899K Sharing the value created: - Payroll: €58,084K. - Profit sharing: 97% of our employees receive variable components in their pay. - Purchases of goods and services: €361,014k. - Shareholders: dividends paid every year since 1988 without ever having decreased. - Tax burden: €20,148k - Donations and sponsorship €103,457 Suppliers: - 85.5% of our suppliers are signatories to our purchasing charter. - Long-term supplier relationships: 22% of our purchases are made from suppliers who have been partners for more than 40 years.	Employee loyalty and satisfaction: Staff turnover rate: 16.67%. - Average length of service: 9.7 years. - Quality-of-life-at-work survey: 93% of employees responded (last survey). Health of our teams: - Work-related accident frequency rate: 8.91. Upskilling: - Percentage of employees trained: 81%. - Number of training hours: 12,754. Diversity: - 41.5% of women in management positions. Job creation: - Number of jobs created in France in 2022: 38.	Products: - Tonnage received: 48,657. - Tonnage shipped: 45,943. Soft-skills: - 3 subsidiaries training organisations deliver courses to our customers. - 6 subsidiaries representing 34% of our turnover are ISO 9001-certified. - 18 catalogues created. - 32 videos produced. - 200 building and industrial products modelled in 3D.	Energy: - 92% of electricity consumed on a green contract. - Reduction in total electricity consumption: 8.5%. - Reduction in total gas consumption: 8%. - Reduction in total water consumption: 24%. Waste and emissions: - 95.7% of waste recycled or reclaimed. - WEEE contribution for product recycling: €393,000. - Total CO ₂ emissions (Scope 1, 2, 3): +4.4%

3.1.3 - Our ecosystem

Thermador Groupe evolves and interact in an environment made up of players who influence its activity, its strategy and its ambition.

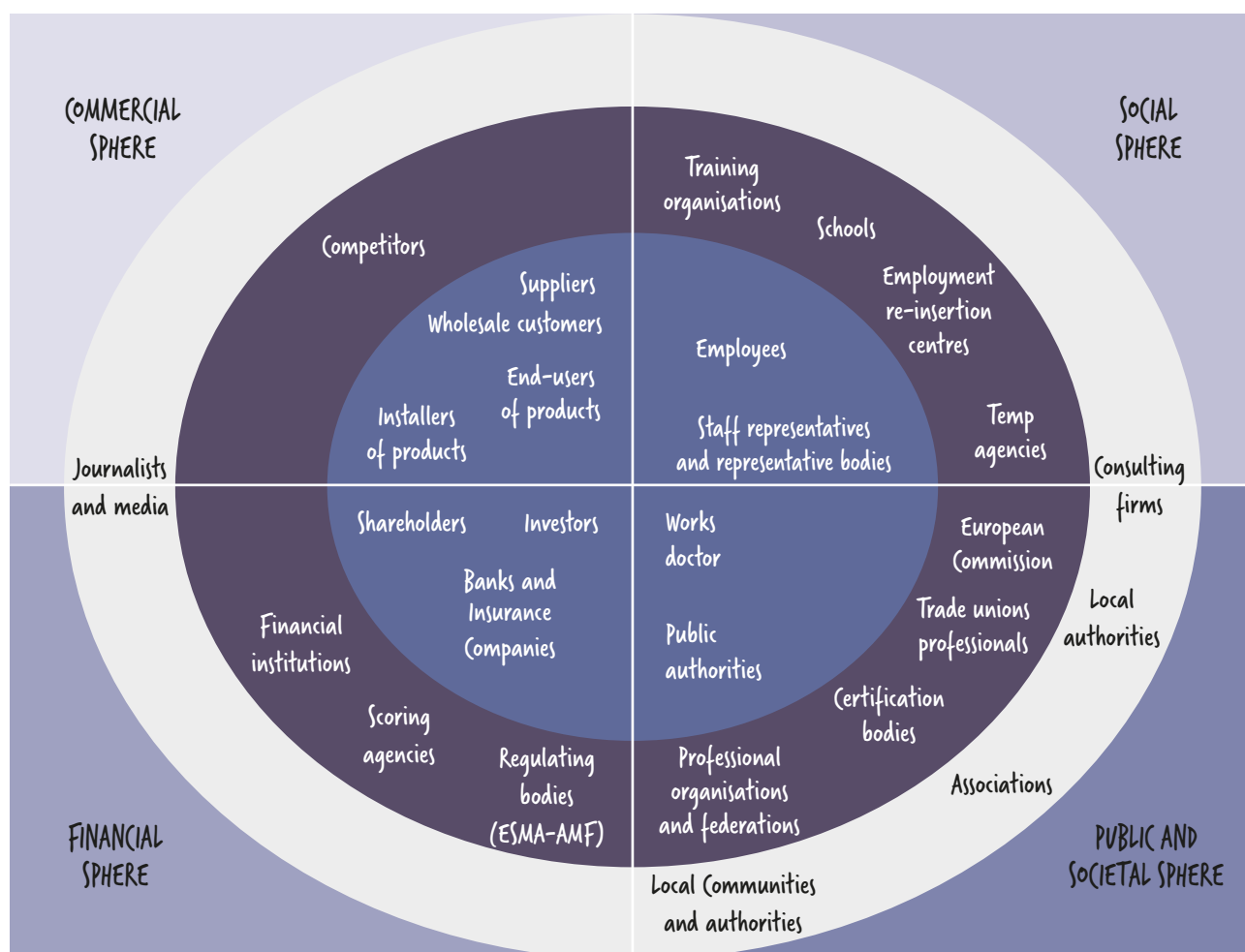
In all our economic and social relations, we favour exchange, transparency and listening attentiveness; all inexhaustible sources of inspiration, progress and innovation.

Thermador Groupe identifies **six major stakeholders**:

- Employees, who contribute their skills, know-how and interpersonal skills.
- Customers, whether they are distributors or consumers. 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.

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.



3.1.4 - 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. Over 14,000 companies from 162 countries are now signed up, organised around 70 local networks throughout the world. This places Thermador Groupe at the heart of a process dedicated to advancement, and in the short term, the next two stages to define progress points and introduce an action plan.

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

3.1.5 – Main risks and opportunities

Our methodology

From our value chain, we have identified the key risks and challenges faced by Thermador Groupe. We have selected the risks and challenges from analysis of their existing materiality, pertinence and severity further to financial risk analyses.

When our business has a positive impact on the environment, the approach continues and the benefits of the activity are highlighted.

Conversely, when our activity has a negative impact on the environment, we show how the group can contribute to reducing that impact by changing its practices and minimising it through compensation actions.

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

The main risks and opportunities listed below have been ranked according to their importance for Thermador Groupe and our stakeholders.

Materiality matrix of Thermador Groupe



The numbers in the coloured squares represent the corresponding SDGs

Importance for Thermador Groupe

3. EXTRA-FINANCIAL PERFORMANCE STATEMENT

This materiality matrix for the risks and issues that are important to both Thermador Groupe and its stakeholders is reflected in our business model as presented above. They are also reflected in the performance indicators that we monitor.

RISKS / OPPORTUNITIES	DEFINITION	KEY PERFORMANCE INDICATORS
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Responsible supply chain

<p>HUMAN RIGHTS AND WORKING CONDITIONS</p> <p>ENVIRONMENTAL RISKS AND IMPACTS</p>	<p>Risks: Thermador Groupe and its subsidiaries could see their legal liability and reputation tarnished because of our suppliers' practices in terms of human rights and environmental standards (child labour, forced labour, health and safety, toxic emissions, etc.) that do not comply.</p> <p>Carbon emissions from upstream activities (material extraction, product manufacturing and transport) can have an impact on the environment and ecosystems.</p> <p>The effects of climate change are already discernible and will become more pronounced, whether through physical risks (storms, heat waves, droughts, floods, etc.) that could affect our supplies, or transition risks, which could increase direct costs (transport, etc.) and indirect costs (tightening of regulations, carbon taxes, insurance, etc.).</p> <p>Opportunities: By sourcing from suppliers who respect human rights and have good social and environmental practices ourselves, we aim to gain the trust and loyalty of our business partners.</p> <p>Climate change will also bring market opportunities that may enable us to pick up market share (cooling solutions, watering, etc.)</p>	<ul style="list-style-type: none"> - Percentage of turnover from of rated suppliers. - Percentage of turnover from suppliers who are signatories to our Responsible Purchasing Charter or an equivalent one. - Percentage of turnover from ISO 9001 and/ or 14001-certified suppliers. - CO₂ emissions on the 3 Scopes of the carbon footprint.
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Compliance

<p>CORRUPTION AND ANTI-COMPETITIVE PRACTICES</p>	<p>Risks: Thermador Groupe and its subsidiaries with their international presence are exposed to risks of corruption or non-compliance with other regulations in the course of their business or along the supply chain. The consequences would be possible financial sanctions and delisting.</p> <p>Opportunities: By placing integrity at the centre of our values and ethics as a prerequisite in our business practice, we position ourselves as a reliable partner and reference for our stakeholders and are better protected against the risk of controversy.</p>	<ul style="list-style-type: none"> - Percentage of turnover from rated suppliers. - Percentage of employees trained in anti-bribery measures over the last three years.
<p>DATA PROTECTION AND CONFIDENTIALITY</p>	<p>Risks: Given the strong digitalisation of its activities, Thermador Groupe must ensure that it does not violate the legal provisions on data confidentiality (GDPR). This could lead to financial sanctions and tarnish the image of Thermador Groupe.</p>	<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

<p>TALENT MANAGEMENT</p>	<p>Risks: Our specialised distribution businesses are not attractive to the new generations of technicians or engineers who are keen on new technologies and industrial design.</p> <p>Often confused with simple trading, our atypical position between distribution, design and installation makes our recruitment more difficult.</p> <p>Opportunities: We need to attract and retain talent by giving meaning to our projects and sharing our values.</p> <p>The stability of the teams allows for greater operational efficiency, quality of service to our customers and financial performance.</p>	<ul style="list-style-type: none"> - Percentage of employees trained (internal and external training). - Staff turnover rate. - Average seniority (in years).
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RISKS / OPPORTUNITIES	DEFINITION	KEY PERFORMANCE INDICATORS
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Development and personal safety

GENDER EQUALITY IN THE WORKPLACE	<p>Risks: Any inequity in the treatment of women and men within our group would be immediately identified as a result of our proactive policy on transparency of earnings.</p> <p>This would lead to the demotivation of a significant part of our employees and break the current harmony, with negative consequences on our operational efficiency, the quality of our services to our customers and our financial performance.</p>	<ul style="list-style-type: none"> - Percentage of women on the Board of Directors and the Executive Committee. - Pay gap.
WORKING CONDITIONS AND SAFETY AT WORK	<p>Risks: Employees of Thermador Groupe and its subsidiaries may be exposed to accidents at work, especially as our downstream logistics are internalised.</p> <p>Opportunities: Risks are identified and analysed within the framework of the single document, thus enabling the promotion of prevention and reducing the risk of work-related accidents and musculoskeletal disorders.</p>	<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 GHG EMISSIONS WATER MANAGEMENT WASTE	<p>Risks: Environmental regulations are becoming increasingly stringent, non-compliance is increasingly sanctioned, energy costs are rising sharply while the availability of water resources may become critical.</p> <p>Opportunities: Saving water and energy can help us to control or even reduce our costs, while reducing our dependence on natural resources.</p> <p>Risks: Poor management of our waste would not be well perceived by our teams and stakeholders, who are increasingly sensitive to this issue.</p> <p>Opportunities: By managing our waste well, we can maximise its re-use, reduce its volume and reduce our costs.</p>	<ul style="list-style-type: none"> - Water consumption. - Scope 1 carbon emissions. - Scope 2 carbon emissions. - Percentage of waste recycled.
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Environmental footprint of products and packaging

ENVIRONMENTAL FOOTPRINT OF PRODUCTS	<p>Risks: Thermal and health regulations are increasingly present, while non-compliance is increasingly sanctioned, which forces us to constantly adapt and control our product ranges.</p> <p>Opportunities: The treatment of grey water in individual houses is one of our specialities. Regulations have encouraged the expansion of the market.</p> <p>Energy renovation is supported by the public authorities with financial aid (energy saving certificate and MaPrimeRénov'). Many of the products sold by the group's subsidiaries contribute to reducing energy and water consumption.</p> <p>The strong specialisation of our sales companies leads them to be very innovative in this field.</p> <p>Our product range can position us as a leader in providing solutions to our customers.</p> <p>Risks: The products marketed by Thermador Groupe and its subsidiaries are manufactured from non-renewable raw materials, which will have an impact on their long-term availability and, in the medium term, on their price levels.</p>	<ul style="list-style-type: none"> - Scope 3 carbon emissions.
ENVIRONMENTAL FOOTPRINT OF PACKAGING	<p>Risks: The products marketed by Thermador Groupe and its subsidiaries consume packaging. Some of the products sold today are difficult to recycle. They could suffer from this shortcoming.</p> <p>Opportunities: Our performance in this area depends on our ability to support our suppliers in choosing packaging with less environmental impact. Innovations in packaging that are in line with our partners' CSR approach can give us a competitive advantage in our overall product offering.</p>	<ul style="list-style-type: none"> - Scope 3 carbon emissions.

3.1.6 – CSR organisation and governance

CSR Governance

Corporate social responsibility (CSR) has always been at the heart of our values. Placing these concerns at the centre of social dialogue, our management teams and employees take initiatives on these issues every day.

Our decentralised CSR organisation has evolved considerably over the last three years. The challenge is to maintain the dynamics of this system by giving a voice to all: employees, managers and directors.

First of all, our subsidiaries have set up working groups to meet the expectations expressed by our employees. In order to better coordinate the initiatives taken in our different companies, the **Thermavert** cross-functional environmental group was created on a voluntary basis. Its role is to promote inter-subsidiary communication on the projects carried out and to coordinate the various actions.

The **management committees** in the subsidiaries play a central role in these issues. Their role is to lead, motivate and provide their teams with the wherewithal to carry out their missions in the social and environmental fields.

The **Executive Committee** is the place where decisions are taken. It sets the sustainable development objectives and

decides on the action plans to be implemented to achieve them. It is also a place to exchange information on initiatives taken in the subsidiaries in order to benefit from this sharing of experience.

The **Board** challenges the Executive Committee on its strategy. The directors monitor the progress of the action plans and exchange best practices within the Board based on their experiences in their professional activities outside our group.

In 2020, the decision was taken to create the **Sustainable Development Committee**. Mathilde Yagoubi, an independent director, is its Chairperson, and Laurence Paganini and Olivier Villemonte de La Clergerie, independent directors, are members. Four permanent guests participate in the meetings of this committee, whose mission is to assist the Board of Directors in monitoring issues relating to Corporate Social Responsibility.

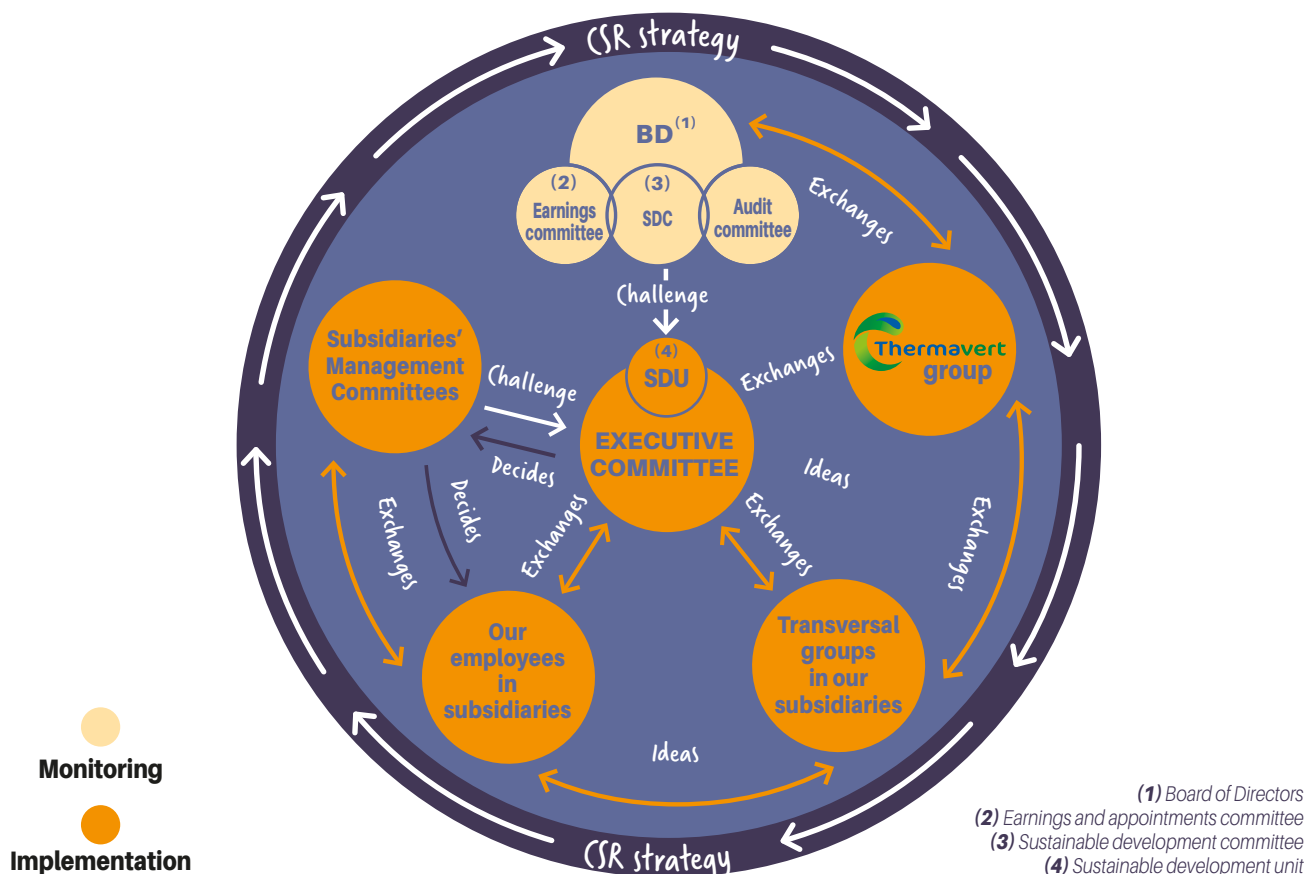
In 2022, the resources invested in skills development to meet the expectations of our stakeholders and to keep us moving forward, using internal or external trainers, have been evaluated at over €230,000 more than in 2021.

CSR and earnings

2021 marked the integration of CSR criteria into the variable 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 22% and 21.1% of their variable earnings in 2022 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 2022 score of 118.7%. The 2022 performance by indicator is presented in 3.1.8.



A decentralised governance structure

CSR is everyone's business in our group, so our strategy is implemented in the following way:

THE ACTORS	MEANS OF ACTION
BOARD OF DIRECTORS 	<ul style="list-style-type: none"> - 5 independent directors. - 7 Board meetings in 2022 with an update on the work of the sustainable development committee on each agenda. - 3 committees working together: Sustainable development committee, Audit committee, Earnings and appointments committee.
SUSTAINABLE DEVELOPMENT COMMITTEE 	<ul style="list-style-type: none"> - 3 independent directors, including the Chair, Mathilde Yagoubi, one member of the Audit committee, one member of the Earnings and appointments committee and one employee-director. - 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 an employee representative (Nicolas Klein, CSR project manager of Thermador Groupe). - 4 meetings in 2022. - A summary of the work carried out in 2022 can be found on page 38 of this document.
EXTENDED EXECUTIVE COMMITTEE 	<ul style="list-style-type: none"> - 17 members of the Comex, managers of subsidiaries recently arrived in the group and future subsidiary managers form a group of 22 people. - Bi-monthly meetings of the extended Comex, as well as that of the two "Comex au vert" (off-site sessions) which are held in July and December (3 days).
THERMAVERT, OUR TRANSVERSAL GROUP 	<ul style="list-style-type: none"> - 3 meetings in 2022. - 29 employees including three members of the executive committee (Christophe Arquillière, Caroline Desplats, and Patricia Mavigner). - Achievements in 2022: continued deployment of the sustainable mobility plan and implementation of the FMD (sustainable mobility package) within the group, development of energy efficiency plans.
MANAGEMENT COMMITTEES OF OUR SUBSIDIARIES	<ul style="list-style-type: none"> - 17 steering committees.
OUR EMPLOYEES IN THE SUBSIDIARIES	<ul style="list-style-type: none"> - 8 CSR committees within our subsidiaries. - 29 meetings were organised in 2022 to deal with operational issues around the environment.

Creation of the sustainable development unit in 2022

On June 1, 2022, a sustainability director joined us. She reports directly to the top management of Thermador Groupe and is a member of the executive committee. She heads the new sustainable development unit, which consists of a team of specialists who are at the service of the subsidiaries to make a practical contribution to achieving our collective objectives. She is also invited to challenge the group's management and to make proposals to continue to make progress in the environmental, social, societal and governance fields.



The sustainable development unit: Caroline Desplats (sustainable development director), Benjamin Lizon-A-Lugrin (consultant from I care and eco-design expert), Nicolas Klein (CSR project manager).

3.1.7 – Our commitments and 19 mid and long term priorities

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. It also set the objectives and decided on the action plans to meet them.

The group's medium and long-term milestones are 2025 and 2030 respectively. This time horizon is reasonable and can be assumed by the group's current management team, given that the executives in place were born between 1965 and 1968. 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 department 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. The 19 priorities decided at the level of the executive committee are 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. Some of our subsidiaries are more advanced than others. The exchange of best practices will make it possible to standardise performance in the medium term. 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 10/31/2022), with the exception of the professional equality index.

The professional equality index was calculated on a French scope, i.e. 92% of our workforce. The employees of our Belgian, Spanish and Chinese entities, respectively Sodeco Valves, Rousseau SA and the Shanghai representative office, do not fall within the scope of this index. Salary coefficients and salary review policies are very different and mean their data cannot be included. Salaries have been increased this year on all three sites in 2022.

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

For a better reading of these indicators, the following clarifications seem necessary:

Indicator 3: Share of capital held by employees and former employees

The share of capital held by employees and former employees («employee share ownership» indicator) includes shares held directly by employees and former employees 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 6: Women in leadership positions

In 2020, women in management positions referred to members of management committees. In 2021 and 2022, the indicator refers to women in executive 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: at least IX-1.
- Metallurgy industry-wide agreement: minimum III-B.

Indicator 13: Indirect emissions from our products and activities

The Life Cycle Assessment of our brass ball valve range showed us the wide disparity in the carbon assessment of our products, which led us to postpone the quantification of our reduction commitment on "indirect emissions". The minimum score for this unmet target was 0%.

Indicator 16: Rated suppliers

For the 2022 calculation, 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.

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

For the 2022 calculation, we include suppliers of goods in the scope, but exclude intra-group supplies.

3.1.8 – Our CSR performance

our 19 key indicators

INDICATORS	2021 ACTUAL	2022 ACTUAL	ADVANCED	MID-TERM TARGETS 2025	LONG-TERM TARGETS 2030
GOVERNANCE					
1 Attendance rate at the Board of Directors	100%	98.8%	● ● ●	≥95%	≥95%
2 Participation rate at the AGM	71.5%	74.1%	● ● ●	≥68%	≥73%
3 Employee ownership	7.0%	7.0%	● ○ ○	≥8.0%	≥8.5%
4 Percentage of exposed employees trained in anti-corruption over the last 3 years	98.9%	96.9%	● ● ●	≥95%	≥95%
HUMAN					
5 Gender equality index (x/100)	88	86	● ● ○	≥90	≥90
6 Women in management positions	39%	41.5%	● ● ●	≥40%	≥40%
7 Average seniority (years)	9.68	9.70	● ● ●	≥8	≥8
8 Percentage of permanent employees trained per year (including internal training)	72.1%	81%	● ● ○	≥95%	≥95%
9 Absenteeism (including long-term sickness)	3.4%	3.5%	● ● ●	<4%	<4%
ENVIRONMENT					
10 Scope 1 - Direct emissions - vehicle fleet (Teg CO ₂ per vehicle)	2.81	2.69	● ○ ○	< 2.19	< 1.36
11 Scope 1 - Direct emissions - heating and cooling of buildings (Teg CO ₂ per km ²)	6.37	5.01	● ● ●	< 5.70	< 4.44
12 Scope 2 - Indirect emissions from energy consumption in buildings (Teg CO ₂ per km ²)	1.25	1.03	● ● ○	<0.94	<0.83
13 Scope 3 - Indirect emissions from our products and activities (kTeg CO ₂)	211	221	○ ○ ○	In progress	In progress
14 Waste from our activities (kg/tonnage received)	20.28	22.83	● ● ○	<20.71	<18.72
15 Waste recovery	90.7%	95.7%	● ● ●	≥90%	≥95%
SOCIETAL					
16 Percentage of turnover from rated suppliers	17.1%	74.1%	● ● ●	≥50%	≥80%
17 Percentage of turnover from ISO 9001 or 14001 certified suppliers	80.4%	87.4%	● ● ●	≥85%	≥90%
18 Percentage of turnover achieved by ISO 9001 or 14001 subsidiaries	32.6 %	34.1%	● ● ○	≥70%	≥90%
19 Percentage of turnover from suppliers who have signed our Responsible Purchasing Charter or equivalent charter	4.8%	85.5%	● ● ●	≥60%	≥80%

● ● ● : Ahead of mid-term targets ● ● ○ : On-track mid-term targets ● ○ ○ : Behind mid-term targets
○ ○ ○ : Target-setting ongoing - Eq. T CO₂: tonnes of CO₂ equivalent

Extra-financial rating: a recognised CSR performance

In 2022, 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, and we had one unsolicited assessment: Gaia - ESG Index, Humpact France, extra-financial rating agency on employment in France, CDP, La Financière de l'Echiquier, Gestion 21, Moody's (unsolicited assessment).

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 2022, for the year 2021, we were awarded the gold medal,

ranked 15th in our sector (out of 76 companies) and 10th of companies with a turnover of between 150 and 500 million euros (out of 82 companies).

OVERALL SCORE OVER 3 YEARS		
Year		ESG rating
2021		71
2020		67
2019		67

* 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 2022 as in 2021, Humpact awarded Thermador Groupe a score of 4.5 stars out of 5 in recognition of its excellent employment performance.



Thermador Groupe won the Grand Prix Humpact Employment 2022 in the "Youth Employment" category. This prize honours us and is a recognition of our actions for the development of youth employment.

ECOVADIS

In 2022, 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 2021 and 2022**, reflecting their willingness to engage in an assessment process. Coordination within the group ensures these performance assessments serve as levers for improvement.

	2022		2021		2020	
Axelair	69/100	Gold			45/100	Bronze
Distrilabo	67/100	Gold				
FGinox	68/100	Gold				
Jetly	71/100	Gold				
PBTub	74/100	Gold	65/100	Silver		
Sectoriel	71/100	Gold	65/100	Silver		
Sferaco	77/100	Platinum	65/100	Silver	65/100	Silver
Sodeco	71/100	Gold	54/100	Silver		
Thermador	76/100	Platinum	62/100	Silver		
Thermacome	67/100	Gold				



Sedex is a global organisation that helps companies improve ethical and responsible business practices. Our subsidiaries Dipra and Mecafer Domac have been responding to the Sedex CSR questionnaire, which is a self-assessment for European companies. Non-EU companies are audited, based on documents that verify CSR commitments throughout the supply chain. This tool 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.



The CDP is an international non-profit organisation that manages the world's largest environmental database. It encourages investors, companies, states and regions to measure their impact in order to take concrete action. 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. Committed to shaping a sustainable future, Moody's ESG Solutions helps assess climate and environmental risk exposure, strengthen sustainability action plans and communicate with key stakeholders. An investor-shareholder pointed out to us in September 2022 the low rating given on the basis of 2020 data provided (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), with no controversies identified.

3.2 OUR CHALLENGES

3.2.1 – Governance: respecting ethical principles and compliance



ACTIONS	2021	2022	MID-TERM TARGETS 2025	LONG-TERM TARGETS 2030
FIGHT AGAINST CORRUPTION : - Percentage of exposed employees trained over the last 3 years in anti-corruption.	98.9 %	96.9 %	≥ 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.	4.8 %	85.5 %	≥ 60 %	≥ 80 %
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.	97.9% 1.2% 0.7% 0.2%	97.6% 2.0% 0.1% 0.3%	Board of Directors' commitment to responsible taxation	

3.2.1.1 – Preventing and fighting corruption

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

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.

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.

A series of actions have been put in place to ensure that the company is in compliance. The following mechanisms are in place to promote prevention and continuous vigilance, without waiting for a potential business conduct case to arise:

• 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.

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. 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

and is publicly available on our website.

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.

• Early-warning system

The group developed its whistleblower system in 2017. We opened two email addresses for use by potential whistleblowers. The system is available in all five languages and 100% externally via our website, which details every step of the procedure. An internal communication campaign drew attention to it via our collaborative platform and our welcome booklet.

In 2022 we received an alert linked to practices contrary to our codes of conduct and which could not be qualified as corruption.

• Risk mapping

This mapping was drawn up internally and covers the group's activities, including all subsidiaries, and in particular identified the functions exposed to risk.

• Training

In 2019, the Middenext association provided two training sessions at the group's head office for more than 93 employees in so-called "exposed" positions. In 2021 and 2022, we continued to train new people by adding employee representative bodies and new recruits.

3. EXTRA-FINANCIAL PERFORMANCE STATEMENT



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



Code of conduct.

The target of having more than 95% of our “at-risk” employees trained every three years was met in 2021 and again in 2022.

• Vigilance

The group and its subsidiaries currently fall below the thresholds of the French regulation on duty of care, adopted in 2017. Nevertheless, we are 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.

3.2.1.2 – Ethics

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

The **Code of Conduct** is an integral part of the company's internal regulations.

The early-warning system, detailed earlier, is valid for any type of alert, whether it is related to how we do business or internal practices.

We have appointed **two ethics officers** who can answer employees' questions and ensure the deployment of the general system and the confidentiality of the information collected. We have also appointed **three ethics committee members** to manage alerts, protecting the confidentiality of stakeholders.

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. 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.

By 2022, it had been signed by more than 80% of our goods suppliers.

3.2.1.3 – Responsible taxation

Thermador Groupe is a tax-paying corporate citizen in France and has been creating jobs continuously since its foundation 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



3.2.2 – People: growing our teams



ACTIONS	2022	MID-TERM TARGETS 2025	LONG-TERM TARGETS 2030
DEVELOP SKILLS WITHIN OUR TEAMS THROUGH TRAINING: - Percentage of employees trained per year including in-house training.	81%	≥ 95%	≥ 95%
PROMOTE DIVERSITY AND EQUAL OPPORTUNITIES: - Improve our gender equality index. - Increase the share of women in management positions.	86 41.5%	≥ 90 ≥ 40%	≥ 90 ≥ 40%
IMPROVE THE QUALITY-OF-LIFE-AT-WORK: - Reduce absenteeism (including long-term illness). - Maintain average seniority at the current level.	3.5 % 9.70	< 4 ≥ 8	< 4 ≥ 8
ALIGN INTERESTS: - Develop employee share ownership through our employee savings plan and the promotion of direct share ownership.	7%	≥ 8%	≥ 8%

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

We value seniority in our teams; it is one of our 19 key CSR priorities.

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

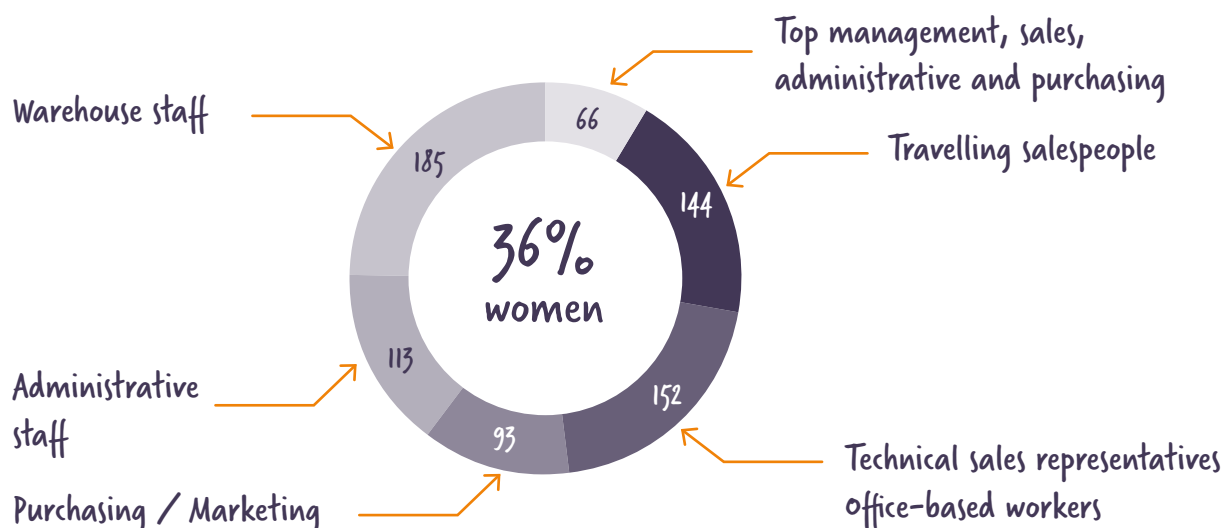
and we encourage care, conviviality, simplicity and serenity.

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.

As at December 31, 2022, our group has 753 employees at constant scope and 17 employees in our new subsidiary DPI (acquired on 10/31/2022), and they have always been at the heart of our value chain.

Thermador Groupe and its subsidiaries hired 146 people in 2022 on fixed-term and permanent contracts. 41 positions were created in 2022, 38 of which in France.

Below is the distribution of functions (constant scope):





Our growth is sustainable and respects our ecosystem

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

In particular: 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, physical and psychological safety

Absenteeism in the group's subsidiaries is well **below the national average** (which was 4.94% according to the IFOP survey in 2021) and still **below our target of 4%**.

Monitoring and containing absenteeism is one of our 19 priorities as we believe it reflects the good health and excellent motivation of our employees, which we strive to uphold.

Respect, friendliness, conviviality and working closely with our employees are our values and clearly contribute to them.

Health and absenteeism	2022	2021	2020
Number of days of absence (non-COVID)	6,645	6,156	6,615
of which, days of sick leave	5,112	4,084	4,855
of which, days of therapeutic part-time leave (hours of absence / 7h per day)	228	254	N/A
of which, maternity or paternity leave	689	672	926
of which, days of absence due to accidents at work and on the journey to and from work	109	222	413
of which, days of absence due to work-related illnesses	507	924	407
Days of sick leave for COVID (isolation)	857	603	N/A
Days of absence (non-COVID) as a % of time worked	3.5%	3.4%	N/A
Absenteeism rate excluding COVID ⁽¹⁾	3.5%	3.4%	3.9%
Absenteeism rate all France	3.3%	3.7%	-
Absenteeism rate outside France	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 (excluding COVID). N/A: not available.

In 2022, nine 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.

We recorded two work-related illnesses, which are still ongoing, in our logistics teams. We have supported two people, one at the end of her career and one returning to work. We had no new work-related illnesses in 2022

compared to 2021.

This is due to the high level of seniority of these people. 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 work-related illnesses in the medium term.

Accidents at work	2022	2021	2020
Number of accidents at work	12	10	16
Number of accidents > 200 days per year	0	0	
Frequency rate of accidents at work ⁽²⁾	8.91	7.95	13.66
Severity rate of accidents at work ⁽³⁾	0.08	0.18	0.35
Number of work-related illnesses	2	4	3

⁽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.



When a person returns to work from sick leave, he or she is systematically referred to the works doctor to find a way of adjusting his or her return to work under appropriate conditions. This may involve a gradual return to work, part-time working, an adjustment to the tasks performed, or coaching.

We work to reduce psychosocial risks as well as physical risks, including musculoskeletal disorders and other work-related health risks.

• Prevention

The best way to minimise occupational accidents and illnesses is prevention. 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.



FGinox warehouse.

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:

- the choice to own all our handling equipment, which is regularly serviced to ensure safe driving for our logistics people,

- training for all our logistics staff in safe driving skills and posture. In 2020, we launched a new training module in gestures and postures for them. The customised training course, co-constructed with Squarechamps in 2020, was followed by an on-site visit by the whole of Squarechamps' staff in 2021 to answer individual questions from employees of participating subsidiaries. The aim of the course was to provide our employees with solutions to everyday problems by providing them with a toolbox of exercises tried and tested by the greatest sportsmen and women, from which they pick and choose what they need. Nearly 100 warehouse staff followed the course, and had access to four interactive modules based on the 11 everyday ailments identified by Anaël Aubry (sports scientist) during his audit in our warehouses. The four modules explain the routines of top sportsmen and women who suffer from similar ailments (rugbywoman, boxers, paralympians). Employees were also able to follow two webinars. The first was truly inspiring, hosted by the champion Charles Pagès; the second focused on well-being advice (sleep, diet, activity) and was hosted by Anaël Aubry. Our employees assessed the course as a whole at 7/10 on average. We are convinced that these preventive actions are crucial to the well-being of our warehouse 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 for our warehouse workers and suction cups to combat musculoskeletal disorders (MSD). Sferaco has four models, two for shoulder support (for order picking) and two for back support (for reception).

In 2022 we tested new Martor safety knives. Two models have won the approval of warehouse managers. In 2023, these will be tested on a larger scale and rolled out if the feedback is positive. Martor is a German family business (150 employees worldwide) with 100% of their manufacturing within 200 km of their site.

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, and none in 2022. When they live far from their sales area, we favour train travel.

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.

3. EXTRA-FINANCIAL PERFORMANCE STATEMENT



• Treatment of psychosocial risks (PSR)

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 424 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.

Social dialogue

Eleven of our subsidiaries have a Social and Economic Committee (SEC) with 49 elected representatives. They have been trained to speak for the employees of their respective companies. Thus, 71% of our employees are represented by a staff representative body.



Monthly SEC meeting

53 company agreements have been put in place, covering 88% of our workforce.

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.

Quality of life at work

• Quality-of-life-at-work survey



In 2017/2018 eighteen subsidiaries took the initiative to submit a questionnaire entitled "Quality-of-life-at-work survey". The group's employees clearly took to this means of expression, as 93% of them responded.

This work was performed by an inter-subsidiary steering committee and a specialist agency (Optim Ressources) which guaranteed the anonymity of the participants. The exercise will be repeated every three years, in order to measure the impact of decisions and follow-up actions.

The results of this employee survey were presented in full transparency at the subsidiaries' AGMs.

It is based on 49 questions and 73 individual interviews, covering various topics related to safety, autonomy, organisation, skills, conviviality and others. Of the 49 questions, which were rated from "not at all" to "totally" in agreement, **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.

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 2022, 309 employees will benefit from a home-working agreement or charter.



Rest room

We have installed rest rooms, table football, table tennis tables, petanque courts, and offer the practice of qi gong, pilates, body balance and yoga, as well as picnic areas and deck chairs... Our company Jetly has a gym open to all the subsidiaries in Saint-Quentin-Fallavier and provides classes with a professional sports coach.



Jetly gym

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 2022, five of our subsidiaries bought cots for their young parents.

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.

The pace of our office-based staff's working lives is dictated by the demands of their customers who call and email them during office hours for advice, deadlines, price offers, material determination, after-sales service and orders. Our logistics teams start earlier in the morning to supply the first pick-ups from our transport partners.

3.2.2.2 – Talent development

The departure rate increased to 14% in 2022, up on 2021. 105 people left the company for various reasons. Nearly 30% of these were departures of work-study students at the end of their contract and seven were retirements. We analysed the reasons for each departure with the managers in order

to maintain our attractiveness as an employer. We do not see any particular cause for concern. Some of them leave for personal reasons (family moves) and, of course, a dynamic job market affects us too.

Career development

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 - 90% of them in 2022 - to review the year ended and the 12 months ahead to help keep each employee's career path on track.

Our ISO 9001-certified subsidiaries have drawn up job descriptions, listing all the skills required for each position and serving as a basis for individual career plans.

In order to prepare the company's future, specific support (individual training, coaching) is provided for people with potential.

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, and this year from a quality function to sustainable development. This provides great opportunities for progress in different positions and activity areas.

Skills development through training

More than 81% of our employees attended training during the year.

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.

3. EXTRA-FINANCIAL PERFORMANCE STATEMENT



• External training

Seminars for sales teams, training for local managers, personal development courses, language courses, fire safety, health

and safety at work... We regularly call on external organisations to maintain and develop the skillsets of our staff.

Training	2022	2021	2020
Training budget as % of payroll	2.35%	1.86%	1.63%
Training hours	12,754	10,013	8,491
Number of people trained in the year	576	489	393

• Internal training

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 that will be fully operational in 2023.



Internal training at Sferaco.

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.

3.2.2.3 – Diversity and equal opportunities

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 in 2022.

Allowing the time it takes to convince managers and employees of these benefits, it will be implemented over the coming years at Odrea, Distrilabo, Thermacome and DPI.

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.

• Gender Equality Index 2022

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, i.e. 92% of our total workforce).

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



	SCORE	MAXIMUM SCORE
INDICATOR 1 - Gender pay gap	36	40
INDICATOR 2 - Gender gap in individual salary increase	20	20
INDICATOR 3 - Gender promotion gap	10	15
INDICATOR 4 - Return from maternity salary increase	15	15
INDICATOR 5 - Under-represented gender amongst higher salaries	5	10
TOTAL	86	100

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

In 2022, 93.3% of women and 93.8% of men in Thermador Groupe received a raise and 4.9% of women and 3.7% 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.

The arrival of two female operational executives has improved our position as regards the under-represented gender among the ten highest earners of Thermador Groupe.

The score on the gender pay gap for a comparable professional social category and age group is 36 out of 40, corresponding to a gap of 3.2% 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 41.5% of its management positions.

Our three committees within our Board of Directors are chaired by women: Karine Gaudin (Audit committee), Laurence Paganini (Earnings committee) and Mathilde Yagoubi (Sustainable development committee).

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

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.

Inclusion and anti-discrimination

• Place of seniors in our organisation and adaptation of career-ends.

More than one third of our workers are over 50. 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. No distinction is made on the basis of age. In 2022, we recruited 18 people over the age of 50.

• Place of young people.

In 2022, we welcomed 33 people on work-study programmes, 18 on internships and five on professionalisation contracts, i.e. a total of 56 learners. Our teams are committed to training these young people in a caring professional environment. In addition, since 2019 we have been running projects in partnership with the Apprentis d'Auteuil, such as an introduction to our group's professions, training in logistics and English courses.

In 2022, Thermador Groupe won the Grand Prix Humpact Emploi 2022 in the category «Youth Employment». This prize honours us and is a recognition of our actions for the development of youth employment.



Sandwich-course students.



• People with disabilities

We regularly use ESATs* 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).

	2022	2021	2020
Number of disabled employees	22	12	12
Amount paid to ESAT* (in € thousand)	331	312	312

*Employment re-insertion centres

12 of our subsidiaries employ disabled workers.

At the end of 2022, to go even further, 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 2022, 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. This association provided two disabled workers for six months, the equivalent of one full-time position in Jetly for the packaging of small spare parts. For more than 6 years, this partnership has not only allowed the company to find stability, efficiency and savings for this operation, but also to aid in reinsertion through work in an environment favourable to the employee's personal development.



Warehousemen at Jetly.

• Anti-discrimination

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.

The group developed its whistleblower system in 2017, opening two email addresses for potential whistleblowers to report. This system works in the five languages used within the group and has been the subject of an internal communications campaign via our collaborative platform and our induction booklet. We have appointed two ethics advisors who can answer employees' questions and ensure the deployment of the system generally, and to protect the confidentiality of the data collected.

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

In 2022, we did not receive any alerts related to discrimination issues. To take this further and maintain vigilance, we will develop questions relating to discrimination in the next quality-of-life-at-work survey planned for late 2023 / early 2024. We logged an HR alert in December 2022;

• Respect for human rights

We have a team of nine people in China working for our subsidiary Odra: 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.

We act as guardians of their rights (working hours, leave, annual performance reviews, progress in salary, etc.). We work with a freelance administration company that keeps us up to date with current regulations.

The rest of our staff are all employed within the European Union and our subsidiaries strictly comply with prevailing labour regulations.

3.2.2.4 - Value sharing

With the current period of inflation, which was expected to reach an average of 5.2% in France and 9.2% in Europe in 2022, we are keeping a close eye on employees' purchasing power with regular salary reviews. A value-sharing bonus was also paid during the year.

In order to support employees in their home-work journeys, the company has also introduced a sustainable mobility package (FMD). This aid, combined with increased home-working, has encouraged the use of «soft» modes of transport and limited the financial impact of rising fuel costs.



• 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 0 to 39% 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 10.3% 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 €354.7k (annual salaries for 12 months of presence), and the average annual salary is €54k.

• 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 €794,000. 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 2021, the contribution was unchanged. The amount of the employer's contribution was €1,224,000 and amount of employer's contribution was €920,000. 529 employees (out of 606) subscribed.

In 2022, the matching contribution increased to a maximum of €2,400. The total amount contributed by employees was €1,511,000 and the amount of the matching contribution was €1,175,000. 595 employees (out of 651) subscribed.

At December 31, 2022, the PEE held 307,850 shares, or 3.3% of capital.

Variation of one share in the Thermador Groupe FCPE (Mutual fund)





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.

We are aware that our environmental impacts are multiple and seek to secure progress in a pragmatic way. Our approach is:

1. Measure,
2. Avoid – Reduce,
3. Compensate.

We started by measuring our carbon emissions in 2021.

In 2022, 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 for four of our subsidiaries (Thermador, Jetly, PBtub, Sferaco), 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 will start in 2023. We plan to extend this work to the other subsidiaries in 2023 and 2024.

ACTIONS	2022	SHORT-TERM TARGETS	MID-TERM TARGETS 2025	LONG-TERM TARGETS 2030
Number of people involved in steering environmental stakes	45	-	75	100
Training of the Codir on environmental responsibility	100%	100%	100%	100%
Percentage of turnover committed to a detailed Scope 3 assessment	80%	40%	80%	100%
Water consumption: employees benefiting from rainwater recovery (FTE)	180	137	165	-
SCOPE 1: Renewal of our vehicle fleet	13%	17%	77%	100%
SCOPE 2: Percentage of subsidiaries covered by a green electricity contract	94%	75%	80%	80%
SCOPE 3: Number of employees benefiting from a sustainable mobility package (in FTE)	634	130	260	712
SCOPE 3: Number of employees covered by a homeworking agreement (in FTE)	309	146	253	337
SCOPE 3: Reduction of the carbon impact of our business and home-to-work travel	+ 5%	- 2%	- 5%	- 10%
SCOPE 3: Percentage of sales under contract with a recycler	94%	60%	80%	100%

3.2.3.1 - Our climate strategy

Thermador Groupe and its subsidiaries are committed to the fight against climate change. This commitment is managed at the highest level of the company and involves a number of significant measures implemented over the last two years, including:

- 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.

- Training time for many people, starting with the group's Executive Committee in 2021.

- The creation of a "Low Carbon" group in 2022.

- Operational means to reduce our emissions as outlined below.

The group is committed to limiting carbon emissions by:

- Reducing its own emissions.
- Offering its customers products and services to accelerate their transition.



- To encouraging all stakeholders to commit to the low-carbon transition.

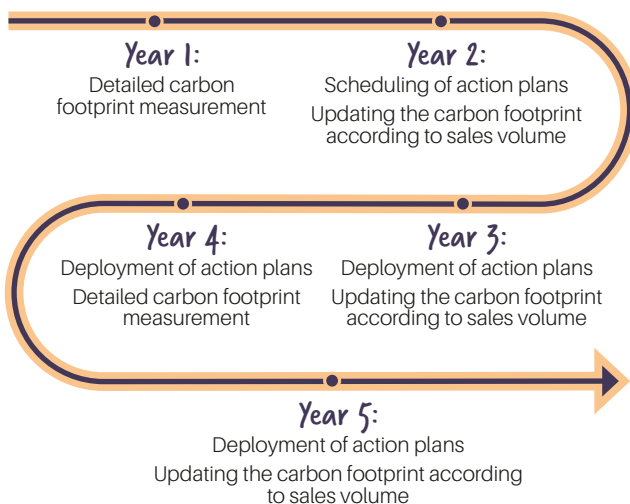
Finally, we know that the effects of climate change are already with us, and are set to increase.

Three areas of development relate directly to our climate strategy: mitigating carbon emissions in our value chain, offsetting those we cannot reduce outside our direct Scope in the short term, and adapting to climate change.

A - Mitigating our carbon emissions

Each subsidiary commits to a three-year cycle, as shown in the diagram below.

The actions defined in the plans can be rolled out in the short, medium or long term depending on feasibility, impact and the stakeholders involved.



Measure: 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 third year. Each year, we broaden our scope by including new subsidiaries.



PBtub meeting - Définition of the carbon plan.

Carbon footprint per subsidiary		
Measured in 2021	Measured in 2022	Measuring planned for 2023
Jetly	Jetly	Jetly
PBtub	PBtub	PBtub
Sferaco	Sferaco	Sferaco
Thermador	Thermador	Thermador
	Axelair	Axelair
	Dipra - Rousseau	Odrea (ex Dipra - Rousseau)
	Distrilabo	Distrilabo
	FG inox	FG inox
	Isocel	Isocel
	Sectoriel	Sectoriel
	Syveco	Syveco
		Aello
		Mecafer - Domac
		Sodeco
		Thermacome
46% of turnover	80% of turnover	>95% of turnover

*DPI, a subsidiary integrated during 2022, will do its carbon footprint in 2024.

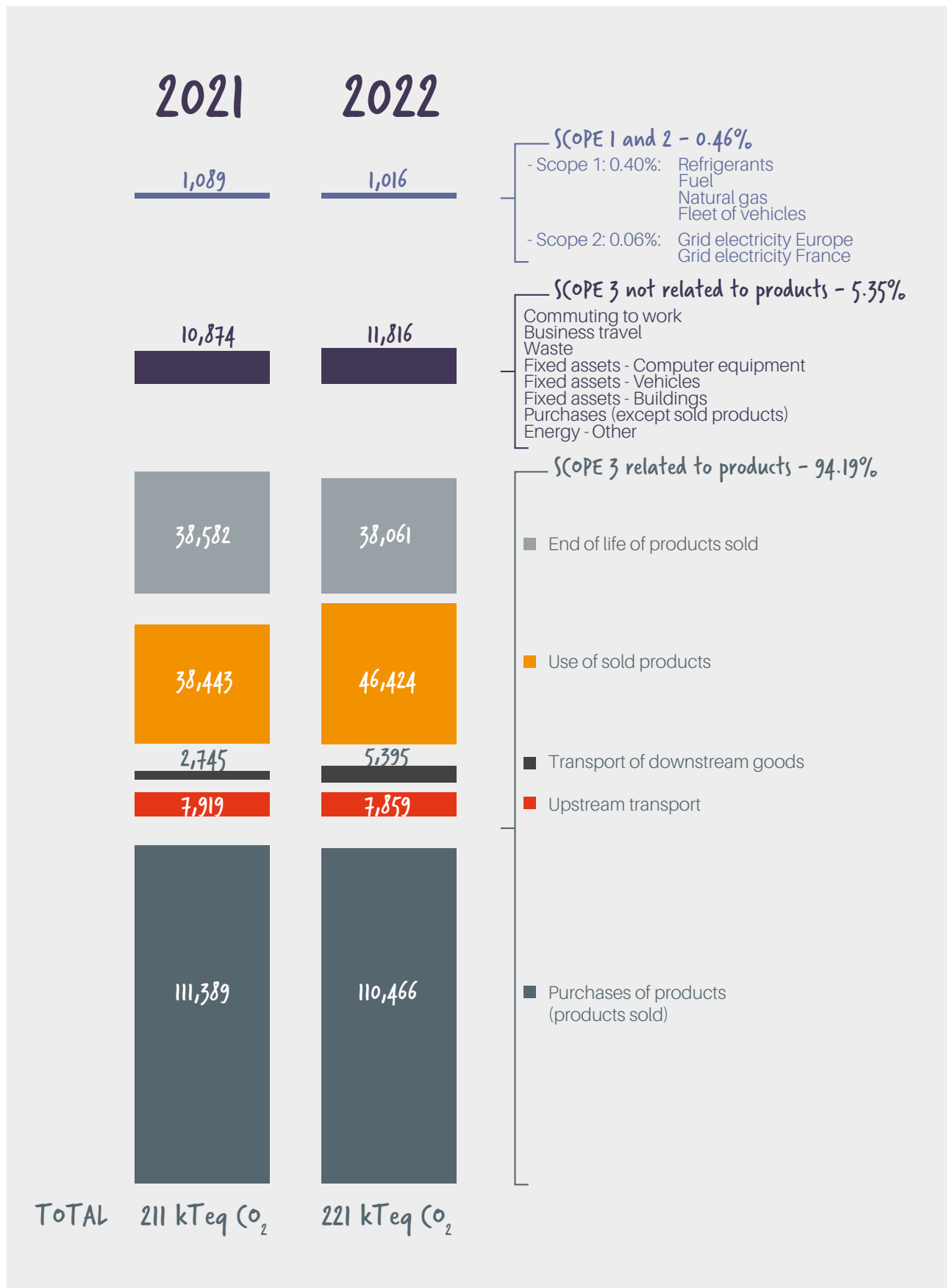
Seven new subsidiaries have completed the carbon footprint measurement exercise this year, which allows us to work with more reliable and relevant information and to more accurately manage our emission reduction plans.

These additional measurements compute to a balance of 211 ktCO₂e for 2021, which is a correction of the 225 ktCO₂e result reported in our 2021 URD and obtained by a method using additional extrapolations. We have also refined these measurements by removing double-counted items on purchases of services and on transactions between our subsidiaries.

We assess the uncertainty associated with our carbon footprint, which takes into account the uncertainty in the emissions factors described above and the level of reliability of the data. For example, data derived from an assumption implies greater uncertainty than measured data. This is then related to the carbon weight of the emissions item in order to define the uncertainty of Thermador Groupe's consolidated balance sheet. We have estimated it at 30%.



GROUP CARBON FOOTPRINT (IN TEQ CO₂ VALUES)





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 2022, our carbon emissions in absolute terms were 4.4% higher than in 2021.

The targets for Scopes 1 and 2 were quantified and presented last year. In 2022, emissions are down by nearly 7% on Scopes 1 and 2; so, **we have made progress on two of our three 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 increase linked to travel, this trend should be reversed through the renewal of our fleet of vehicles with electric and hybrid vehicles.

We had committed to quantifying our Scope 3 target in 2022, but as the end of the year approached we saw the need to take a little more time. Indeed, preliminary analyses of Product Life Cycle analyses have shown us the strong dependence of carbon emissions assessment on raw materials and their use in products. The ADEME emissions factors used for our carbon assessment show a significant difference from those in other databases such as Ecoinvent for the materials in our products. For example, the emission factor for common brass is 2.68 tCO₂e per tonne of product according to ADEME and 5.52 tCO₂e per tonne of product according to Ecoinvent. This has led us to take a much closer look at the methodology we use to calculate our carbon footprint to make results more reliable. We want to present a quantified target on a more robust basis, which does not prevent us from committing resources and putting action plans in place.

In 2022, emissions were up by 2.9% for Scope 3, given that products represent 94% of our footprint. This is due to the active (energy-consuming) phase during which our products are used.

Avoid and reduce: actions

Upskilling

In 2021, all the subsidiaries' management committees received training on European taxonomy and climate issues. In 2022, the creation of our sustainable development unit made it possible to increase awareness and training. Deployment continues with the carbon referents, starting with the sales teams and soon the purchasing teams.

We have also created a **cross-functional "Low Carbon" group**, where **each subsidiary is represented by a "carbon referent"**. It is not a full-time position in the subsidiaries, but rather a mission. The role of this person is to act as a relay for the subsidiary, manage carbon footprint measurement and action plans.

We are also awareness-raising within the subsidiaries with the **Fresque du climat**®. In 2022, 97 people were trained, particularly in Distrilabo, Sferaco, Sodeco and Thermador. All of the carbon referents have been trained internally and several employees will receive trainer-training to benefit their entourage. Peter Wartel and Enrico Suttels, respectively CEO and Administrative Director of our Belgian subsidiary Sodeco, are also facilitators.



Climate mural (mural of carbon referents, 29/9/2022).

Action plans

Action plans are drawn up in collaboration with the operational functions involved (top management, purchasing, technical), and the carbon referents, with the support of the sustainable development unit. They are systematically reviewed by the subsidiaries' management committees. They comprise of actions relating to our operations and products. As more than 90% of the group's carbon emissions come from product-related items (manufacturing, use, end-of-life), the main focus is on products. Action plans are based on estimations of carbon emission reductions, the costs involved and the estimated timeframe for implementing each action. Each subsidiary decides on its actions by prioritising product families or manufacturing partners.

In 2023, action plans will continue for subsidiaries having measured their carbon footprint in 2021 and completed for those subsidiaries having measured their footprint in 2022 (as presented in the previous table).

Promoting the eco-design and sustainability of our products

As our carbon footprint outlined on the previous page shows, over 90% of our carbon emissions are generated by the manufacture, use and end-of-life of the products we sell. Our emissions reduction trajectory will therefore depend largely on our ability to reduce the carbon emissions associated with these three stages of our value chain. For this reason, in 2021 we launched an eco-design approach that began in 2022. This is presented in the eco-design section.

Improving the energy performance of our buildings

Two of our environmental objectives relate to our buildings. We significantly improved our performance in 2022. These improvements are due to the actions we have implemented and probably to exogenous factors such as the weather and energy prices.

Six subsidiaries using five buildings (PBtub, Syveco-Isocel, Thermador, Jetly and Sectoriel) carried out their energy audit in 2022, including five on a voluntary basis, to analyse the energy performance of those buildings and to identify levers for reducing consumption.

However, the current international context, resulting in a sharp rise in energy prices and new, more demanding regulations, persuaded us to roll out energy saving plans in all our subsidiaries.

3. EXTRA-FINANCIAL PERFORMANCE STATEMENT



2022 actions:

- Energy efficiency plans co-devised with subsidiary employees, shared within the transversal Thermavert group and widely communicated internally.
- Complete insulation work on the future Thermador Groupe and Opaline building, which was renovated according to RT2012 specifications.
- Installation of radiant ceilings in Thermador Groupe and Opaline offices. The benefits of radiant ceilings are explained in the "green products" section.



Thermador Groupe radiant ceiling.

- Reduction of gas and electricity consumption thanks to eco-actions carried out in all subsidiaries: lowering of temperatures in offices, total shutdown of IT equipment at night and LEDs in offices and warehouses.
- Purchase of green electricity which increased significantly last year, provided by our supplier using Energy Saving Certificates.
- Development of auto-consumption of renewable energy.

The building housing our subsidiaries Aello, Axelair and Odra in Saint-Quentin-Fallavier, with a total surface area of 18,019m², has photovoltaic panels that enable it to operate on an auto-consumption basis. Panels are also being installed in the new Thermador Groupe building and Sodeco has validated its roof renovation project and ordered photovoltaic panels to be installed in 2023.

At the end of 2022, we recruited a property manager who will, among other things, help us to manage our energy performance programme. The real estate department and the sustainable development unit will draw up and distribute an «energy-saving programme» to the subsidiaries in 2023 to standardise practices and implement short-term actions to achieve energy sobriety by 2024 (objective: reduce energy consumption by 10% by 31/12/2023).

Reducing the carbon footprint of transport

Transport of goods

For inbound transport, from our suppliers to our warehouses, a cross-functional team was set up in 2022 to streamline our approach. The first step was to draw up an inventory of the processes in place for each subsidiary and identify the subsidiaries' needs and expectations. The objective in 2023 will be to find solutions for greening our imports by focusing particularly on post-carriage (river, rail). This, of course, does not affect the constraints linked to our business model, customer satisfaction and the capacity of our suppliers, meaning that we need to be particularly agile and flexible on these issues.

For downstream transport, i.e. from our warehouses to our customers, in 2022 we added environmental clauses to our call-for-tender specifications for delivery services. In addition, since 2022, all of our transporters have been providing us with reports on carbon emissions linked to the transport of our products to our customers. The aim here is to measure and manage our emissions more accurately.

Mobility plans

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 €89,000 to 287 beneficiaries.

A **Company Mobility Plan** was co-developed in April 2021 in partnership with the local authority (Communauté d'Agglomération Porte d'Isère), including measures to encourage the use of soft modes of transport. At the end of 2022, the Thermavert cross-functional group audited the 1st year of the Company Mobility Plan and drew up a list of new actions to be carried out in 2023.

In 2022, we deployed the **Sustainable Mobility Package (SMP)** in 17 subsidiaries, covering 634 of our French workforce. Employees using more virtuous forms of transport (carpooling, public transport, cycling), benefited from the FMD package. In addition, 309 employees are covered by a home-working agreement, which removes an average of one trip per week. Commuting to work represents 923 tCO₂eq, all of it the result of our efforts; this item would represent 2,107 tCO₂eq if employees commuted to work by diesel car every day.

Electric bicycles are available for employees to move between the subsidiaries in Saint-Quentin-Fallavier. They can also be used for travel during lunch breaks or to go home in the evening. Electric vehicle charging stations have been installed on Sodeco's Ternat site and Sferaco' Saint-Quentin-Fallavier site and additional stations have been ordered for installation in 2023. For sales staff with company cars, the latter are gradually being replaced by **hybrid or electric vehicles**. In some subsidiaries, the variable earnings of sales staff are indexed to the number of kilometres travelled in order to encourage them to take the train whenever possible.



Sodeco employees on bicycles.



WINNERS OF THE AURA MOBILITY CHALLENGE AWARDS



In June, 200 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 were rewarded as **Sferaco won the special MOV'ICI carpooling prize** and **Opaline was the winner of the category for under 20 employees** for the Nord Isère region.



Award ceremony for the mobility challenge.

B - Compensating

In parallel with measures aimed at reducing carbon emissions, one of our subsidiaries 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 while waiting to finance a certified offset project, in 2022, 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, which will generate reductions in energy consumption and CO₂ emissions.

In addition, as part of European Mobility Week, 20 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. The sum of €1,995 generated by kilometres "saved" was paid to **ReforestAction** to participate in a **forest ecosystem restoration project**. 665 trees were financed and planted.

In 2023, we will consider the idea of introducing a formalised compensation process.

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.

In terms of identification, in 2023 we will map our risk exposure. This will be based on the location of factories manufacturing the products we sell. As we are not manufacturers ourselves, this means working in partnership with our suppliers. It also concerns our storage facilities, which are mainly in France, as well as the location of our customers.

At the same time, we are working on a financial assessment of physical risks through a test with the company Tenko, and on transition risks through a carbon cost assumption. We are improving adaptation through the development of business continuity plans.

This work is currently led by top management and the sustainable development unit, with contributions from the supply chain and IT departments and the cross-functional purchasing group. The allocated resources described below will be increased in 2023 to complete the risk assessment.

Mapping our physical risks



At the end of 2022, we started a test with the Lyon-based company Tenko.

Tenko is a start-up offering **an integrated climate intelligence platform**. The aim is to help companies quantify their economic exposure to climate risk throughout their value chain.

Thermador Groupe is part of Tenko's pilot programme, with a limited panel of suppliers. The objective is to use the platform to produce an estimate of financial risks due to climate change, due to our operations and supply chain, focussing on: plant unavailability, supply cost variations and supply chain disruptions that could lead to stock-outs.

Business Continuity Plans

Business continuity plans (BCP) are being drafted within the group and the subsidiaries.

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 key differentiator for us.



Cost of CO₂

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 are currently applied on a global scale. The EU ETS is the first regional carbon market.

To date, no carbon price has been set by the authorities, nor have they legislated on an obligation for all companies (outside the EU ETS) to submit to a tax or carbon offset.

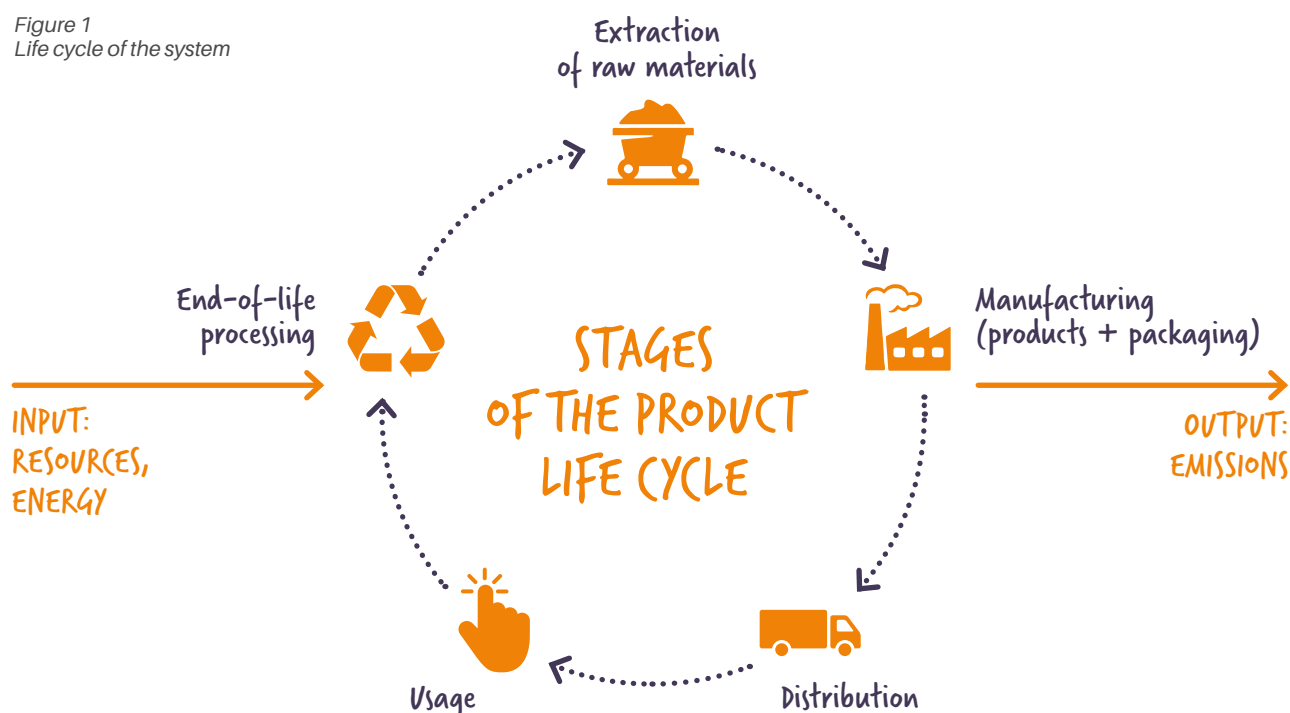
Thermador Groupe, seeking to stay ahead of potential regulations and to check whether it would be able to pay for possible future costs, called on Axylia to assess its "carbon levy".

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 is rated B in Axylia's Vérité 40 Index, which illustrates its ability to pay its potential carbon levy.



Figure 1
Life cycle of the system



3.2.3.2 - Our contribution to the circular economy

A - Eco-design and life cycle of our products

Group commitments

From 2022, five of our subsidiaries (Sferaco, Thermador, PBtub, Axelair, Sectoriel) volunteered to implement an eco-design approach for products and contribute to improving the environmental performance of buildings and industry. To do this, Thermador Groupe uses the services of an external LCA (Life Cycle Assessment) consultant two days per week. He reports to the sustainable development unit and works in co-development with the technical teams from each subsidiary.

Eco-design means taking environmental, social and economic aspects into account throughout a product's life cycle, right from the design phase.

For our subsidiaries, the starting point is to measure the environmental impact of their products using LCA, thus quantifying the various environmental impacts (climate change, depletion of mineral and fossil resources, water, etc.) over the entire product value chain (from the extraction of raw materials, through manufacture, distribution and use of products, right through to end-of-life processing). The diagnosis will help our subsidiaries to develop a quantified impact reduction strategy in line with the group's ambitions.



Implementation in our subsidiaries

The subsidiaries involved in the deployment of an eco-design strategy aim to:

- Anticipate the regulatory requirements of the RE2020 by publishing the environmental declarations of their priority products on the national INIES database (in the form of environmental and health declaration sheets - FDES - and product environmental profiles - PEP).
- Define business models that increase the life of their products by developing repair services, spare parts sales and complete system rentals.
- Update their Responsible Purchasing Charter with their suppliers according to progressive thresholds and criteria.

2022 milestones






Sferaco set up a design office to contribute proactively to the eco-design of its products with its industrial partners. PBtub and Thermador both set up a dedicated in-house team and started LCAs on priority products to improve their environmental profiles and publish their first Environmental Product Declarations (EPDs) by the end of 2023. The products were selected either because they represent a significant part of the subsidiary's turnover, or because they present interesting potential with regard to the RE2020 and the State subsidies supporting the environmental transition, or finally, to meet their customers' expectations in the field of eco-designed products. To date, this approach accounts for just under 10% of Thermador Groupe's turnover.

We then challenged our industrial partners and transporters. For example, we opened discussions with DAB, one of the group's main suppliers. Our discussions have revealed the fact that the entity is taking actions to reduce its environmental impact by working on its infrastructure, industrial equipment and processes. In addition, we are developing a factual argument that will help us to promote their eco-design approach, with a view to encouraging them to continue along this path and then to get more partners to sign up.

Axelair proposed to update its self-label in accordance with ISO 14021 and to improve it during 2023 towards an eco-score which aims to include sustainability criteria and thresholds for its labelled products.

Sectoriel moved to keep ahead of the regulations by proposing its own reparability index based on the same criteria as the official index.

These two projects will eventually benefit all the group's subsidiaries, enabling them to develop an eco-score and reparability index best suited to their markets.

 Reparability Index	Availability of spare parts			
	Recyclable product	Spare parts available with supplier's lead time	Spare parts available within 1-3 days	Repair by an approved professional
	 IR 1	 IR 2	 IR 3	 IR PRO

Sectoriel's voluntary reparability index.

Outlook

In the long term, the deployment of eco-design across all our subsidiaries and their suppliers will help reduce our carbon emissions on the product side of our business. It will also

allow us to actively invest to protect non-renewable resources by extending product life cycles (robustness, reusability, reparability) and by increasing the proportion of recycled materials in our products where possible, also in line with the requirements of EPR (Extended Producer Responsibility) for the building industry in 2023. The approach of Thermador Groupe and its subsidiaries to reduce the environmental impacts and improve the health impacts of their products is global: on the one hand improving the products themselves through this eco-design approach and, on the other, promoting the distribution of products which contribute, through their operation, to minimising the impact of the system (e.g. allowing energy savings). This is discussed in section 3.2.3.2

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 gone the furthest in making producers responsible, and today 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.

In this context, the subsidiaries concerned have joined approved eco-organisations, Valdelia or Valobat, who strive to organise waste prevention and management when it originates from their products and materials.

The other legal obligation relating to eco-organisations is a contribution to the processing of waste from electrical and electronic equipment (WEEE), whether for the construction or industrial markets, entrusted to Ecosystem. Thermador Groupe's total liability in 2022 was €400,000.

C - Reducing 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).
- COVID waste (masks and gloves) which is separated and incinerated.
- A very small proportion of hazardous waste (oils).



Our waste volumes have increased slightly. This is due to the relocation of the FGinox warehouse, which generated a higher, than, usual amount of waste, which was largely offset by decreases in the other subsidiaries.

We strive to apply the 3Rs principle (Reduce, Reuse, Recycle).

Our actions:

- The installation of shredders that convert used cardboard into cushioning elements for shipments in the new FGinox warehouse, as has been done at Thermador and Sferaco for the past two years.



Re-used packaging residues (Thermador shredder).

- Separation of cable off-cuts at Jetly in 2022 so that they can be recycled by recovery specialists.
- Careful management in sourcing re-use or recycling channels, resulting in Jetly scoring a positive net balance between management costs and the buy-back of some of its waste.

95.7% of our waste is sent to specialized streams for recycling or recovery.

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.



Briordures visit

3.2.3.3 - our actions to preserve water resources

The droughts of the summer of 2022 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

Rainwater harvesting

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 reusing 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, which brings the surface area covered by this technology in our property portfolio to 38,669 m². The same will apply to the Thermador Groupe and Opaline building in 2023.



Rainwater harvesting in Jetly and Aello.

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.



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 litres) and the collective range (10,000-60,000 litres). 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 Edouard Rousseau, 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. To increase the flow rate, you have to choose to press the button.
- 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 EKOGEEST showerhead does not directly affect consumption itself, but rather educates the consumer by taking a simple approach: observe, react, reduce!

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. Showering even becomes a fun way to learn about eco-consciousness.

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.

3.2.3.4 – Our actions to preserve biodiversity

Since 2015, a local ecology-centric group, **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 FRAPNA (Rhône-Alpes nature protection federation) 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. **The studies carried out by APIE on behalf of the group's subsidiaries are in line with APIE's ambitions to protect biodiversity and improve the quality of life of the region's inhabitants.**

Our Thermavert referents are in direct contact with the association, relaying information to the subsidiaries, helping them implement projects related to their ecosystems. The Thermavert inter-subsidiary transversal group convened three times in 2022, sharing their queries, projects and best practices.

Awareness-raising activities on these themes are regularly offered to all employees on the ground. In 2022, the association organised a discovery workshop about pollinating insects at the PBtub site.

Ecological developments on our sites

APIE has conducted comprehensive studies for four of our subsidiaries (PBtub in 2015, Jetly and Sferaco in 2020, and Thermador in 2021).



Birdhouse installed by APIE at PBtub.



The studies systematically include an initial environmental assessment with recommendations for ecological innovations on the sites.

The initial report provides an inventory of fauna and flora data for the area, a mapping of habitats and a census of the species observed, including protected species gleaned from public databases. According to the field inventories, the habitats identified on the sites are mainly artificial habitats with no heritage value, with common or even horticultural or invasive plant species. The latter are a major cause of global biodiversity loss, and measures to limit their expansion are therefore essential. Most of the fauna species are common, unprotected species, as well as a few heritage species with high ecological value (hairy carnations, orchids, natterjack toads, house sparrows and barn swallows).

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.** These recommendations are presented in "action forms" which detail the actions to be taken, via maps, the necessary means and costs. For PBtub and Sferaco, 9 measures were proposed, 7 for Jetly, and 8 for Thermador. In detail:

- 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 for fauna.
- Enhanced attraction for insects and avifauna: planting of fruit trees, aromatic herbs, flowering meadows, construction of birdhouses and insect hotels, implementation of differentiated management of grassy areas.
- Limiting invasive species: removal.



Insect hotel at PBtub.

In total, 106,149 m² are concerned by actions in favour of biodiversity, 60 animal and 70 vegetal species have been inventoried. For the approach to work, it has to include follow-up. It would be interesting to carry out an inventory one or two years after the "initial state" and subsequent implementation to check how biodiversity has improved on the sites.

In addition to the initiatives carried out with APIE, other voluntary initiatives have emerged:

- At Syveco and Isocel, the mowing of green spaces has been reduced to encourage the proliferation of fauna and flora. A vegetable garden has been cordoned off and is regularly cared for by the employees, raising awareness of seasonal fruit and vegetables and providing employees with fresh, seasonal produce.
- The Ushant sheep, which favours eco-pasture over traditional shearing, are still present at Sectoriel.



Saint-Quentin-Fallavier industrial zone

Preservation of biodiversity

Preservation of biodiversity on Thermador Groupe sites to Saint-Quentin-Fallavier.



New developments

Specifications of all new buildings now include the planting of local species. APIE supports each future tenant in making responsible choices in the management of green spaces. The building that will house Thermador Groupe and Opaline in 2023 includes a landscaped car park, encouraging the development of fauna and flora, while fulfilling its practical function.

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. In addition to satisfying customers and end-users, the promotion of these solutions contributes to achieving the group's Scope 3 objectives.

Thermador Groupe offers a range of solutions that respond to structural market trends: the demand for energies management to improve and reduce water and energy consumption, and the development of renewable energies. The comfort, safety, ergonomics and energy efficiency of equipment are now part of what customers look for. By accompanying changing uses and consumption patterns, Thermador Groupe enables installers to grow their businesses in new markets such as those using energy-saving certificates or consumption measurement and control.

Our Services

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: our 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 and easy identification of green products via labels on catalogues.



Thermacome design office.

Our GREEN TURNOVER (alternative performance indicator: taxonomy)

This indicator is not established in accordance with the Taxonomy Regulation as it is not calculated for activities that are currently eligible for the taxonomy rules. The assessment was based on technical alignment criteria.

Thermador Groupe has undertaken to identify and account for the part of its sales that positively support the environmental transition. This work, carried out in the second half of 2022 in partnership with the firm I Care¹, was based on the substantial contribution criteria of the European taxonomy of green activities². **Although the group's core business as a distributor is not eligible for this taxonomy, some of the products it sells validate the substantial contribution criteria of other eligible sectors**, such as the manufacture of energy-efficient equipment for building construction³ or installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings⁴.

For this first financial year, we used **the technical criteria of the Delegated Act on Climate Change Mitigation** as our reference point, applicable from 2022 for the calculation of eligibility and from 2023 for alignment, **as well as the texts of the Platform for Sustainable Finance containing recommendations on the technical criteria for the**

four remaining environmental objectives of the EU taxonomy⁵, in particular on the pillars Transition to a Circular Economy and Sustainable Use and Protection of Water and Marine Resources. These include in particular product distribution activities through the section on the sale of spare parts and of second-hand products, and are expected to be adopted as official delegated acts in 2023 for inclusion in 2024 on FY 2023 reporting.

The identification of products and services contributing substantially to the environmental transition covers 100% of the group's activities excluding DPI (company acquired on October 31, 2022), with details generally provided at the product sub-family level, and sometimes at more granular levels when necessary. This work has resulted in 14.9% "green" turnover for 2022, of which 12.3% for climate change mitigation, 1.3% for the transition to the circular economy and 1.3% for the sustainable use and protection of water and marine resources.

3. EXTRA-FINANCIAL PERFORMANCE STATEMENT



	Turnover in thousands of euros	Share of total turnover	Turnover aligned with 2022 taxonomy in thousands of euros	Share of turnover aligned with 2022 taxonomy	Comments
Activities eligible for the taxonomy	307	0.06%	0	0%	
Eligible but environmentally unsustainable activities					
Turnover from environmentally unsustainable activities Activity 1: Acquisition and ownership of buildings	307	0.06%	0	0%	The buildings rented to our external tenants are not class A energy performance rated (DPE A on energy)
Activities not eligible for taxonomy	553,552	99.93%	82,472	14.9%	
Total turnover of activity 2: Specialised distribution	553,502	99.94%	91,500	14.9%	
Total turnover of activity 3: Communications agency	50	0.01%	0	0	Products distributed meeting the alignment criteria
Total turnover	553,859	100%	82,472	14.9%	

	CAPEX (Investments) in thousands of euros	Part of CAPEX	CAPEX aligned with 2022 taxonomy in thousands of euros	Part of CAPEX aligned with 2022 taxonomy
Taxonomy eligible activities	5,825	52.8%	Pending	
Environmentally sustainable activities				
CAPEX of environmentally sustainable activities Activity 1: acquisition and ownership of buildings	5,825	52.8%	Pending validation of DNSH criteria	
Activities not eligible for taxonomy	5,212	47.2%		
Total CAPEX of Activity 2: Specialised Distribution	5,197	47.1%	Pending validation of DNSH criteria	
Total CAPEX of Activity 3: Communications Agency	15	0.1%	0	0%
Total CAPEX	11,037	100%	Pending	

	OPEX (operating expenses) in thousands of euros	Part of OPEX	Part of OPEX aligned with 2022 taxonomy in thousands of euros	Part of OPEX aligned with 2022 taxonomy
Activities eligible for taxonomy	51	3.2%	38	75%
Environmentally sustainable activities				
OPEX for environmentally sustainable activities Activity 1: Acquisition and ownership of buildings	51	3.2%	38	75%
Activities not eligible for taxonomy	1,561	96.8%	0	0
OPEX for environmentally sustainable activities Activity 2: Specialised distribution	1,550	96.2%	0	0
OPEX for environmentally sustainable activities Activity 3: Communications agency	11	0.7%	0	0
Total OPEX	1,612	100%	38	2.4%

¹ Care is a strategy consulting firm specialising in the environmental field. Since 2008, it has been assisting companies, public authorities and financial institutions as they move towards a low-environmental-impact transition. In June 2022, the firm joined BearingPoint, a leader in transformation consulting.

² https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en

³ Section 3.5 of the Delegated Act on Climate Change Mitigation attached to Regulation 2020/852, the so-called Taxonomy Regulation. Available at <https://eur-lex.europa.eu/legalcontent/FR/TXT/PDF/?uri=CELEX:32021R2139&from=EN>

⁴ Section 7.5 of the same delegated act.

⁵ Available at https://finance.ec.europa.eu/system/files/2022-03/220330-sustainable-finance-platform-finance-report-remaining-environmental-objectives-taxonomy-annex_en.pdf and at https://finance.ec.europa.eu/system/files/2022-11/221128-sustainable-finance-platform-technical-working-group_en.pdf

Some emblematic products and services

ESYBOXLINE range

Innovative pressure-boosting system sold for several years by Jetly to local authorities and equipped with variable speed motors to optimise electric motor management and ultimately reduce energy consumption.

CMV dual-flow

NF-standard Controlled Mechanical Ventilation distributed by Axelair. This technology reduces heating requirements and therefore energy consumption, while improving ambient air quality.

Radiant panels

Thermacome sells radiant heating and cooling panels. The principle of operation by radiation offers the advantage of a very high level of reactivity to variations in ambient conditions, particularly in relation to changes in outdoor temperatures. The secret is that the target temperature is reached more quickly with lower fluid temperature levels than in conventional systems. This equipment reduces consumption by eliminating more energy-intensive heating and cooling modes.



3.2.4 – Societal: being a responsible and committed partner for our stakeholders



ACTIONS	2021	2022	MID-TERM TARGETS 2025	LONG-TERM 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.	4.8%	85.5%	≥60%	≥80%
DEVELOPING OUR COMMITMENT TO SOLIDARITY ACTIONS: - Number of subsidiaries involved.	7	11	Objective being defined	
CONTINUING OUR JOB CREATION EFFORT IN FRANCE	36	43*	Positive net balance of job creation	

*excluding DPI acquisition

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 our key objectives is based on the percentage of turnover generated by ISO 9001 or 14001-certified subsidiaries.

By 2022, seven of our subsidiaries were certified, one more than in 2021. Thermador will be embarking on a certification process in 2023, which is why we believe we are on track to meet our targets by 2025.

We also aimed to source more than 85% of our supplies from certified suppliers. We achieved this target in 2022.

3.2.4.1 – Supplier relationships and responsible purchasing

A key stakeholder

Because they provide the goods and services our business relies on, our suppliers feature amongst our most important stakeholders. Key figures are presented on pages 15 and 63.

We strive to maintain long-term, **trusting relationships** based on transparency. For example, 22% of our purchases have been bought from **the same suppliers for over 40 years**.

The subsidiary managers are responsible for supplier relationships. 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.

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** (described in the Governance section) which allows any internal or external person to report any irregular situation. This early-warning system is public, available to all on our website.

- In 2021, we drafted our **responsible purchasing charter** and rolled it out in 2022.

- In 2022, 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. Roll-out is planned for 2023.

3. EXTRA-FINANCIAL PERFORMANCE STATEMENT



Several of our subsidiaries already carry out **supplier audits** and have always done so.

In 2022, nearly 80% of our suppliers in terms of the value of goods purchased were covered by internal or external ratings.

In order to nurture best practices and allow us to objectify the rating of our suppliers we have put together a common assessment form with the inter-subsidiary purchasing group. This work has enabled us internally and will which is one of our 19 key extra-financial indicators. The assessment form contains criteria related to the purchasing function (quality, deadlines, etc.) and includes ESG (environmental, social, governance) criteria. It will be rolled out in 2023.

Our 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.

Group targets in this area entail: **over 60% of purchases from suppliers who are signatories to our sustainable procurement charter or equivalent by 2025, and over 80% by 2030. As the target of over 80% was achieved in the first year, we will work to raise it again next year.**

With regard to our non-goods suppliers, our purchases are mainly made from logistics providers (our logistics are presented on page 14 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:

- **Our early-warning mechanism**, presented earlier, applies.
- **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 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.
- The inclusion of environmental and societal criteria into our transport tender. These and other criteria were taken into account when awarding 2023 contracts.

Outlook

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 eco-design projects are presented on page 90.

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 page 18).

In 2022, our companies created 39 new jobs in France and 41 in total, having created 39 in 2021.

Number of employees by region and country

FRANCE						
Rhône Alpes	Burgundy Franche Comté	Ile-de-France	Normandy	Grand Est	Centre Val de Loire	Others regions
540	39	25	32	21	12	12
EUROPE OUTSIDE FRANCE				OUTSIDE EUROPE		
Belgium	Netherlands	Hungary	Spain	China		
46	3	1	13	9		

The diversity of our teams is the result of our recent acquisitions.

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.



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).

3.2.4.3 - Relationships within our business sectors

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	ROLE	NAME OF THE UNION	FUNCTION
Laure Empereur	CEO of Odrea	INOHA (new housing industrialists)	Administrator
Philippe Bories	CEO of Mecafer Domac	INOHA (new housing industrialists)	Member
Christophe Arquillère	CEO of Sferaco	ADFRI (French industrial valve distribution association)	Deputy Secretary
		ASTEE (scientific and technical association for water and the environment)	Member
Xavier Isaac	CEO of Sectoriel	ADFRI (French industrial valve distribution association)	Member
		Bureau de Normalisation du Gaz, an AFGAZ standardisation body (www.afgaz.fr)	
		UNM (mechanical standards union), section 76	
Anne-Sophie Bultey	CEO of Disrilabo	Réseau Mesure, a network of companies specialising in instrumentation and measurement	Member
Yves Ruget	CEO of Thermador	COEDIS (federation of distributors of electrical, HVAC and sanitary equipment and solutions).	Partner
		SYNASAV (national energy efficiency maintenance and service syndicate)	
Florent Kieffer	CEO of Thermacome	UPB (building plastics syndicates union)	President
		COCHEBAT (national union of manufacturers of integrated heating, cooling and sanitary components and systems)	
Eric Mantione	Chairman of Thermacome CEO of PBtub	COCHEBAT (national union of manufacturers of integrated heating, cooling and sanitary components and systems)	Vice President
Lionel Grès	CEO of Axelair	Association Française de Ventilation (French ventilation association)	Member
Frank Bourgois	CEO of 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**, implemented in 2022. This charter has been distributed to all group employees and covers 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; to ensure the regulatory watch and the dissemination of GDPR best practices; to 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**, which were carried out in 2021 and which resulted in plans to follow up on areas of concern in 2022.

our achievements:

- The group DPO followed up 22 requests from our subsidiary officers in 2022.
- 100% of the users of the group's network environment trained in IT security,
- Two phishing tests carried out, one on all our sites and one on a limited sample.



3.2.4.5 - Solidarity with the most vulnerable

A **donation and sponsorship policy** has been drawn up at Thermador Groupe level. It is public and available for consultation on our website. Through these actions, the company seeks to provide financial or material support to a charity or a social, cultural or sporting action in order to promote its values.

In 2019, we initiated a partnership with the Apprentis d'Auteuil foundation. The choice of Apprentis d'Auteuil was made at group level. Subsidiary managers can freely choose other causes in consultation with their employees.

Commitment to the Apprentis d'Auteuil Foundation



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 6,500 employees and 4,000 volunteers support 30,000 young people and 6,000 families every year in 240 establishments (from nurseries to further education centres).

Our partnership with Apprentis d'Auteuil continued in 2022 through various actions.

Employees from FGinox, Syveco, Thermador and Thermador Groupe gave English lessons (via sales simulations) to young people aged 18 to 29 seeking to get into sales, as part of the Prépa'venir scheme run by Pôle Avenir Emploi in Villeurbanne (Rhône).

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) committed **to training four trainees currently in their reinsertion phase from the end of 2022 and to offer them an employment contract at the beginning of 2023 as part of the Skola Logistique scheme**. 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.

Sferaco paid €30,000 for insulation work to improve the energy efficiency of the training college in La Côte-Saint-André.

Finally, through their apprenticeship taxes and donations,

most of the subsidiaries located in Saint-Quentin-Fallavier have financially supported the technical college in La Côte-Saint-André and Pôle Avenir Emploi in Villeurbanne.

Actions against child poverty



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 2022, about 7,000 km were covered for a donation of about €1,750.

Ukrainian solidarity



Several subsidiaries have mobilised in favour of the Ukrainians by organising a collection of donations. Syveco financed the transport of foodstuffs and hygiene products to Poland. Domac contributed by selling 250 generators at cost price to ADEO, which redistributed them free of charge to Ukrainian NGOs. Sodeco Valves also employed two Ukrainians for almost 6 months. They were employed in the assembly department for the automation of valves and were paid according to the salaries in force in Belgium.

Historical partner and supporter of MadaSphère



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. Noting the dilapidated state of the basic infrastructure and the poverty of the town, Mélodie Plaschy and Antoine Rocle decided to create the association on their return to provide lasting support to the population.

In February 2022, the city was hit hard by tropical cyclone Batsirai, with nearly 145,000 people affected. Our subsidiary Jetly, which markets products that contribute to the United Nations' 6th SDG (Sustainable Development Goal) - Ensure access to sustainably managed water and sanitation services for all - has been mobilised from the outset to provide materials and help the population rebuild the town and the orphanage.

3.3 SUMMARY OF INDICATORS AND CROSS-REFERENCE TABLE

The information presented below concerns consolidated companies of Thermador Groupe on December 31, 2022 with the exception of DPI, a company acquired on October 31, 2022.

Changes to reporting scope and calculation methods and new indicators in 2021 mean that we cannot always make pertinent comparisons between 2022 and 2021 data and those of 2020 and 2019. These changes are mentioned and specified in the indicators each time they appear to help understanding. The reporting approach for 2022 was specified and detailed via a CSR (Corporate Social Responsibility) memo for the collection of the quantitative and qualitative information required. It allowed us to define calculation methods for each indicator in order to ensure data consistency.


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 commercial code;
- The sincerity of the information provided pursuant to 3° of I and II of Article R.225-105 of the French commercial 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 105.


	2022	2021	2020	Pages
GOVERNANCE DATA				
Corporate governance				
Compliance with a code of governance	Middlenext	Middlenext	Middlenext	73
Signatory to the United Nations Global Compact	YES	YES	NO	64
Number of Executive Committee members	17	16	18	69
Proportion of women on our Board of Directors	29%	25%	28%	81
Transparency on the earnings of Thermador Groupe CEOs and deputy CEOs	YES	YES	YES	42 - 44
Declaration of the earnings of Thermador Groupe CEOs and deputy CEOs	YES	YES	YES	42 - 44
Participation rate at the AGM	74.1%	71.52%	65.8%	55
Rate of approval of the CEO's earnings at the last AGM	99.9%	90.9%	99.98%	55
Percentage of employee shareholding, excluding former executives	7.0%	7.0%	7.5%	55
Proportion of employee shareholders (individual or through the company saving scheme - PEE)	84.7%	71.2%	75.3%	55
Board of Directors				
Number of independent directors	5	5	5	32
Percentage of independent directors	41.7%	45.5%	45.5%	32
Proportion of women on our Board of Directors	41.7%	45.5%	45.5%	32
Directors representing employees	2	1	1	32
Attendance of board members	98.8%	100%	96.9%	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	15	6	3	36
Percentage of directors trained during the year	100%	90.9%	63.6%	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)	6.32	5.39	4.68	46
10% highest vs. 10% lowest	5.30	5.45	5.08	47
Ethics and anti-corruption				
Ethics committee	YES	YES	YES	74
Number of reports / alerts	2	7	5	73
of which HR alerts	1	6	5	73
Formalisation of a business conduct and anti-corruption policy	YES	YES	YES	74
Percentage of exposed employees trained in anti-corruption over the last 3 years	96.9%	98.9%	73.1%	73

3. EXTRA-FINANCIAL PERFORMANCE STATEMENT

	2022	2021	2020	Pages
HUMAN 				
Headcount according to gender				
Percentage of women	36%	36%	34%	75
Percentage of men	64%	64%	66%	75
Total number of employees (excluding temps)	753	712	668	75
Workforce by geographical area				
France	89%	90%	90%	98
Outside France	11%	10%	10%	98
Headcount per contract type				
Permanent contract (CDI)	713	678	649	75
Fixed-term contract (CDD)	40	34	19	75
% of permanent contracts (CDI)	95%	95%	97%	75
Temps				
Number of temp. hours	80,198	95,576	74,642	75
As a % of the number of hours worked	6.0%	7.6%	6.4%	75
Employee loyalty				
Average length of service	9.70	9.68	9.76	75
Staff turnover rate	16.67%	12.92%	11%	79
Recruitments	146	114	82	79
- of which, jobs created in France	38	36	24	75
- of which, jobs created outside France	3	3	1	75
Departures (excluding end of fixed-term contracts and retirement)	69	48	41	79
Earnings				
Average salary	€53,984	€50,254	€50,337	83
of which variable compensation	21%	20%	18%	83
Number of employees benefiting from profit-sharing or incentive agreements	197	181	179	83
% of employees receiving variable components of salary	97%	86%	N/A	83
Health: % of absences not related to the COVID crisis				
Linked to sick leave excluding COVID-19 isolation	77%	66%	74%	76
Linked to maternity / paternity leave	3%	11%	14%	76
Linked to workplace and commuting accidents	10%	4%	6%	76
Linked to work-related illness	2%	15%	6%	76
AVERAGE GROUP ABSENTEEISM RATE	3.52%	3.4%	3.9%	76
Diversity				
Professional equality index	86	88	87	81
Gender pay gap	-3.2%	-1.9%	2.2%	81
Percentage of women in management positions	41.5%	39%	37.5%	81
% of employees over 50 years of age in the workforce	33%	31%	30%	81
Employees with disabilities (in number)	22	18	12	82
Training				
Training budget as % of payroll	2.35%	1.86%	1.63%	80
Percentage of permanent employees trained per year (including internal training)	80.8%	72.1%	60.6%	80
Number of employees attending at least one training session during the year	576	489	393	80
- of whom, managers (%)	37%	36%	40%	80
- of whom, non-managers (%)	63%	64%	60%	80
Number of hours of training	12,754	10,013	8,491	80
Number of sandwich course students, apprentices and trainees present during the year	56	60	25	81
Social dialogue and labour relations				
Number of subsidiaries with ESC / staff-representative bodies	11	11	10	78
Percentage of employees represented by a staff-representative body	71%	75%	76%	78
Number of company agreements in place	53	27	11	78
Percentage of employees who have responded to the QLW survey over the last 3 years	77%	93%	94%	78
Percentage of employees who were able to meet their manager during an annual interview	90%	72%	84%	78
Number of labour disputes initiated during the year	1	3	N/A	73

	2022	2021	2020	Pages
SOCIÉTAL 				
Donation amounts including carbon offsets	€103,457	€106,075	€39,384	89
Board commitment to fiscal responsibility	YES	YES	NO	74
Certifications				
Number of our subsidiaries ISO 9001 or ISO 14001 certified	6	5	4	62
% of turnover generated by ISO 9001 or 14001 subsidiaries	34.1%	32.6%	27.9%	62
Supplier relations				
Percentage of turnover from ISO certified suppliers	87.4%	80.4%	55.2%	97
Percentage of turnover from rated suppliers in the year	74.1%	17.1%	14.2%	97
Percentage of turnover from suppliers who have signed our Supplier Code of conduct or a similar charter	85.5%	4.8%	N/A	97
Inc-VAT amount of supplier invoices whose term has expired as a % of ex-VAT purchases for the FY	0.64%	0.07%	0.29%	
Customer relations				
Number of customers who responded to a satisfaction survey	262	1,576	383	13

ENVIRONMENTAL DATA 				
CSR governance within the group				
People belonging to an environment group in the subsidiaries	40	38	39	69
Number of people in the Thermavert cross-functional group	29	22	21	69
Biodiversity				
Number of m ² of green spaces under FIPA collaboration	68,200	71,300	32,800	94
Number of species logged	269	292	206	94
Energy consumption - gross value				
Water consumption (in m ³)	6,007	7,928	7,725	93
Gas consumption (in kWh)	3,755,296	4,068,452	2,724,642	87
Electricity consumption (in kWh)	2,378,488	2,599,795	2,397,668	87
Energy consumption - relatives value				
Water (in L / m ²)	47.3	70.5	75.5	93
Gas consumption (in kWh / m ²)	29.6	36.2	26.6	87
Electricity consumption (in kWh / m ²)	18.7	23.1	23.4	87
Proportion of LED lighting in our buildings (in % of m ²)	67%	60%	59%	87
Share of gas in 'carbon offset' option	89%	34%	N/A	87
Share of electricity consumption in 'renewable energy' option	92%	69%	65%	87
Total energy consumption (in kwh / m²)	48.3	59.3	50.1	87
Activity-related waste (as a % of purchased tonnage)				
Total industrial waste (in tonnes)	1,059	1,031	946	92
Activity-related waste (in kg/tonne of product received)	22.83	20.28	23.48	92
Share of non-hazardous industrial waste	99.7%	100%	100%	92
Share of hazardous industrial waste	0%	0%	0%	92
Percentage of waste sent to a recycling facility	95.7%	90.7%	85.2%	92

ENVIRONMENTAL DATA - CARBON ACCOUNTING 				
Scope 1 direct emissions (in Teq. CO ₂)				
Emissions due to company vehicle travel (per vehicle)	255	233*	427	88
Direct emissions from vehicle fleet / vehicles	2.69	2.81	2.41	88
Emissions from burning natural gas on site	620	692	501	87
Emissions from burning domestic fuel on site	16	24	23	87
Emissions from refrigerants	0	0	17	87
Direct emissions from heating and cooling of buildings (Teq. CO₂ per km²)	5.01	6.37	5.29	87
Total Scope 1 (in Teq. CO₂)	891	949	968	86
Scope 2 indirect emissions (in Teq. CO ₂)				
Emissions due to the purchase of electricity	131	140	195	87
Indirect emissions due to the purchase of electricity (Teq. CO₂ per km²)	1.03	1.25	1.91	87
Total Scope 2 (in Teq. CO₂)	131	140	195	86
Scope 3 other indirect emissions (in Teq. CO₂)				
Emissions due to professional travel (rental cars, planes, trains in Teq. CO ₂)	243	119	48	88
Scope 3 of which, product purchases (products sold)	110,466	111,389	110,000	86
Scope 3 of which, use of products sold	46,424	39,978	35,000	86
Scope 3 of which, end-of-life of products sold	38,061	40,118	41,000	86
Total Scope 3 (in Teq. CO₂)	221,036	211,041	207,000	86

*Emissions due to business trips made with personal vehicles are now accounted for in Scope 3, in compliance with Ademe's carbon footprint rules (accounted for in Scope 1 in 2020)

CROSS-REFERENCE TABLE FOR THE EXTRA-FINANCIAL PERFORMANCE STATEMENT

	Theme	Correlation with the 2022 Universal Registration Document	SDG*	Pages
	Presentation of our business model	Our business model.		62
	Presentation of our major Corporate Social Responsibility risks and challenges	• Our ecosystem. • Main risks and opportunities.		63 - 67
	Description of our approach to societal and environmental responsibility	• CSR organisation and governance. • Our 19 medium and long-term priorities.		68 - 71
Social information	Employment	Total headcount and distribution of employees by gender, age and geographical area.	8 5	75
		Hiring and Firing.	3 8	75 & 79
		Salary trends and their evolution.	8	83
	Work organisation	Organisation of working time.	3	78 - 79
		Absenteeism.	3	76
	Health and safety	Health and safety conditions at work.	3	76 - 77
		Work-related accidents, in particular frequency and seriousness, as well as work-related illnesses.	3	76 - 77
	Labour relations	Organisation of social dialogue, in particular staff information and consultation procedures and bargaining.	3 8 4	78
		Reviews of collective agreements, particular in the field of health and safety at work.	3	78
	Training	Policies implemented in terms of training, in particular environmental protection.	4	80 & 87
		Total number of training hours.	4	80
	Equal treatment	Measures taken in favour of equality between men and women.	5	80
		Measures taken in favour of employment of disabled people.	8	82
		Anti-discrimination policy.	5 3	82
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	84 - 96
		Resources dedicated to the prevention of environmental risks and pollution.	6 7	84 - 96
		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	84 - 86
		Taking into account any other form of pollution that is specific to an activity, and in particular sound and light pollution.	13	87 - 88
	Circular economy	Waste prevention and management.	12	92
		Sustainable use of resources.	11 6 7	84 - 96
		Use of land.	15	84 - 96
	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	84 - 96
		Measures taken to adapt to the consequences of climate change.	13	84 - 96
		The objectives of voluntarily medium and long term objectives to reduce greenhouse gas emissions and the means used to achieve it.	13	84
Societal information	Protection of biodiversity	Measures taken to protect or develop biodiversity.	15	93 - 94
	Societal commitments in favour of sustainable development	The impact of the company in terms of employment and local development.	16	98
		The impact of the company's business on local or neighbouring populations.	16	98 - 99
		Relations with stakeholders in society and how dialogue works.	16	98 - 99
		Partnership or sponsorship actions.	16	100
	Subcontracting and suppliers	Taking social and environmental challenges into account in the purchasing policy.	12	97
		Taking relationships with suppliers and subcontractors into account as far as their social and environmental responsibilities are concerned.	16	97
	Fair practices	Measures taken in favour of health and safety of consumers.	12	97
	Societal commitments against food waste and food shortage and in favour of responsible, fair-trade, sustainable food	Not applicable.	16	
	Societal commitments to respect animal welfare	Not applicable.	15	
The fight against corruption	Actions undertaken to prevent corruption	Measures to prevent and combat corruption.	16	73
Actions in favour of human rights	Promotion and respect of the provisions of the fundamental conventions of the International Labour Organisation relating to:	- Respecting the freedom of association and the right to collective bargaining.	16	78
		- Eliminating discrimination in terms of employment and professions.	5 16	82
		- Eliminating forced or compulsory work.	16	97 - 98
		- Effective abolition of child working.	16	97 - 98
	Other actions undertaken in favour of human rights	- Respect for human rights. - Duty of care.	16	97

* SDG: Sustainable Development Goals. ** Not applicable. *** Not available.

3.4 CERTIFICATE OF EXTRA-FINANCIAL PERFORMANCE STATEMENT

REPORT FROM THE VERIFICATION AGENCY

THERMADOR GROUPE SA – Year ending December 31, 2022

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 extra-financial 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, 2022, 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 Commercial 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 of which are available upon request from the entity's headquarters.

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 Commercial Code;
- The fairness of the information provided in accordance with article R. 225-105 I, 3 and II of the French Commercial 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).

Independence and quality control

Our independence is defined by the provisions of article L. 822-11 of the French Commercial Code and the French Code of Ethics (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 December 21 2022 and 17 February 2023 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 15 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 verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III, as well as information regarding compliance with human rights and anti-corruption and tax evasion legislation;
 - 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 (measures and outcomes) that we considered to be the most important presented in the appendix. Our work was performed at the consolidation entity level. Our work was carried out at the level of the consolidating entity and in a selection of entities;
 - 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 the 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 21th, 2023



FINEXFI
Isabelle Lhoste
Associate

ANNEX 1

Social indicators: Headcount at 12/31/22 (permanent + fixed-term), Number of employees on fixed-term contracts as of 12/31/22, Number of employees on permanent contracts as of 12/31/22, Number of days of absence excluding covid, Absenteeism rate excluding covid, Number of employees having received at least one training session during the year, % of women in management positions, Number of subsidiaries with a sustainable mobility agreement, Gender equality index.

Environmental indicators: Gas consumption (in kWh), Electricity consumption (in kWh), Scope 1 - Direct emissions - vehicle fleet (Teq CO₂ per vehicle), Scope 1 - Direct emissions - heating and cooling of buildings (Teq CO₂ per km²), Scope 2 - Direct emissions from building energy (Teq CO₂ per km²), Scope 3 - Indirect emissions due to our products and activities (kTeq CO₂), Activity-related waste (in t), Waste from our activities (kg/tonnage received), Percentage of waste sent to a recycling facility.

Societal indicators: Percentage of sales made to ISO-certified suppliers, Percentage of sales made to suppliers rated during the year, Percentage of sales made to suppliers who have signed our responsible purchasing charter or a similar charter.

4

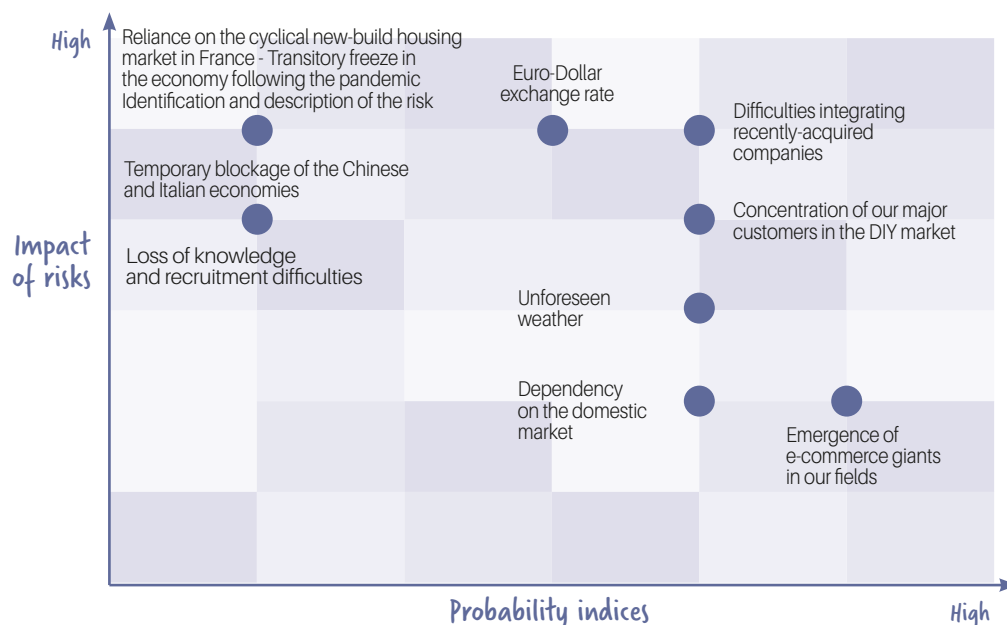


RISK MANAGEMENT

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4.1 RISK MANAGEMENT

The company 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 - Market

Unforeseen weather events

Risk identification and description <p>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.</p> <p>Drought during the summer would lead to a fall in sales of irrigation pumps.</p>	Potential impact on the group <p>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 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.</p>
Risk control and limitation <p>Our bestsellers are stable products on their respective markets. Unsold products from a very bad season can be sold the following one.</p> <p>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.</p> <p>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.</p> <p>Over the last 10 years, the good years have more than compensated for the bad ones. In this respect, our high stock levels mean we that can take full advantage of years when demand is robust.</p>	

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>49.8% 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>	Potential impact on the group <p>Our exposure to the new-build market is limited to 10% of our consolidated turnover.</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 49.8%.</p> <p>This rebalancing was mainly achieved through strong growth in the industry sector, which now involves six of our subsidiaries. Établissements Édouard Rousseau (now ODREA), acquired on December 31, 2018, sells sanitary fittings, mainly for renovation.</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 €700,000 of gross margin in a single year.</p>
Risk control and limitation <p>Every year we win and lose tenders. The game is to win more than we lose.</p> <p>Odrea, 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 82.7% 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 and 2014.</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 €164.7m turnover in 2022, of which €41.3m 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 20%. 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 are 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 market-places 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.</p> <p>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 impact 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 (€9.1m in 2022) could have a negative impact on the consolidated operating result and reduce the return on capital employed.</p> <p>Goodwill amounts to €70.5 million in the group's assets. Poor recurring results could lead to an impairment of the 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>Two executives of the companies we have acquired have been replaced. We have strengthened the IT team and internal control.</p> <p>We have strengthened IT and internal audit teams.</p> <p>Two managers of these acquired companies were replaced.</p> <p>Our monthly reporting delivers fast reaction times.</p>	

4.1.3 – Social risks

Loss of know-how and recruitment difficulties

Risk identification and description <p>Greater instability amongst staff and difficulties in filling certain posts could be an obstacle to our growth.</p> <p>The average length of service in the group fell from 11 years in 2016 to 9.7 years in 2022.</p>	Potential impact on the group <p>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.</p>
Risk control and limitation <p>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. We encourage and help managers and supervisors to improve their management skills.</p> <p>We diversify recruitment channels enormously: agencies, social media, APEC (job agency for managers), personal networks, etc.</p>	

4.1.4 – Financial risks

Euro-Dollar exchange rate

Risk identification and description <p>The group sells in euros in France and abroad. We buy from all over the world: around 37% of our merchandise is purchased in US dollars. This exposes us to the volatility of the Euro-Dollar exchange rate.</p>	Potential impact on the group <p>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.</p> <p>Mathematically, a 10% variation in the US dollar rate would have a €15m impact on our commercial margin.</p>
Risk control and limitation <p>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.</p>	

4.1.5 – Geopolitical risks

Temporary blockage of the Chinese and Italian economies

Risk identification and description <p>36% of our purchases of finished products come from China and Taiwan, 35% from Italy. A political, social or health crisis could temporarily block one of those country's economies.</p>	Potential impact on the group <p>In the face of such events, we could be confronted with stock-outs. It is today however impossible to assess this risk since we have not recently experienced this type of situation.</p>
Risk control and limitation <p>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 (192 days of purchases consumed). We are active in seeking and developing suppliers in France, Spain, Germany, Belgium, Turkey, Brazil, Hungary, India, Poland, South Korea, Slovakia, Finland, Portugal, Austria, England and Holland.</p>	

4.1.6 – Pandemic risks

Temporary economic blockage in the wake of a pandemic

Risk identification and description Like the COVID-19 crisis in the first half of 2020, a global pandemic 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 €15 million 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 is reassuring for our bankers. Our prompt and effective communication with our shareholders is reassuring for 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 .	Potential impact on the group Our suppliers' factories flooded and port traffic disrupted. 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 Rising water levels: our logistics facilities are not at risk. In 2022, we did a first beta test on four key suppliers with a start-up company capable of exploiting data analysis technologies to assess the impacts of climate change. We plan to continue this work in 2023 and report back to you as soon as our methodology is sufficiently robust. None of our strategic ranges is currently threatened by a ban. On a more positive note, many of our products are useful and necessary in businesses linked to the energy renovation of buildings and water management. 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 211 kT equivalent CO ₂ in 2021 and 221 kT equivalent CO ₂ in 2022 (page 86), 98% 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 €360 (2022 operating profit = €79.6m). 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.	

4.2 INSURANCE

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. The outcome was 'highly satisfactory' for the insurer.

Cover for transport risks was also renegotiated on January 1, 2020. Our transport insurance policy covers transport risks for both purchasing and selling. It is €1.5m whatever the means of transport (sea, land, air, etc.).

The civil liability contract was renegotiated on January 1, 2020 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 (56,463 m²)



Sprinkler system at Sferaco.

4.3 INTERNAL CONTROL



Meeting of the Administrative management team on October 4, 2022

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, 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', Ets E. Rousseau use INFOR's XA Essentials, Thermacome use SAP by Design, Distilabo 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.

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.

77.9% of our activities are managed on a single IT system

4.3.3 - Anti-corruption measures

In compliance with the Sapin 2 law, in 2017 we opened two mailboxes 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 anti-corruption 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 in-house 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.
- Work on the introduction of an e-learning tool for existing employees and new recruits.
- Drafting 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.**

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.

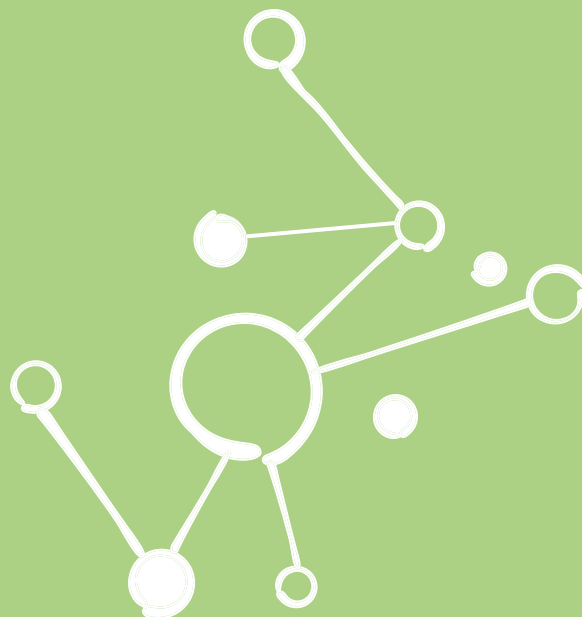
2019 was dedicated to formalising GDPR conformity: update of General Terms of Sale, putting our data protection policy on line, drawing up information memos and especially writing a register of processing operations currently being deployed in each subsidiary. The update and adaptation of the 2020 and 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 2022, our DPO continued to support our subsidiaries. 22 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 21, 2022, have so far proven their effectiveness.



5



OUR SUBSIDIARIES

5.1	General overview	116
5.2	Our subsidiaries	117

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 31/12/2022	Stock in thousands of euros	Contribution to net pre-tax profit in thousands of euros
DIY		Compressors, generators, welders	2015/ 2017	549	SAS	39,851	37,327	39	11,002	2,076
		Pumps, technical plumbing and bathroom taps	1986/ 2018	2,284	SAS	77,255	70,548	138	33,456	566
MANUFACTURERS		Supply of components to integrators	1992	160	SAS	10,554	10,543	7	2,639	1,944
PUMP COLD WATER SWIMMING POOL & PIPELINES		Swimming pool equipment	2015	2,000	SAS	20,568	20,309	28	5,592	1,919
		Pipelines for public works	2022	150	SAM*	9,070	9,070	17	219	1,095
		Pumps	1977	3,200	SAS	60,275	59,127	68	16,533	12,903
HEATING SANITARY PLUMBING VENTILATION INDUSTRY		Central heating and sanitary water accessories	1968	3,200	SAS	106,146	102,265	62	31,809	24,190
		Heating-cooling surfaces and piping systems	1989	960	SAS	30,316	28,838	33	9,711	3,028
			2020	1,466	SAS	22,903	22,583	30	2,978	1,933
		Ventilation equipment and accessories	2013	1,000	SA	7,346	7,199	19	3,948	-98
		Industrial valves	1978	3,200	SAS	92,410	73,626	82	47,899	13,160
		Valves and compressors	1989	780	SAS	34,064	29,538	49	8,791	5,830
		Measurement and control	2019	500	SAS	6,459	6,335	19	1,733	1,016
		Stainless steel connectors, flanges, valves and accessories	2017	490	SAS	18,124	17,688	45	7,686	1,577
		International	2006	1,000	SAS	33,954	33,950	46	207	5,389
		Industrial valves	2017	2,703	NV*	24,772	24,556	49	6,159	2,094
COMMUNI- CATIONS		Communications agency	2002	80	SAS	2,017	50	13	-	127
REAL ESTATE		Management of the group's real estate	1973	3,100	SCI	6,908	307	-		2,433

(*) A private limited company.



Hervé Beaujean, Patrice Le Ponner, Isabelle Giraud, François Delattre, Philippe Bories, Sonia Carvalho, Marylène Pattard, Lionel Franquin.

COMPRESSORS, COMPRESSED AIR TOOLS, WELDING STATIONS, GENERATORS, BATTERY CHARGERS AND HEATING FOR DIY STORES

Mecafer and Domac have managed a modest increase in turnover in an extremely depressed market for most of their product families such as air compressors, welding units and high-pressure cleaners. Indeed, after the heady years of 2020 and 2021 when the French got kitted out for DIY, inflation and the drop in the population's buying power have significantly slowed sales of large tools in DIY stores.

This drop in demand was compensated for by our generator range, which supplied a domestic market hungry for energy autonomy during Q4.

Thus, the Domac team based in Vierzon has, for the first time in its existence, passed the €11m turnover mark.

The price increases at the beginning of the year could not be fully passed on, which explains the drop in operating profit.

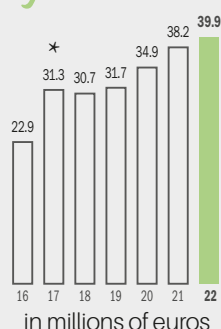
In order to prepare for the future, limit risks, and undertake a process of transmission which is sure to take some time, we have decided to add to the management team.

Marylène Pattard has been recruited as deputy MD: she has extensive experience in large DIY stores and hypermarkets, and has accepted the challenge of replacing Philippe Bories and his impressive store of knowledge and know-how.

Hervé Beaujean has been appointed Marketing and Supply Director. He will continue his 15-year collaboration with Mecafer, particularly in the development of product ranges and e-commerce.

TURNOVER IN 2022

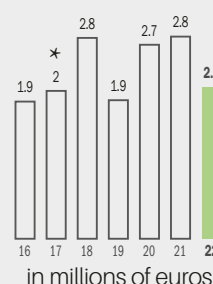
€39.9m



* Figures consolidated since March 1, 2017.

PROFIT BEFORE TAX IN 2022

€2.1m





Alexandra Stratulat, David Dufour, Éric Beaumont, Laure Empereur, Valérie Bressaud-Coupat, Bertrand Kinche, Franck Beyssac, Frédéric Babilotte, Mercedes Banegas.

Odrea

DOMESTIC PUMPS, PLUMBING FITMENTS,
TAPS AND HYDROTHERAPY FOR DIY SUPERSTORES, FOOD RETAIL OUTLETS AND
GARDEN CENTRES

The big price increases on our purchases at the beginning of beginning of 2022 could not be passed on immediately to our customers, thus causing a drop in sales margins, some of which had been clawed back by the end of the year.

Also, the watering season was very poor, which hurt our pump range and inflated stock levels in this inherently cyclical business.

Finally, DIY superstores in general have been having a bad time of it as consumer buying power has fallen in France.

Despite these cyclical difficulties, we have invested and worked together to prepare for the merger of Dipra and Edouard Rousseau as promised when we acquired Edouard Rousseau at the end of 2018. This will most likely reduce efficiencies and levels of service during the first quarter of 2023. But we accept those negatives in the short-term given

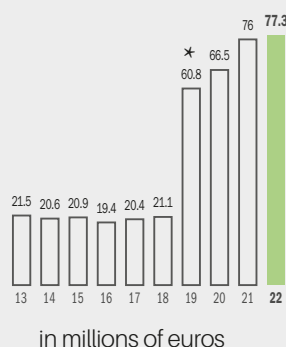
the obvious post-merger pay-off:

- a single supplier account for our customers: ODREA, the name of the new legal entity.
- a single information system for better operational management of Odrea's three strategic business areas,
- more efficient tools for our administrative, logistics and production teams based in Saint-Maur-des-Fossés, Etigny, Madrid and Shanghai.
- productivity gains in a highly competitive market.

The prospect of this brighter future has galvanised our teams, who have been very involved in making this very difficult challenge work. We will continue to support them to ensure that ODREA's business, development and profitability are sustainable.

TURNOVER IN 2022

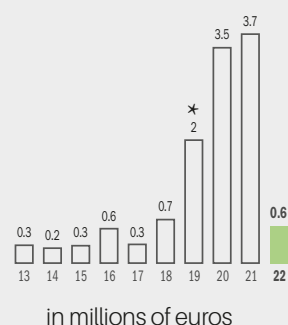
€77.3m



* Figures consolidated since January 1, 2019.

PRE-TAX PROFIT IN 2022

€0.6m





ISOCCEL

SUPPLY OF COMPONENTS TO ORIGINAL EQUIPMENT MANUFACTURERS

We will no longer be able to say «our little subsidiary Isocel». In 2022, it passed the symbolic €10m turnover mark, driven mainly by strong demand from heat pump manufacturers.

The favourable context of a market supported by the public authorities is not enough to explain Isocel's growth: long-standing partnerships with leading manufacturers, suitable stock levels, and the robust commitment of the entire team have enabled Isocel to accompany its customers in their growth.

In order to sustain 63% growth since 2019, and to continue the customer diversification strategy, the decision has been

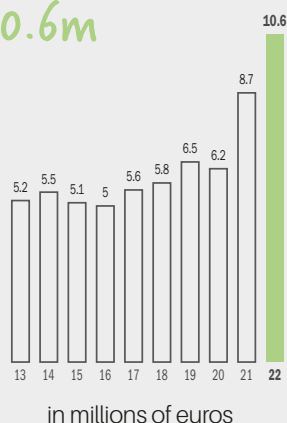
made to strengthen the sales force with the recruitment of an additional worker who will arrive in early 2023.

Four major customer accounts were opened in 2022: two in the solar heat pump sector and two in the mobile home sector. There is no doubt that the strengthening of the sales team will help convert Isocel's many prospects into customers.

In order to maintain the quality of service provided to customers, it was also decided to strengthen the office-based team, for which a recruitment is underway.

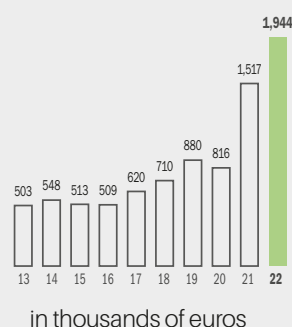
TURNOVER IN 2022

€10.6m



PRE-TAX PROFIT IN 2022

€1.9m





Thibault Bonenfant, Jérôme Chabaudie, Myriam Mathon.



EQUIPMENT AND ACCESSORIES FOR SWIMMING POOL CONSTRUCTION AND MAINTENANCE

As Aello's 6th anniversary came around, we got past the symbolic €20m turnover mark. And what a journey it's been! 28 employees, a warehouse of 6,000 m², 3,710 references in stock, 50% of which are spare parts, and a growing reputation on the French market.

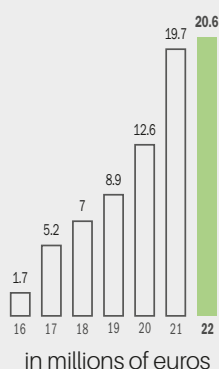
This impetus has given us the opportunity to strengthen our sales team to extend our geographical coverage and continue our growth in what is becoming a more difficult market.

Of our many projects, the development of technical solutions to favourably impact water and energy consumption sets us apart from the competition.

Aello is still looking for an administrative manager to complete its management team.

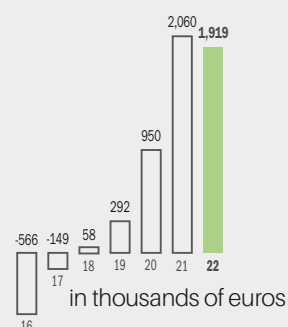
TURNOVER IN 2022

€20.6m



PRE-TAX PROFIT IN 2022

€1.9m





Jean-Pierre Talbourdet, Stéphane Guillard, Grégory Urpi.



PLASTIC PIPES (SHEATHS, TUBES, DRAINS, FITTINGS, ETC.) FOR WET AND DRY NETWORKS, CONSTRUCTION, PUBLIC WORKS AND IRRIGATION.

DPI Plastube joined Thermador Groupe on October 31, 2022 (cf. press release on our website). Since its creation in 2006, it has specialised in plastic pipes (ducts, tubes, drains, fittings, etc.) for wet and dry networks. The company's products are used for drinking water, wastewater, irrigation, drainage, gas and biogas, and telecom and electrical networks. The main materials (polyethylene, PVC, polypropylene) used in the products are fully recyclable.

It differs from Thermador Groupe's other subsidiaries in that it has no stock. In fact, DPI leverages the proximity and agility of its suppliers to organise direct deliveries to its customers according to pre-agreed deadlines. The latter are specialist traders and major players in the construction, public works and irrigation sectors. Its strategic suppliers are medium-sized companies based in Italy, Spain and Germany. Its 2022 turnover exceeded €62m, up more than 30%!

This shows the commercial vigour of this ultra-efficient team of 18 people who live in the Nice area and work in the Principality of Monaco.

With this acquisition, Thermador Groupe is adding public works to its «building and industry» range of accessories and equipment for fluid circulation. Like the group's other subsidiaries, DPI retains its commercial independence to pursue its development in very promising markets related to renewable energy, water management and telecommunications. The current management team, Grégory Urpi (51), Stéphane Guillard (52) and Jean-Pierre Talbourdet (58), remain committed to successfully onboarding the company into Thermador Groupe and identifying commercial synergies. Grégory Urpi has been confirmed as CEO of DPI with responsibility for human resources, customers, suppliers, objectives and strategy.

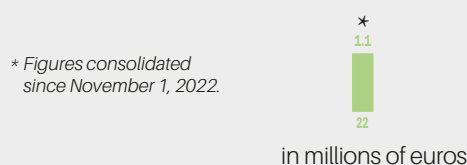
TURNOVER IN 2022

€9.1m



PRE-TAX PROFIT IN 2022

€1.1m



* Figures consolidated since November 1, 2022.



Béatrice Ollier, Éric Garot, Philippe Arthaud, Frank Bourgois, Vanessa Roy.



PUMPS, TANKS, ACCESSORIES, LIFTING STATIONS

Jetly's main strategic business areas in 2022 stabilised overall in terms of volume after the strong growth of 2021. Those areas are: wastewater lifting, watering/water supply, filtration and rainwater harvesting. After a lacklustre first half-year, the latter has progressed significantly since the summer, boosted by a general awareness of the need to save water. Only the swimming pool business side experienced a clear decline.

However, because price increases on purchases were passed on to the customer, a new turnover record was set.

The ISO 9001 certification project had to be postponed for a year due to an accumulation of operational emergencies and the need to get to the end of projects already underway, such as team training, answering the Ecovadis questionnaire, completing the carbon assessment, rolling out the purchasing charter and improving supplier assessments.

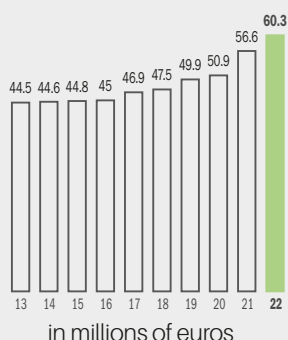
Elsewhere, Jetly started online sales to its professional customers with a complete overhaul of its website.

After 21 years as Jetly's administrative director, Christiane Perrot retired. We thank her for her commitment and strong values. She has been replaced by 42 year-old Béatrice Ollier who comes with solid experience acquired at KPMG, April and Descours & Cabaud.

The management committee will be complete as of January 2, 2023 with the arrival of a new Sales Director, Stéphane Dante. At 50 years of age, he is returning to Thermador Groupe after a role at Multiplast over the past three years. The group holds no secrets for him as he occupied several sales positions at Dipra between 2013 and 2019.

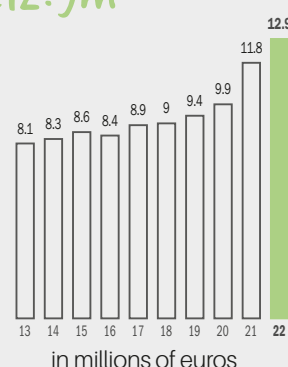
TURNOVER IN 2022

€60.3m



PRE-TAX PROFIT IN 2022

€12.9m





Pierre-Jean Hervé, Fabrice Marand, Ingrid Brabender, Daniel Sempéré, Yves Ruget



ACCESSORIES AND CONNECTORS FOR CENTRAL HEATING AND HOT & COLD AND WATER NETWORKS, BATHROOM AND KITCHEN TAPS

Maybe we were lucky at Thermador, maybe we had the right idea when we expanded our range of solar thermal panels. In any case, our newly-developed solar water-heater ranges (CESI* and SSC*) met with a booming market in 2022 thanks to the government's *MaPrimeRénov'* scheme. This new success has added to our historical positions in the heat pump and sanitary accessories markets to propel the subsidiary created in 1968 by Guy Vincent beyond €100m turnover milestone. Our teams and our suppliers, galvanised by these incredible sales, have gone beyond the call of duty to satisfy exceptional customer demand.

Of course, we anticipate a slowing of the growth rate in 2023. However, we are doing our utmost to ensure the sustainability of these markets by taking care to

scrupulously respect regulatory changes and by training our staff, customers and installers.

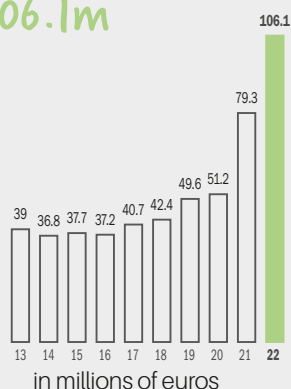
As of January 1, 2023, a home is considered to be energy-efficient when its energy consumption is less than 450 kWh/m² in mainland France. If this is not the case (labels F and G in the energy performance diagnosis), it can no longer be offered for rent. Pressure is therefore increasing on owners of heat-inefficient housing units.

In July 2022, France's national energy renovation observatory estimated that there were 5.2m of such units out of a total of 30m main residences. As the President's ambition is to renovate at least 700,000 homes per year, our solutions, which are perfectly suited to the vast energy optimisation project, have a major role to play.

*CESI: individual solar water heater. - SSC: solar combined system

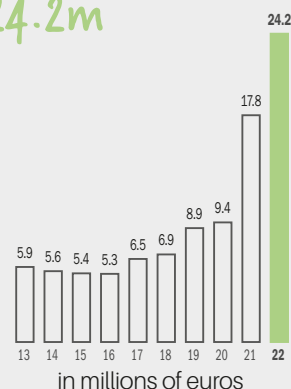
TURNOVER IN 2022

€106.1m



PRE-TAX PROFIT IN 2022

€24.2m





Éric Mantione, Aurélie Phalippon, Ève Resweber, Stéphane Ben Amou.



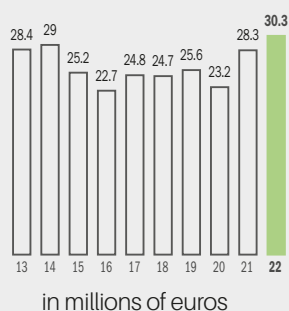
PIPEWORK FOR THE DISTRIBUTION
OF FLUIDS IN BUILDINGS



RADIANT SURFACE AND HYDRODISTRIBUTION
SYSTEMS FOR HOUSING AND BUILDINGS

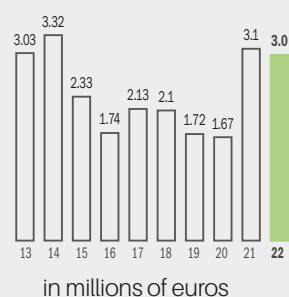
PBTUB: TURNOVER IN 2022

€30.3m



PBTUB: PRE-TAX PROFIT IN 2022

€3.0m





Thierry Estienne, Florent Kieffer, Laurent Tansorier, Carlos Miranda.

Despite the proven and continuing decline in new housing starts, our two subsidiaries most exposed to this market are holding up well, helped by a strategy of innovation and diversification into less cyclical activities. For example, we are pleased to report significant sales growth for our galvanised steel pipe system and our first commercial successes in metal radiant ceiling projects.

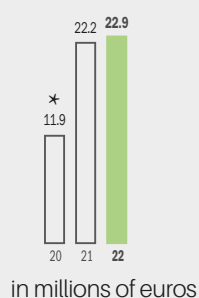
In this seemingly gloomy context, we are still very much in demand for projects for tertiary and collective buildings, which should at least enable us to maintain our business levels in 2023.

Our two subsidiaries are continuing their rapprochement and intensifying their exchanges under the leadership of their two managers, who get along so well. They are preparing the migration of Thermacome to the information system used mainly in our group, an essential condition for implementing new synergies.

On the PBtub side, we plan to deploy a specialised logistics site for the storage and order picking of metal pipes, which are commonly delivered in 6-metre bars. The investment in the building and equipment will amount to €1m.

THERMACOME: TURNOVER IN 2022

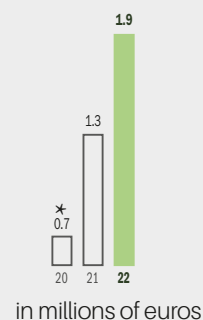
€22.9m



* Figures consolidated since May 1, 2020

THERMACOME: PRE-TAX PROFIT IN 2022

€1.9m





Frédéric Watine, Stéphanie Wernert, Lionel Grès, Alain Chafraix



EQUIPMENT AND SYSTEMS FOR VENTILATION AND AIR HANDLING FOR BUILDING AND INDUSTRY

Axelair's turnover grew by 17.6%, helped during the first half of the year by our domestic range of dual-flow CMV* systems and the state subsidies earmarked for these products. This phenomenon practically came to a standstill in September following the public authorities' decision to reduce their subsidies, coupled with the arrival on the French market of cheap, mediocre competing products. However, we remain convinced that very good quality dual-flow CMVs will eventually win out on the French and European markets since they are the corollary of good energy performance in modern, fully airtight buildings.

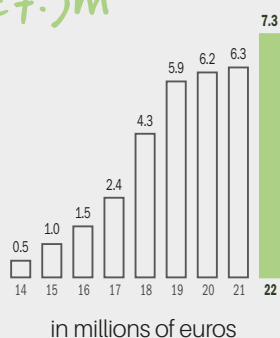
Despite this unfortunate episode, Axelair's valiant team has continued to work hard to expand its product range and consolidate its positions with French wholesalers. Over the years, the breadth of Axelair's range and the technical relevance of its products have set us apart from the French market leaders.

We are still aiming for our break-even point, which has been within reach for four years now.

*CMV: centralised mechanical ventilation.

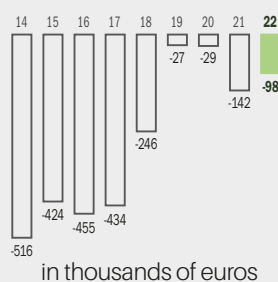
TURNOVER IN 2022

€7.3m



PRE-TAX PROFIT IN 2022

€(98)k





Samuel Belbachir, Jean-Philippe Paul, Charlotte Deguerry-Fraisse, Christophe Arquillière, Nicolas Billiard.



VALVES, METERS AND FITTINGS FOR THE BUILDINGS, INDUSTRY AND WATER SUPPLY

After an exceptional year in 2021, Sferaco held up very well in a less favourable context by maintaining almost all of its volumes. Its organisation into business units (BUs) six years ago has now proved its worth, as it allows us to combine a number of benefits: flexibility and responsiveness to meet our customers' expectations, economies of scale on fixed costs shared across several activities and maximum synergies between the various markets.

The planned departure of Jean-Philippe Paul (sales director) to take over the management of FGinox resulted in the reorganisation of the management team by tapping into internal talent.

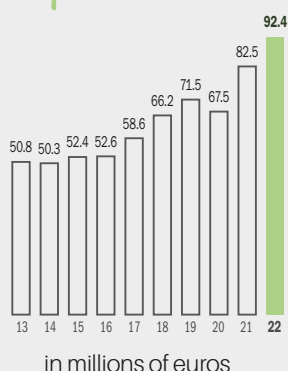
Mathieu Flety, who joined Sferaco in 2011, becomes Sales Director of the Building and HVAC BU. Samuel Belbachir, Sales Director of the Industry BU, is also taking over responsibility for the Water BU and Marketing. Nicolas Billiard is therefore

handing over responsibility for the Water BU to focus on the purchasing department, which is at the heart of a number of priority issues, such as the diversification of supplies, the development of our design office and the low-carbon trajectory of our suppliers (eco-design, renewable energy, ISO 14001 certification). Charlotte Deguerry has been allocated additional human resources to work on energy efficiency, the ISO system and the dematerialisation and automation of our organisation.

Among the many development projects planned for 2023, we should note the rapid growth of our range of energy meters, which are logically designated as «green» products by the European taxonomy. We should also remember the unflagging work of recommendation for all our BUs with all our professional user targets: operators, installers, plants and water companies.

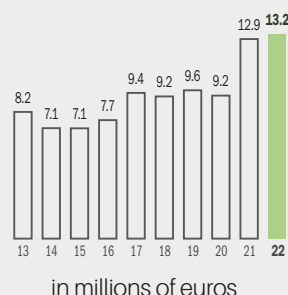
TURNOVER IN 2022

€92.4m



PRE-TAX PROFIT IN 2022

€13.2m





Laurence Vigneau-Messmer, Loïc Brossat, Xavier Isaac, Julie Douai



MOTORIZED VALVES, SPECIALTY PRODUCTS FOR INDUSTRY AND AIR COMPRESSORS

Sectoriel's quality of service, often a step ahead of its competitors, has once again enabled it to uphold or even increase market share. Generally speaking, volumes were maintained during the year, with the increase in turnover mainly due to inflation.

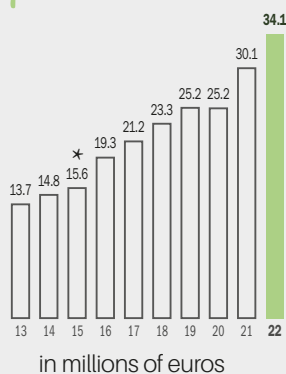
The three strategic business areas, motorised valves, industrial technical specialties and air compressors, have developed at a similar pace, building resilience into our subsidiary.

Sectoriel is a forerunner in our group for the implementation and operation of a new generation of trade websites, and is now reaping the rewards as more and more customers place their orders directly online.

After the launch of a reparability index on valves last year, this option will be extended to include compressors in 2023.

TURNOVER IN 2022

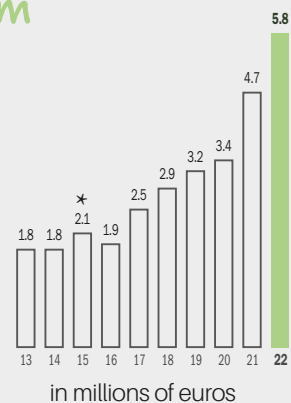
€34.1m



* Acquisition of Nuair France July 1, 2015.

PRE-TAX PROFIT IN 2022

€5.8m





Hélène Zimmermann, Anne-Sophie Bultey.



TECHNICAL EQUIPMENT FOR PRESSURE, LEVEL AND FLOW MEASUREMENT AND CONTROL

In its third year as part of the group, Distrilabo continued to grow, improved its profitability and obtained ISO 9001 certification.

A lot was done and many projects are in the pipe to strengthen our position as a specialist on the French market. This will

include expanding and stabilising our travelling sales team and bolstering our product ranges with innovative products.

TURNOVER IN 2022

€6.5m



in millions of euros

PRE-TAX PROFIT IN 2022

€1.0m



in millions of euros

* Figures consolidated since January 1, 2020.



Laurence Ravet, Franck Sourisseau, Franck Locatelli, Cédric Gayaud, Anne-Claire Rivoire, Philippe Bernardet, Cédric Dolbeau.

FGinox

The global solution for your need in stainless steel

STAINLESS STEEL FITTINGS, FLANGES, VALVES AND ACCESSORIES

Our subsidiary FGinox has just completed a pivotal year during which it moved its logistics operations and invested €2.2 million in an automated storage and order-preparation system. The system, which operates with fully-robotised shuttles, will accommodate 85% of product references from January 2023 onwards, and will enable it to absorb additional order volumes with ease. The fundamental change to the logistics process is that it is no longer the order-picker who collects the product; the products now come to the order-picker who doesn't have to move. These extremely complex operations worked out remarkably well, as deliveries were able to continue without too much of an impact on customer service.

In another major event in the life of the company, a successor has been appointed to replace Philippe Bernardet, who is

due to retire at the end of the first semester of 2023.

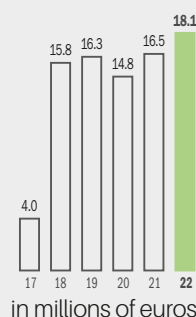
His replacement is Jean-Philippe Paul, who joined the group in 2006 and has been Sales Director of Sferaco since 2016. His managerial skills and in-depth knowledge of the sector will help him to set objectives and build a strategy that will help FGinox to grow.

Finally, we have had to deal with an incredible price swing with our suppliers and customers due to variations in stainless steel prices and market expectations of volumes.

Despite all these difficulties, the FGinox teams managed to maintain turnover and operating profit.

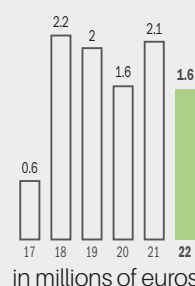
TURNOVER IN 2022

€18.1m



PRE-TAX PROFIT IN 2022

€1.6m





Amé Bertin, Suzanne Abela, Vanessa Ittah, Lionel Monroe, Cédric Auvray.



DISTRIBUTION OF THE GROUP'S PRODUCTS ON INTERNATIONAL MARKETS

Syveco returned to growth in 2022, helped in part by inflation, but also renewed commercial dynamism with a return to more normal travelling habits for its sales force, a market that is developing overall, customers who are confident in our ability to supply a complete product range and a level of service that is once again in line with their expectations.

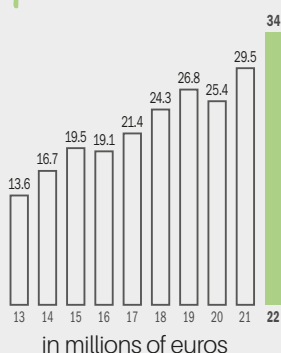
This year also saw the emergence of a stronger management committee with Suzanne Abela becoming Administrative

Director for Quality and CSR, the appointments of Vanessa Ittah to the Customer Relations Department and Cédric Auvray to the Marketing and Technical Department, and finally the arrival of Amé Bertin as European Sales Director.

A new team, accompanied by recently-promoted managers, is now equipped for a phase of resolutely sustainable growth in all our international markets.

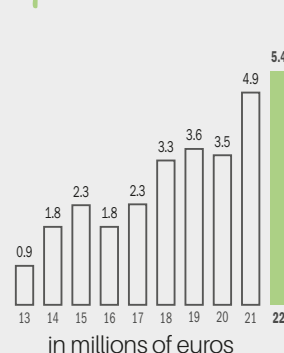
TURNOVER IN 2022

€34.0m



PRE-TAX PROFIT IN 2022

€5.4m





Dieter De Cock, Enrico Suttels, Peter Wartel, Claudia Servellon, Peter Gombeer, Wim Van de Vondel



INDUSTRIAL VALVES IN BELGIUM, IN THE NETHERLANDS, IN GERMANY AND IN SWITZERLAND

2022 was a remarkable year for Sodeco in many ways.

Firstly, there was sustained growth due to some large-scale industrial projects delivered throughout the year and secondly, increased sales of products used in the operation of existing facilities.

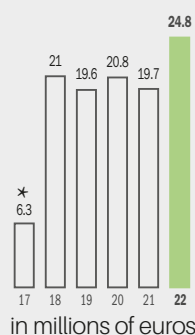
Not only that, but our Belgian subsidiary, acquired in 2017, reported record turnover and operating profit thanks to rigorous management.

We are also delighted with the loyalty of our teams in a regional context of full employment, reflecting employees' strong commitment to the company's project and values.

Finally, Sodeco's management and employees are preparing for the future with a particular commitment to environmental issues internally, with for example, the widespread installation of LED lights in the offices and the workshop, the purchase of electric cars for the company car fleet and the installation of solar panels on the roof of the building.

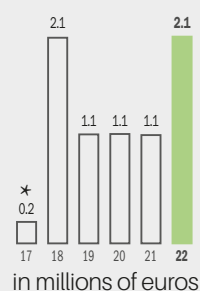
TURNOVER IN 2022

€24.8m



PRE-TAX PROFIT IN 2022

€2.1m



* Figures consolidated since September 1, 2017.



Camille Sellès, Arlette Berliocchi, Aurore Rodrigues, Ronan Le Sausse.



COMMUNICATIONS AGENCY

Our communications agency celebrated its 20th anniversary and passed the €2 million turnover mark for the first time. It is growing with our group and is constantly developing new skills that are proving most useful for the subsidiaries and the holding company.



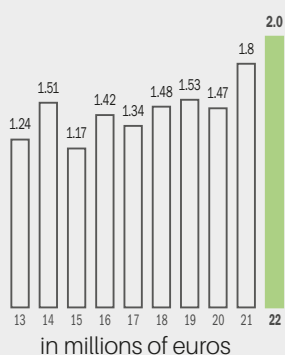
In the digital field, the agency has produced numerous corporate films and contributed to social media campaigns. Our webinars organised to coincide with our quarterly publications attracted an average of 118 private shareholders and institutional investors live and 250 on replay.

Staff have also gained experience in organising events, including the group's AGM, which was broadcast live for the first time in 2022.

Opaline continues its innovations in 3D. During the World Building Exhibition in October, visitors discovered the unique experience offered by our virtual reality house. For the show, a 360° tertiary building was dreamt up and designed by Opaline's own 3D studio. You can already visit it and see examples of equipment sold by the group.

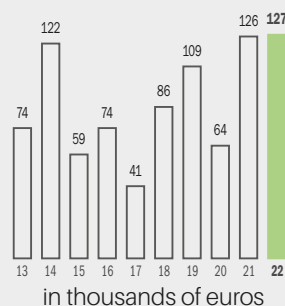
TURNOVER IN 2022

€2.0m



PRE-TAX PROFIT IN 2022

€127k



6



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6.1 MAIN FINANCIAL INDICATORS

Financial highlights

In thousands of euros	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
NET TURNOVER ACCORDING TO FINANCIAL STATEMENTS										
Mecafer and Domac	39,851	38,200	34,939	31,674	30,733	31,322	22,943	11,273		
Odrea	77,255	75,976	66,543	59,474	21,082	20,365	19,379	20,938	20,573	21,519
Isocel	10,554	8,655	6,248	6,467	5,788	5,562	5,045	5,148	5,491	5,219
Aello	20,568	19,712	12,638	8,948	7,085	5,160	1,721			
DPI	9,070									
Jetly	60,275	56,637	50,854	49,903	47,549	46,874	44,976	44,823	44,647	44,454
Thermador	106,146	79,280	51,171	49,554	42,374	40,677	37,163	37,718	36,807	39,041
PBtub	30,316	28,286	23,194	25,559	24,723	24,847	22,704	25,201	29,045	28,406
Thermacome	22,903	22,175	11,901							
Axelair	7,346	6,287	6,152	5,883	4,314	2,391	1,531	988	541	
Sferaco	92,410	82,521	67,491	71,482	66,218	58,639	52,614	52,391	50,324	50,762
Sectoriel	34,064	30,090	25,183	25,243	23,334	21,212	19,266	17,543	14,792	13,658
Distrilabo	6,459	6,157	5,086							
FGinox	18,124	16,527	14,772	16,280	15,819	3,950				
Syveco	33,954	29,523	25,382	26,835	24,348	21,365	19,133	19,532	16,695	13,630
Sodeco valves	24,778	19,727	20,837	19,891	21,009	6,355				
Group's other subsidiaries	2,017	1,768	1,471	1,534	1,483	1,341	1,421	1,174	1,512	1,240
Eliminations of intra-group turnover	(33,337)	(27,442)	(22,929)	(24,766)	(20,068)	(17,981)	(16,040)	(16,002)	(17,150)	(14,373)
Other eliminations	(630)	(618)	(692)	(618)	(558)	(508)	(460)	(482)	2,310	2,095
TOTAL TURNOVER ACCORDING TO IAS 18	562,123	493,461	400,241	373,343	315,233	271,571	231,396	220,245	205,588	205,652
IFRS 15 impact	(8,264)	(6,961)	(4,741)	(4,507)	(4,043)	(3,847)	not available under IFRS15			
TOTAL TURNOVER CONSOLIDATED	553,859	486,500	395,500	368,836	311,190	267,724	not available under IFRS15			

PROFIT BEFORE TAX

Mecafer and Domac	2,075	2,847	2,687	1,919	2,782	2,049	1,902	741		
Odrea	566	3,682	3,480	1,987	703	302	556	281	241	288
Isocel	1,944	1,517	816	880	710	620	509	513	548	503
Aello	1,919	2,060	950	292	58	(149)	(566)	(1)		
DPI	1,095									
Jetly	12,903	11,787	9,880	9,356	9,003	8,922	8,440	8,610	8,282	8,075
Thermador	24,190	17,806	9,388	8,940	6,874	6,520	5,350	5,396	5,562	5,891
PBtub	3,027	3,061	1,671	1,722	2,103	2,128	1,739	2,326	3,320	3,030
Thermacome	1,933	1,346	689							
Axelair	(98)	(142)	(29)	(27)	(246)	(434)	(455)	(424)	(516)	(71)
Sferaco	13,159	12,882	9,245	9,588	9,197	9,425	7,658	7,131	7,148	8,189
Sectoriel	5,830	4,678	3,449	3,249	2,928	2,545	1,940	2,060	1,746	1,750
Distrilabo	1,016	815	267							
FGinox	1,577	2,061	1,627	2,032	2,166	621				
Syveco	5,389	4,852	3,453	3,599	3,332	2,326	1,781	2,293	1,816	949
Sodeco valves	2,093	1,058	1,111	1,107	2,144	218				
Opaline	127	126	64	109	86	41	74	59	122	74
Thely	2,433	2,064	2,003	1,957	1,778	1,487	1,402	1,196	1,356	1,442
Tagest			8	7	8	7	6	6	6	7
Group	33,752	26,757	23,264	20,757	18,618	16,388	16,676	15,444	15,708	15,907
TOTAL PRE-TAX REVENUES (COMPANY ACCOUNTS)	114,930	99,257	74,023	67,474	62,244	53,016	47,012	45,631	45,339	46,034
Consolidation adjustments	35,884	-26,275	-23,004	-19,891	-18,319	-15,257	-15,645	-13,678	-14,048	-14,277
Current tax charge	(20,147)	(20,082)	(14,835)	(15,205)	(14,771)	(11,513)	(10,741)	(11,763)	(11,430)	(11,773)
PORTION OF NET PROFIT ALLOCATED TO THE GROUP	58,899	52,899	36,180	32,373	29,142	26,240	20,616	20,186	19,855	19,978
Portion of net profit allocated to minority interests	-	1	4	5	12	6	10	4	6	6

Consolidated figures over the past ten financial years

In thousands of euros	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
TURNOVER ACCORDING TO IAS 18	562,123	493,461	400,241	373,343	315,233	271,571	231,396	220,245	205,588	205,652
IFRS 15 impact	(8,264)	(6,961)	(4,741)	(4,507)	(4,043)	(3,847)	Not available			
Turnover according to IFRS 15	553,859	486,500	395,500	368,836	311,190	267,724				
Gross profit (on turnover according to IAS 18)	201,109	182,224	148,090	138,750	118,646	100,921	85,069	81,874	78,450	77,583
Headcount	770	712	668	599	476	439	319	314	278	271
Wages and salaries	58,084	52,657	46,686	42,867	35,048	28,426	25,489	23,112	22,197	21,536
OPERATING PROFIT	79,592	73,201	51,411	47,821	44,052	37,652	31,709	30,988	31,170	31,665
Profit before tax	79,046	72,982	51,019	47,583	43,925	37,759	31,367	31,953	31,291	31,757
Current tax charge	(20,147)	20,082	14,835	15,205	14,771	11,513	10,741	11,763	11,430	11,773
Profit after tax	58,899	52,900	36,184	32,378	29,154	26,246	20,626	20,190	19,861	19,984
PORTION OF NET PROFIT ALLOCATED TO THE GROUP	58,899	52,899	36,180	32,373	29,142	26,240	20,616	20,186	19,855	19,978

CASH FLOW FROM OPERATIONS	67,354	60,092	42,666	37,979	32,660	29,910	22,864	22,565	22,521	22,894
Investments	11,037	12,221	10,610	8,589	5,462	2,477	4,145	4,611	9,037	3,871
Of which, real estate investments	5,825	8,136	7,313	6,099	3,066	218	2,772	3,425	6,871	2,598
CASH FLOW FREE	(9,519)	16,407	24,895	31,505	(5,871)	(18,305)	16,237	2,891	5,708	22,746
WORKING CAPITAL (AFTER DISTRIBUTION)	165,460	141,703	126,418	118,743	117,949	101,838	90,328	80,793	84,598	80,110
WORKING CAPITAL REQUIREMENT	189,919	152,744	121,155	117,621	122,006	95,080	76,833	74,541	70,148	61,384
Net stock at 31/12	190,362	171,218	119,541	123,046	122,782	102,962	80,819	77,191	69,824	65,062
NET CASH	13,308	24,989	39,931	32,305	23,040	28,604	27,385	20,839	29,049	32,214

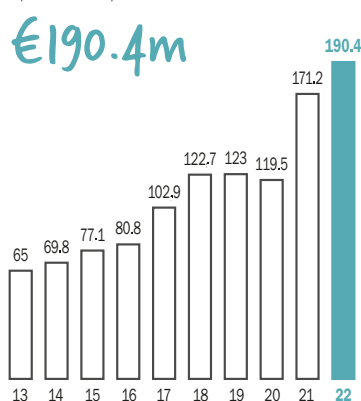
SHAREHOLDERS' EQUITY AT 31/12										
Before allocation of profit	318,829	278,636	241,583	219,663	203,469	189,708	173,233	162,428	146,462	135,527
Profit to be distributed	19,138	18,402	16,746	16,397	15,942	15,487	14,398	14,209	13,620	13,435
AFTER ALLOCATION	299,691	260,234	224,837	203,266	187,527	174,221	158,835	148,219	132,842	122,092
LONG-TERM CAPITAL AT 31/12	299,691	260,234	224,837	203,266	187,527	174,221	158,835	148,219	132,842	122,092
Non-current liabilities	50,303	23,555	35,932	38,768	42,347	28,633	3,934	4,450	5,021	4,859
Non-current assets	184,534	142,086	134,351	123,291	111,925	101,016	72,441	71,876	53,265	46,841

Turnover: We present our turnover over 10 years. And so, to use a comparable base, we worked with the turnover according to IAS 18. For 2017-2022, we also used the turnover figure according to IFRS 15: that included in primary financial statements and communicated in our publications.

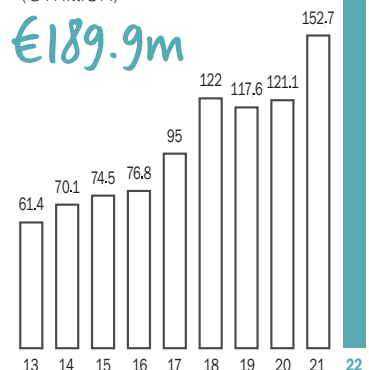
Trade margin: The trading margin presented above is the result of the following calculation: turnover according to IAS 18 from which we subtract purchases consumed.

Workforce: 'Headcount' refers to the number of employees present in the group on December 31.

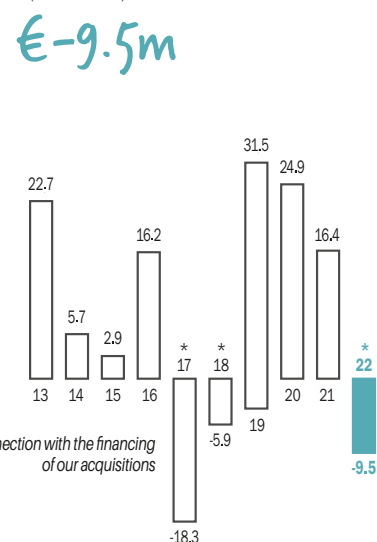
NET STOCK (€ million)



WORKING CAPITAL REQUIREMENT (€ million)



FREE CASH FLOW (€ million)



Consolidated ratios: 10-year highlights

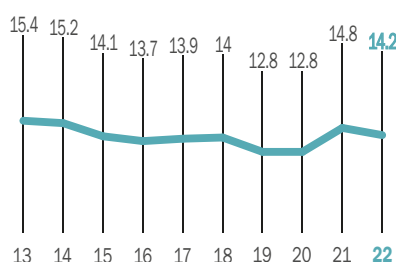
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
PROFITABILITY RATIOS (%)										
Staff costs / Turnover	10.3	10.7	11.7	11.5	11.1	10.5	11.0	10.5	10.8	10.5
Operating profit / Turnover	14.2	14.8	12.8	12.8	14.0	13.9	13.7	14.1	15.2	15.4
PORTION OF NET PROFIT ALLOCATED TO THE GROUP / TURNOVER	10.5	10.7	9.0	8.7	9.2	9.7	8.9	9.2	9.7	9.7
Pre-tax return on equity (ROE)	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	12	12.2	10.7	10.2	10.4	11.0	9.9	10.2	11.0	11.1
RETURN ON CAPITAL EMPLOYED BEFORE TAXES (ROCE)	22.1	25.5	20.6	20.2	18.8	19.2	21.2	21.2	25.3	29.3
PRODUCTIVITY RATIOS (IN THOUSANDS OF EUROS)										
Turnover per employee	730	693	599	623	662	729	725	727	740	759
FINANCIAL RATIOS AFTER DISTRIBUTION (%)										
Cash flow from operations / Equity	22	23	19	18.7	17	17	14	15	17	19
Non-current assets + stock / Equity	125	120	113	121	125	117	96	101	93	92
Long-term capital / Non-current assets	162	183	167	165	168	172	219	206	249	261
Long-term capital / Stock	157	152	188	165	153	169	197	192	190	188

Turnover: 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).

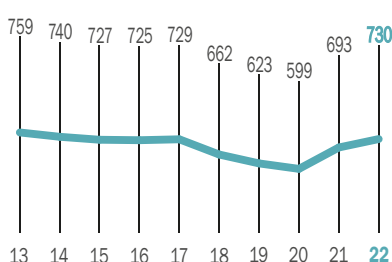
ROCE: ROCE means Return on Capital Employed, the latter being the aggregate of non-current assets including goodwill and working capital. We have not taken the impact of IFRS 16 restatements into account in these aggregates.

OPERATING PROFIT / T.O. (in %)

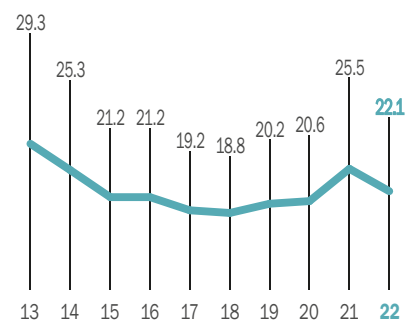
14.2%


T.O. PER EMPLOYEE
(In thousands of euros)

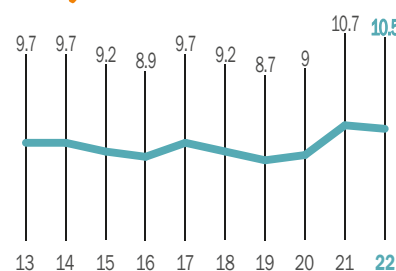
€730k


RETURN ON CAPITAL EMPLOYED BEFORE TAX (in %)

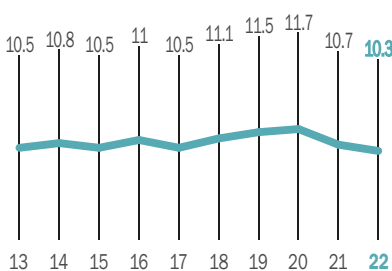
22.1%


PORTION OF NET PROFIT ALLOCATED TO THE GROUP / T.O. (in %)

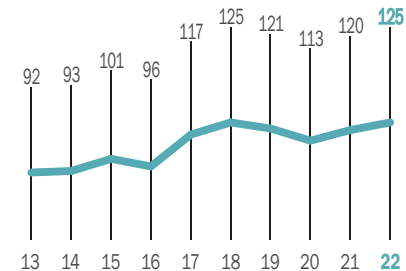
10.5%


STAFF COSTS / T.O. (in %)

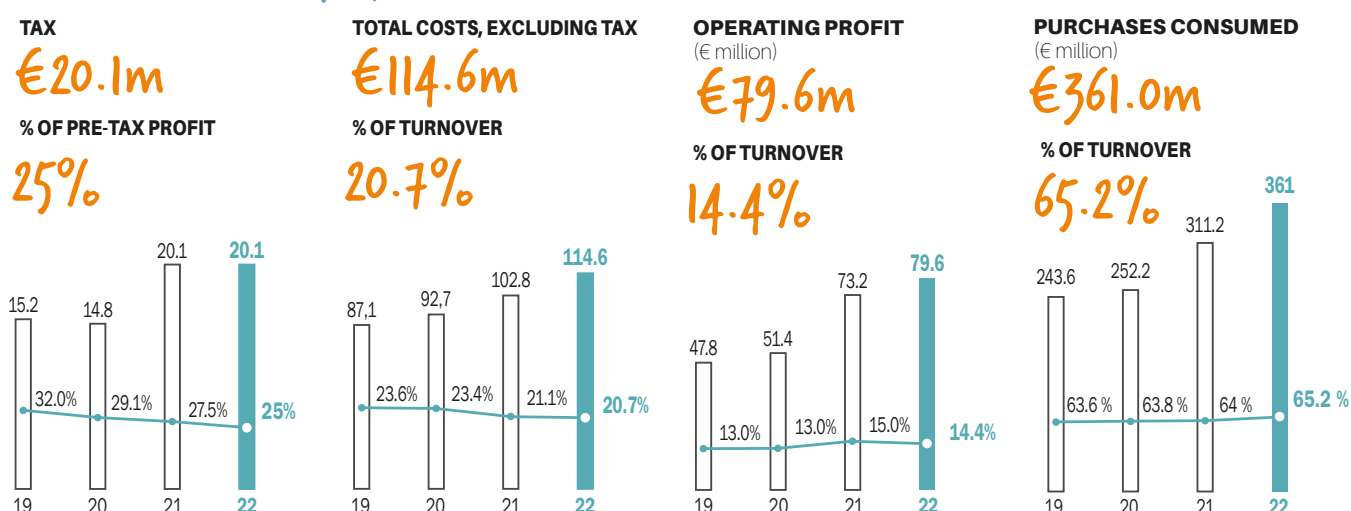
10.3%


NON-CURRENT ASSETS + STOCK / EQUITY (in %)

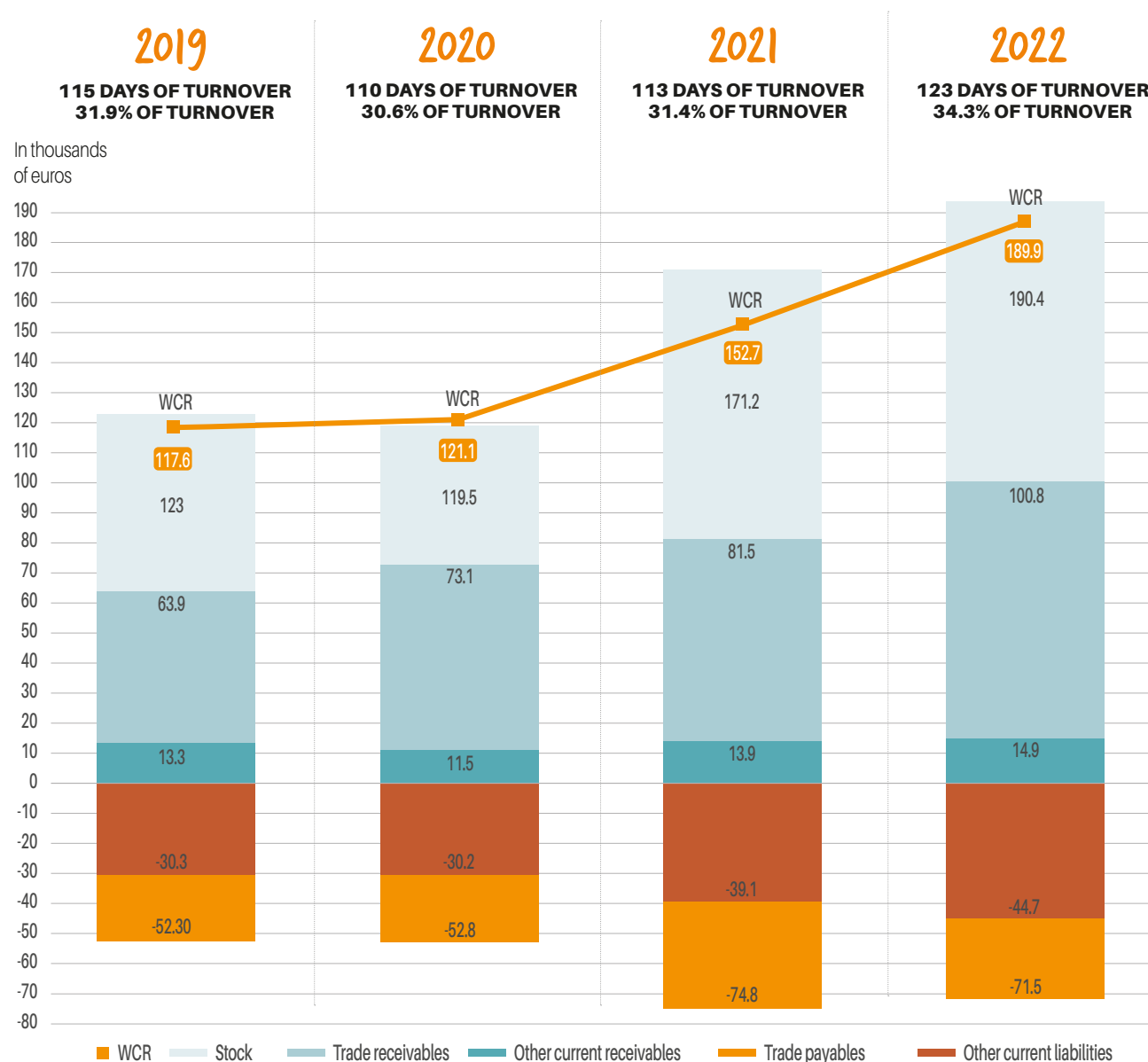
125%



Global consolidated profit statement 2022



Our working capital requirement



6.2 CONSOLIDATED ACCOUNTS 2022

Global consolidated profit statement 2022

In thousands of euros

Consolidated profit and loss account	Notes	2022	2021
NET TURNOVER	1 - 2	553,859	486,500
Other income from activity		1,323	752
Purchases consumed	3	(361,014)	(311,237)
Personnel charges	4	(58,084)	(52,657)
External costs	3 - 27	(42,548)	(38,224)
Taxes, of which CVAE (French local added-value tax)		(4,392)	(4,002)
Depreciation and amortisation	16	(6,640)	(5,796)
Depreciation and amortisation - IFRS 16 impacts	15 - 16	(1,519)	(1,303)
Increase in provisions	5 - 8 - 9 - 23	(995)	(214)
Other earnings, other operating expenditure		(398)	(618)
OPERATING PROFIT	1 - 3	79,592	73,201
Variation in fair value of financial instruments			
Cash earnings and equivalent		35	2
Other financial income and expenses			
Gross cost of debt		(526)	(189)
Financial charges - IFRS 16 impacts	15	(55)	(32)
Taxes	25	(20,147)	(20,082)
NET PROFIT		58,899	52,900
Net profit as a portion of the group	3	58,899	52,899
Net profit attributable to minority interests		-	1
Net profit per share in euros ⁽¹⁾		6.40	5.75
Net profit per share after dilution in euros ⁽²⁾		6.07	5.45

BREAKDOWN OF THE NUMBER OF SHARES		2022	2021
For net earnings per share			
Total number of shares		9,200,849	9,200,849
Number of treasury shares held		3,000	3,000
⁽¹⁾ Number of shares taken into account to calculate net profit per share		9,197,849	9,197,849
Net profit per share after dilution			
Total number of shares		9,200,849	9,200,849
Number of treasury shares held		3,000	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		9,697,849	9,697,849

Statement of other elements of net overall consolidated profit	Notes	2022	2021
NET PROFIT		58,899	52,900
Other elements of overall profit:			
Actuarial discrepancy on end-of-career commitment provision	5	860	222
Operations on treasury shares	17		(158)
The fair value of financial instruments	22	(1,127)	493
Total overall profit		58,632	53,457
TOTAL OVERALL PROFIT - PORTION OF GROUP		58,632	53,456
TOTAL OF OVERALL PROFIT ALLOCATED TO MINORITY INTERESTS		0	1

6.2 CONSOLIDATED ACCOUNTS 2022

Financial position statement

In thousands of euros

Assets	Notes	31/12/2022	31/12/2021
NON-CURRENT ASSETS:			
Goodwill	1 - 13 - 14	78,998	56,317
Intangible assets	12 - 14 - 16	22,460	9,129
Tangible assets	1 - 12 - 14 - 16	81,410	75,003
Financial investments	14	428	356
Deferred tax assets	10 - 25	1,238	1,281
TOTAL NON-CURRENT ASSETS		184,534	142,086
CURRENT ASSETS:			
Stock (goods)	1 - 7 - 8	190,362	171,218
Trade notes and accounts receivables	1 - 7 - 9 - 10	100,806	81,502
Current tax assets	7 - 10	1,425	87
Deferred tax assets	10 - 25	493	469
Other receivables	7 - 10	13,509	13,766
Cash and cash equivalents	21	16,031	27,379
TOTAL CURRENT ASSETS		322,626	294,421
TOTAL ASSETS		507,160	436,507

Liabilities	Notes	31/12/2022	31/12/2021
EQUITY:			
Share capital and reserves	17	101,403	94,305
Consolidated reserves		158,527	131,262
Portion of net profit allocated to the group		58,899	52,899
Minority interests		-	170
TOTAL SHAREHOLDERS' EQUITY		318,829	278,636
NON-CURRENT LIABILITIES:			
Loans and long-term financial debt	21	35,319	12,659
Rental obligations over one year	14 - 21	5,089	3,452
Deferred tax liabilities	25	6,432	3,514
Provisions for end-of-career commitment	5 - 6	3,463	3,930
TOTAL NON-CURRENT LIABILITIES		50,303	23,555
CURRENT LIABILITIES:			
Current provisions	11 - 23	624	602
Rental obligations under one year	11 - 14 - 21	1,439	1,065
Short-term loans	11 - 21	2,723	2,390
Current portion of loans and financial long-term debt	11 - 21	8,521	13,180
Accounts payables	1 - 7 - 11	71,455	74,781
Equipment supply accounts payables	11	6,600	2,651
Current tax liabilities	11	3,450	5,806
Tax and social charges debt	11	19,138	16,410
Other liabilities	7 - 11	24,078	17,431
TOTAL CURRENT LIABILITIES		138,028	134,316
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		507,160	436,507

Cash flow statement

In thousands of euros

	Notes	31/12/2022	31/12/2021
CONSOLIDATED NET PROFIT	3	58,899	52,900
Fair value of the derivative financial instruments			
Purchase of own shares - Impact IFRS 2	5	137	58
Plus or minus net depreciation expense and provisions	5 - 8 - 9 - 16 - 23	7,331	5,965
Plus or minus depreciation allowance - IFRS 16 impacts	16	1,519	1,303
Plus financial charges - IFRS 16 impacts		56	32
Transfer gains / losses		(103)	14
CASH FLOW FROM OPERATIONS AFTER NET FINANCIAL COST AND TAXES		67,839	60,272
Taxes	25	20,147	20,082
Cash flow from operations before net financial cost and taxes		87,986	80,354
Taxes paid	25	(20,631)	(20,262)
CASH FLOW FROM OPERATIONS BEFORE NET FINANCIAL COST AND AFTER TAXES		67,355	60,092
Change in operating working capital	7	(42,183)	(31,589)
NET CASH FLOW FROM OPERATING ACTIVITIES		25,172	28,503
Net cash flow from operations of change in scope		(27,881)	-
Disbursements related to acquisitions of tangible and intangible fixed assets	1 - 14	(11,037)	(12,221)
Proceeds from disposal and redemption of non-derivative financial assets	14	65	6
Proceeds from disposal of property, plant and equipment		213	91
Owing to assets suppliers (variation)	11	3,949	28
NET CASH FLOWS FROM INVESTMENTS		(34,691)	(12,096)
FREE CASH FLOW		(9,519)	16,407
Dividends paid to shareholders of the parent company	18	(18,396)	(16,743)
Loan subscriptions		31,000	
Increase in capital			
Flows on operations on treasury shares			(158)
IFRS 16 financing flows		(1,585)	(1,291)
Loan repayments		(13,181)	(13,157)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(2,162)	(31,349)
NET CASH FLOW VARIATION		(11,681)	(14,942)
OPENING CASH		24,989	39,931
Incl. positive cash		27,379	40,325
Incl. short term loans		(2,390)	(394)
CLOSING CASH		13,308	24,989
Incl. positive cash		16,031	27,379
Incl. short term loans		(2,723)	(2,390)

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 31/12/2021	36,803	57,502	(220)	184,602	(221)	278,466	170	278,636
Dividends paid				(18,396)		(18,396)		(18,396)
Allocation of profits the reserves		7,098		(7,098)			(170)	(170)
Increase in capital					(1,127)	(1,127)		(1,127)
Purchase of own shares IFRS 2 - impacts				137		137		137
Translation gains					5	5		5
Actuarial gains					860	860		860
Treasury share transactions						-		0
Profit of the period				58,899		58,899		58,899
SITUATION ON 31/12/2022	36,803	64,600	(220)	218,144	(498)	318,829	0	318,829

6.3 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 the building (49.8%): heating, domestic hot water and ventilation.
- Fluid circuits in industry (22.9%): manual and motorised valves, fittings.
- Domestic pumps (17%): watering, swimming pools, lifting.
- Large tools for DIY, professionals and industry (8.7%): air compressors, generators and welding machines.
- Pipes for public works (1.6%): 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% of the group's 2022 turnover of €553.9m was generated in France. As of December 31, 2022, it employed 770 people.

The group's headquarters are located in Saint-Quentin-Fallavier in the Isère region of France.

Its shares are listed on the regulated market of EURONEXT Paris in compartment B and admitted to the S.R.D.

The consolidated accounts were approved by the Board on February 21, 2023 and submitted to the AGM on April 3, 2023.

6.3.1 - Reference set and fundamentals for the preparation of the consolidated financial statements

In application of European regulation 1606/2002 of July 19, 2002, the consolidated financial statements of Thermador Groupe are prepared in accordance with the International Financial Reporting Standards (IAS/IFRS in accordance with the IFRS of the IASB) as adopted by the European Union on December 31, 2022. The accounting principles used are identical to those applied for the financial statements at December 31, 2021, with the exception of the normative changes listed below.

6.3.1.1.1 - New standards and interpretations applicable as of January 1, 2022

IFRS standards, amendments or interpretations applicable in 2022:

- Amendments to **IAS 16** - Property, Plant and Equipment: Revenue Generated Before Intended Use.
- Amendments to **IAS 37** - Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Contract Performance Costs.
- **IFRS 3**, Business Combinations, requires accounting when an acquirer obtains control of a business (e.g. an acquisition or merger). These business combinations are accounted for using the acquisition method, which generally requires the assets acquired and liabilities assumed to be measured at their fair values on the acquisition date.
- **IFRS 17** establishes principles for the recognition, measurement and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that entities present relevant information giving a true and fair representation of such contracts. This information provides a basis for users of the financial statements to assess the impact of insurance contracts on the entity's financial position and performance, and on cash flows.
- Annual improvements to IFRS: 2018-2020 cycle.

The group has opted for early implementation of these amendments as disclosed in the consolidated financial statements at December 31, 2022. They 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, 2022 financial statements

IFRIC 23 «Uncertainty about tax treatments» is mandatory from January 1, 2019. As things stood on December 31, 2022, 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, 2022. The impact of a restatement is considered immaterial.

6.3. 1.1.3 – IFRS standards, amendments or interpretations applicable after 2022 and not anticipated by the group

- IAS 1 Amendments - Presentation of Financial Statements: classification of liabilities as current and non-current (2).
- IAS 1 Amendments - Presentation of Financial Statements and Practical Application Guidance on Materiality: Disclosure of Accounting Policies.
- Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates.
- Amendments to IAS 12 - Income Taxes: Deferred tax on assets and liabilities arising from the same transaction (2).

Analyses of the impact of the application of these standards and amendments are in progress.

6.3. 1.2 – Use of estimates and judgement

6.3.1.2.1 – 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, 2022 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).

6.3.1.2.2 – 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 assessment of the nature of the control ;
- 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.

6.3.2 – The year's milestones

6.3.2.1 – Key facts

Business levels:

After a year of record sales volumes in 2021, we were expecting a return to normality early 2022. Unfortunately, Russia's invasion of sovereign Ukrainian soil caused a global shockwave, the many and sudden knock-on effects of which are still with us today and will probably be felt for decades to come. Some have directly affected our business.

First of all, this fresh crisis has once again put our staff to the test. We thank them for their agility, commitment, resilience and loyalty.

Secondly, it represents a further catalyst to an existing situation of underlying inflation. We had to pass on a 10.8% price increase to our customers.

On the upside, the end of cheap electricity and the prospect of possible shortages have put savings and frugality centre-stage, especially in the area of energy efficiency in the home. The success of our ranges of solar water heaters, heat pump and solid fuel boiler accessories has not waned and has catapulted our subsidiary Thermador past the €100 million turnover mark. Finally, the risk of further armed conflicts in areas where we have suppliers will inevitably lead our organisations to seek alternatives, where possible in Europe.

In this general state of turmoil, we seized an opportunity to add public works to our product ranges by acquiring DPI.

Acquisition of DPI:

On October 31, 2022, Thermador Groupe finalised the cash acquisition of 100% of the shares of Monaco-based company DPI for €31m.

An earn-out payment of €5.16m could be made at the beginning of 2024 if the average operating profit for the years 2022 and 2023 reaches €3.859m. As the probability of meeting the conditions required for the payment of this earn-out is very high, we have fully provided for it in the accounts at December 31, 2022.

CIC Lyonnaise de Banque and Crédit Lyonnais supported Thermador Groupe in this operation by granting two fixed-rate bank loans over a period of 7 years.

Since its creation in 2006, DPI has specialised in plastic piping (ducts, tubes, drains, fittings, etc.) for wet and dry networks. Its products are used for drinking water, waste water, irrigation, drainage, gas and biogas, telecom and electrical networks.

Its customers are specialist retailers and major players in the construction, public works and irrigation markets. Its strategic suppliers are medium-sized companies based in Europe.

Within the company, it will retain its commercial independence to pursue its development in very promising markets related to renewable energy, water management and telecommunications.

The main materials (polyethylene, PVC, polypropylene) used in the products are fully recyclable.

The current managers, Grégory Urpi (51), Stéphane Guillard (52) and Jean-Pierre Talbourdet (58), remain committed to ensuring a successful integration into Thermador Groupe and the implementation of commercial synergies. Grégory Urpi has been confirmed as Board Member and Managing Director of DPI with responsibility for human resources, customers, suppliers, objectives and strategy.

DPI employs 17 people who live in the Nice area and work in the Principality of Monaco. This highly committed and efficient team will remain in the same geographical area. Employment, legal and tax audits have shown the close alignment of DPI with the operating principles of our group.

Acquisition of the business of AFY

On July 1, 2022, Sferaco, a subsidiary of Thermador Groupe, completed the acquisition of the business and stock of AFY, a company based in Saint-Quentin-Fallavier, from Mr Alain Jagnoux in a cash deal worth €1.5m. AFY's 8 employees were integrated into the Sferaco team.

AFY sells a targeted range of cast iron and steel fittings, steel flanges and valves to specialist wholesalers, which perfectly complements and reinforces Sferaco's construction and industrial sectors product range. In 2021, the company achieved a turnover of €4m and an EBITDA of €0.4m.

In July 2022, SCI Thely increased its real estate holdings with the acquisition of a building owned by AFY, with a surface area of 2,927 m² on a 6,889 m² plot of land, for a sum of €1.5m.

Inflationary context

Inflation averaged 5.2% in France and 11.1% in Europe in 2022. This inflationary phenomenon has several impacts on our business.

The purchase prices of our products have increased. Our ability to pass on these increases to our customers is even more critical given the magnitude of the increases. The selling prices of our products have partly followed this trend, resulting in an average increase of 10.8% and an erosion of the sales margin in excess of 1%.

In order to support employees in their home-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 costs. A value-sharing bonus was also paid during the year.

We keep a close eye on changes to our employees' purchasing power with a regular wage review.

Impact of the war in Ukraine

The war in Ukraine has not had a significant direct impact on the company's assets, financial situation or results.

Tension on energy costs

In 2022, our group was not impacted by the increase in gas and electricity prices, as we were covered by fixed price purchase contracts for those utilities. The contracts expired on December 31, 2022. Two new contracts have been signed with EDF for a period of one year. Gas and electricity bills came to €586,000 for 2022, and will increase by 3.5 and 4.5 times respectively in 2023. In the winter of 2022, we implemented an energy-saving plan to reduce gas and electricity consumption.

Sustainable development

As promised, we have made substantial inroads by setting up a sustainable development unit within our group. This team of specialists, headed by Caroline Desplats, immediately began working with the teams in our subsidiaries to take practical action in the areas of carbon assessments, quality, eco-design, communication, training and sobriety plans.

Merger of Dipra and Etablissements Edouard Rousseau back-dated to January 1, 2022, giving rise to Odra on December 29, 2022.

As announced at the time of the acquisition of Etablissements Edouard Rousseau, we brought the two companies together, with the aim of effectively responding to customer demands while guaranteeing the continuity of the single entity. This has given rise to a great deal of preparatory work on employment, legal and IT issues, which will continue during the first half of 2023.

Real estate assets

In July 2022, SCI Thely increased its real estate holdings with the acquisition of a building owned by AFY, with a surface area of 2,927 m² on a 6,889 m² plot of land, for €1.4m.

The estimated value of our property holdings has been revised upwards to €86.3m. This increase is due to the acquisition of the above-mentioned building and the valuation of two new buildings, completed in 2022.

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, 2022 are included in the consolidation scope.

On October 31, 2022, Thermador Groupe acquired 100% of the shares of DPI.

In October and December 2022, Thermador Groupe bought the shares of Dipra's minority shareholders to secure 100% of the shares.

On December 31, 2022, with retroactive effect to January 1, 2022, Ets Edouard Rousseau absorbed Dipra. The corporate name of the merged entity is Odra.

Scope at December 31, 2022

Name	Location	Ownership interest (%)	Consolidation method
Aello	France	100.0000%	Fully consolidated subsidiaries
Axelair	France	99.99700%	Fully consolidated subsidiaries
Distrilabo	France	100.0000%	Fully consolidated subsidiaries
Domac	France	100.0000%	Fully consolidated subsidiaries
DPI	Monaco	100.0000%	Fully consolidated subsidiaries
FGinox	France	100.0000%	Fully consolidated subsidiaries
Isocel	France	100.0000%	Fully consolidated subsidiaries
Jetly	France	100.0000%	Fully consolidated subsidiaries
Mecafer	France	100.0000%	Fully consolidated subsidiaries
Odra	France	100.0000%	Fully consolidated subsidiaries
Opaline	France	100.0000%	Fully consolidated subsidiaries
PB Tub	France	100.0000%	Fully consolidated subsidiaries
Rousseau SA	Spain	100.0000%	Fully consolidated subsidiaries
Sectoriel	France	100.0000%	Fully consolidated subsidiaries
Sferaco	France	100.0000%	Fully consolidated subsidiaries
Sodeco Valves	Belgium	100.0000%	Fully consolidated subsidiaries
Syveco	France	100.0000%	Fully consolidated subsidiaries
Thely	France	100.0000%	Fully consolidated subsidiaries
Thermacome	France	100.0000%	Fully consolidated subsidiaries
Thermador	France	100.0000%	Fully consolidated subsidiaries

6.3.3 – Market sector report

Note 1 Market sector report (in thousands of euros)

Cash-generating units have been defined according to the business segment criteria.

Given the organisation of the group and the distribution of the various business lines, the cash-generating units 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 integrating Valfit group (since December 31, 2017), Thermador, Odra, Isocel, PBtub, Sectoriel integrating Nuair France since July 1, 2015, Syveco, Axelair, Mecafer (since July 1, 2015) integrating 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.

The performance indicators presented in this market sector report are those monitored by our subsidiary managers who are members of our Executive Committee.

In thousands of euros

Income statement items		2022			2021		
		Sales as per IFRS 15	Operating profit	% TO	Sales as per IFRS 15	Operating profit	% TO
MECAFER DOMAC	Large tools in DIY superstores	37,327	2,026	5.4%	36,349	2,838	7.8%
ODREA	Pumps, plumbing and sanitary fittings in DIY superstores	70,548	(15)	0%	70,351	3,344	4.8%
ISOCEL	Boiler manufacturers	10,543	1,894	18%	8,630	1,488	17.2%
AELLO	Pool accessories	20,309	1,880	9.3%	19,367	2,056	10.6%
DPI*	Plastic pipes for wet and dry networks	9,070	915	10.1%	N/A	N/A	N/A
JETLY	Pumps	59,127	14,287	24.2%	55,688	13,185	23.7%
THERMADOR	Heating accessories	102,265	26,065	25.5%	76,164	19,398	25.5%
PBTUB	Synthetic tubes	28,838	2,958	10.3%	27,013	3,033	11.2%
THERMACOME		22,583	1,775	7.9%	22,026	1,238	5.6%
AXELAIR	Ventilation	7,199	(136)		6,119	(152)	
SFERACO	Taps and fittings	73,626	14,037	19.1%	66,836	13,887	20.8%
SECTORIEL	Motorisation for valves and air compressors	29,538	5,744	19.4%	26,401	4,627	17.5%
DISTRILABO	Technical equipment for measurement and control	6,335	883	13.9%	6,068	683	11.3%
FG INOX	Fittings, flanges and accessories	17,688	1,490	8.4%	16,212	2,039	12.6%
SYVECO	International	33,950	5,371	15.8%	29,520	4,831	16.4%
SODECO VALVES	Industrial fittings	24,556	2,068	8.4%	19,427	1,057	5.4%
OTHER STRUCTURES		357	31,928		329	25,103	
ELIMINATIONS			(33,578)			(25,454)	
TOTAL		553,859	79,592	14.4%	486,500	73,201	15.0%

* DPI's turnover corresponds to 2 months' business.

In thousands of euros

Balance sheet items	2022							2021						
	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	29,028	15,658	1,508	11,002	7,250	5,458	90	27,821	15,658	1,790	13,550	7,585	5,440	181
ODREA	62,802	1,459	5,187	33,456	24,631	10,396	104	64,410	1,459	5,737	39,401	18,346	15,502	280
ISOCEL	5,871	87	99	2,639	1,509	1,473	38	5,484	76	89	1,769	1,549	1,702	47
AELLO	8,110		763	5,592	1,025	2,010	87	8,214		759	6,487	822	1,143	748
DPI	10,710	22,181	88	219	1,761	3,122		N/A	N/A	N/A	N/A	N/A	N/A	N/A
JETLY	35,883	1,646	591	16,533	9,583	7,446	245	33,396	1,646	489	14,874	8,000	6,844	31
THERMADOR	61,188	2,546	439	31,809	17,611	18,179	218	49,831	2,546	397	19,963	13,799	15,156	80
PBTUB	16,719	313	789	9,711	4,124	2,039	129	16,647	313	816	7,686	3,274	2,491	183
THERMACOME	9,180	3,031	167	2,978	3,514	1,761	1	8,311	3,031	124	2,901	2,933	2,021	16
AXELAIR	6,728	819	341	3,948	1,295	760	169	5,807	819	342	3,424	1,031	1,179	290
SFERACO	68,651	6,966	1,118	47,899	14,838	11,619	923	60,795	6,484	1,106	40,252	12,159	15,870	204
SECTORIEL	20,855	1,958	823	8,791	6,682	3,451	454	18,985	1,974	626	7,597	6,103	2,978	179
FG INOX	13,914	15,930	3,343	7,686	2,884	1,194	1,820	14,268	15,930	1,821	6,581	2,751	2,665	853
SYVECO	14,934	40	175	207	4,553	4,343	63	14,051	31	192	344	3,501	3,902	26
SODECO VALVES	15,550	3,876	2,954	6,159	4,306	2,562	129	14,087	3,862	2,957	4,670	3,896	1,948	136
DISTRILABO	4,023	2,488	239	1,733	1,395	446	33	3,802	2,488	373	1,719	1,116	904	38
OTHER STRUCTURES	284,431		62,786		822	1,269	6,804	174,981		57,385		837	776	8,929
ELIMINATIONS	(161,417)				(6,977)	(6,073)		(84,383)				(6,200)	(5,740)	
TOTAL	507,160	78,998	81,410	190,362	100,806	71,455	11,307	436,507	56,317	75,003	171,218	81,502	74,781	12,221

6.3.4 - Notes on turnover

Note 2 Explanation of 2022 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 and have not been restated.

• Breakdown of turnover by distribution channel:

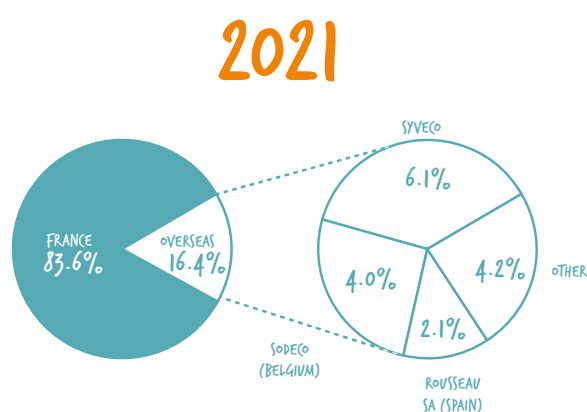
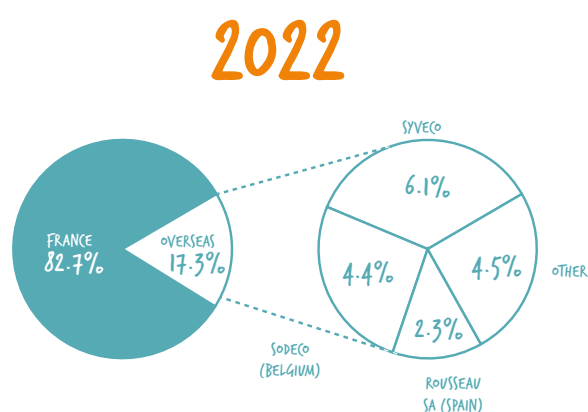
Turnover (In thousands of euros)

	2022	2022 Change to constant scope	2021	Variation 2022/2021	Variation 2022/2021 Change to constant scope
Retail	107,875	107,875	106,700	1.1%	1.1%
Professional channel	445,627	436,557	379,471	17.4%	15%
Other structures	357	357	329	8.5%	8.5%
TOTAL	553,859	544,789	486,500	13.8%	12%

The 2022 turnover includes DPI's turnover, a company acquired on October 31, 2022, amounting to €9,070k for November and December 2022.

• Breakdown of turnover by geographical area:

In thousands of euros	2022	2021
France	458,222	406,968
Syveco	33,950	29,520
Sodeco Valves	24,556	19,427
Rousseau SA (Spain)	12,572	10,376
Other export companies	24,559	20,209
TOTAL	553,859	486,500



6.3.5 – Notes on other income statement items

Note 3 Explanation of the operating result and net result for FY 2022

Profit trends of the result:

In thousands of euros	2022	2022 to constant scope	2021	Variation 2022/2021	2022 change vs. 2021 constant scope
Operating profit from ordinary business	79,592	78,676	73,201	8.7%	7.5%
Portion of net profit allocated to the group	58,899	58,253	52,899	11.3%	10.1%

The 2022 result includes a €820k profit for November and December for DPI, a company acquired on October 31, 2022. Our purchases correspond to the purchase cost of goods from our suppliers plus or minus transport costs, plus or minus stock and exchange rate variations.

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 financial result corresponds mainly to the interest on the loans taken out.

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	31/12/2022	31/12/2021
Staff earnings	41,104	37,126
<i>Of which, earnings of executives and corporate officers</i>	1,266	1,258
Personnel charges	16,980	15,531
TOTAL PERSONNEL CHARGES	58,084	52,657

Distribution of staff by:

FONCTION	31/12/2022			31/12/2021		
	Total	Women	Men	Total	Women	Men
General management, sales, administrative and purchasing	69	28	41	59	23	36
Itinerant sales staff	145	9	136	139	9	130
Office-based technical sales representative	159	81	78	155	81	74
Purchasing-Marketing	97	62	35	91	46	45
Administrative personnel	115	77	38	100	77	23
Warehouses staff	185	25	160	168	17	151
TOTAL	770	282	488	712	253	459

STATUS	31/12/2022			31/12/2021		
	Total	Women	Men	Total	Women	Men
Manager	250	58	192	221	50	171
Supervisor	57	19	38	53	14	39
Employee / shopfloor worker	463	205	258	438	189	249
TOTAL	770	282	488	712	253	459

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

The group has only defined contribution plans.

Its end-of-career commitments have been calculated including charges for an amount of €3,460,000 (of which directors and executives: €229,000) based on age, seniority, salaries and the collective bargaining agreements of wholesale trade companies and that of the Metallurgy industry (for FGinox and some Odra and Thermacome employees). No end-of-career commitment has been recognised at December 31, 2022 for three of our subsidiaries: Sodeco Valves, Rousseau SA (Spain) and Distrilabo. Distrilabo and Sodeco Valves have an insurance contract covering pension indemnities. For the other subsidiaries, end-of-career commitments are calculated on the basis of a departure at the initiative of the employee.

Assumption made:

	at December 31, 2022		at December 31, 2021	
Salary growth rate	3.34%		2.66%	
Discount rate by reference to the IBOXX Corporate AA10+.	3.77%		0.98%	
Retirement age	64.5 years		64.5 years	
Probability of survival to retirement age	INSEE mortality table		INSEE mortality table	
Staff turnover rate by age group	Under 35 years old	6.98%	Under 35 years old	5.43%
	Between 35 and 50 years	3.65%	Between 35 and 50 years	3.36%
	More than 50 years	0.70%	More than 50 years	0.52%

Industry-wide agreement applied (in number of employees)	Number of employees At December 31, 2022	Number of employees At December 31, 2021
Wholesale trade	503	463
Metallurgy	118	122
Monaco	16	-

In thousands of euros	Provision for end-of-career commitments and long service awards
at 31/12/2021	3,930
Entry into scope	11
Allocation net of reversals for the year	669
Actuarial difference	(1,147)
at 31/12/2022	3,463

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 metallurgy sector's industry-wide agreements, the end-of-career allowance is not capped. The benefit is conferred on the employee from the first year of service.

Any actuarial gains and losses are recognised in "other income" in terms of the overall result. At December 31, 2022, this concerned the change in the discount rate. They represented a gross amount of €1,147k and €860,000 after corporation tax.

Commitments for long-service awards have been quantified in our subsidiary Thermacome for employees covered by the metallurgy industry-wide agreement. They totalled €3,000 at December 31, 2022.

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 (FCP Thermador) and cannot be sold for a fixed period of five years, except in exceptional circumstances. The employees' contributions are matched by a company contribution.

In 2022, the terms and conditions of the group savings plan were as follows: any employee payment of €1,500 is matched by a €2,400 contribution with a minimum holding period of five years.

	2022	2021
Maturity of plans (in years)	5	5
Amount subscribed by employees (in thousands of euros)	1,511	1,224
Amount paid by the group and the subsidiaries for the contribution (in thousands of euros)	1,175	920

The amount recognised as an expense for 2022 is €1,175k compared to €920k in 2021.

→ 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.

	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 are 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. It has been spread over the vesting period of up to two years. The allocation rights corresponding to 3,000 shares were granted to employees and corporate officers of our subsidiaries Aello and Axelair by decision of the Board of Directors on July 29, 2021.

The share price used is €94.40 minus the value of dividends not received. The number of shares has been reduced to take account of turnover. The expense recognised is €137.4k in 2021 on a pro rata basis.

Note 6 Commitments or transactions with related parties

There were no commitments or transactions with related parties in 2022 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 €1,440,000, including allocated earnings.

Allocated earnings amounted to €174k and are recorded under other "external expenses" on the grounds that only independent directors receive it and they are not part of the Thermador Groupe workforce.

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, 2022, the commitment corresponding to this indemnity for directors and executives stood at €229,000. No retirement indemnity has been paid to executives.

There are no commitments for severance payments to executives.

6.3.7 – Notes on working capital requirement items

Note 7 Change in WCR

In thousands of euros	31/12/2022	Variation	Change in scope	31/12/2021	Variation	31/12/2020
Trade receivables	100,806	18,314	990	81,502	(8,361)	73,141
Stock	190,362	18,359	785	171,218	(51,677)	119,541
Trade payables	71,455	(9,881)	6,555	74,781	22,021	52,760
Other current receivables	14,934	(823)	1,904	13,853	(2,406)	11,447
Other current liabilities	44,728	3,548	2,132	39,048	8,834	30,214
Total WCR	189,919	42,183	(5,008)	152,744	(31,589)	121,155

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 the 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.

	Gross stock value	Depreciation of stock	Net stock value
AMOUNT AT 31/12/2021	175,633	4,415	171,218
Entries into the scope*		11	
Allocations for the year		1,032	
Reversals for the year		980	
AMOUNT AT 31/12/2022	194,840	4,478	190,362

(*) Entries into the scope: DPI on October 31, 2022.

Note 9 Trade receivables

IFRS 9

Based on the last five years, unrecoverable losses represented an average of 0.06% 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, 2022, the impact remained immaterial.

• 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 31/12/2022 (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 receipts in January 2023			7,350	799	64	71
Uncollected receivables at end-January 2023			1,913	822	697	2,210

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	81,132	68,353	7,841	1,686	821	2,430
Cash receipts in January 2023			4,779	784	132	911
Uncollected receivables at end-January 2023			3,062	902	689	1,519

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 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 concerned						18,278
Total value of invoices concerned (inc-VAT)		8,654	1,624	718	2,790	13,787
Turnover (excl. VAT)	553,859					
Percentage of turnover for the year (ex-VAT)		1.6%	0%	0%	0.5%	2.1%

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
MONTANT AU 31/12/2021	82,523	1,021	81,502
Entries into the scope*		383	
Allocations for the year		393	
Reversals for the year		332	
AMOUNT AT 31/12/2022	102,271	1,465	100,806

(*) Entry into scope: DPI on October 31, 2022.

Note 10 Trade and other receivables (in thousands of euros)

	31/12/2022	31/12/2021
Customers	100,524	81,132
Of which, accrued income	542	101
Doubtful customers	282	370
Corporation tax	1,425	87
Deferred tax assets	493	469

OTHER RECEIVABLES

VAT	6,151	7,157
Other third parties	6,314	5,698
Of which, accrued income	3,118	1,983
Prepaid expenses	1,044	911
TOTAL OTHER RECEIVABLES	13,509	13,766
TOTAL RECEIVABLES	116,232	95,824

Note 11 Debts and other liabilities (in thousands of euros)

	31/12/2022	31/12/2021
Current provisions	624	602
Short-term rental obligations	1,439	1,065
Short-term borrowing	2,723	2,390
Current portion of loans and debts	8,521	13,180
Suppliers	71,455	74,781
Of which, accrued expenses	26,521	29,859
Fixed assets suppliers	6,600	2,651
Corporation tax	3,450	5,806
TAX AND SOCIAL SECURITY LIABILITIES		
Staff and social organisations	14,123	13,060
Deferred tax liabilities	498	536
VAT	3,652	1,915
Other taxes and duties	865	899
TOTAL TAX AND SOCIAL SECURITY LIABILITIES	19,138	16,410
Of which, accrued expenses	9,180	8,659
Other debts	24,078	17,431
Of which, liabilities on customer contracts	6,044	6,275
Of which, accrued expenses	190	87
TOTAL LIABILITIES	138,028	134,316

The maturity of trade payables in 2022 is comparable to 2021.

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						4,346
Total value of invoices concerned (inc-VAT)		3,127	480	129	402	4,138
Purchases for the year (ex-VAT)*						403,562
Percentage of purchases for the year ex-VAT		0.8%	0.1%	0.0%	0.1%	1%

(*) 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.

A 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)	(80)	(475)			
	Net value	0	220	2,109	0	0	0
Brand	Gross value			1,200	550	1,600	
	Net value			1,200	550	1,600	
Customer relations	Gross value			2,500	1,350	1,000	13,900
	Depreciation			(1,000)	(405)	(267)	(232)
	Net value			1,500	945	733	13,668
TOTAL		39	220	5,761	1,495	2,333	13,668

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.

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, 2022	48,278	19,059	67,337	146,335	78,998

* including an earn-out of €5.16m that may be paid at the beginning of 2024 if the average operating profit reaches €3.859m for FYs 2022 and 2023.

Impairment testing of goodwill / testing of cash generating units (CGUs)

Accounting rules and principles:

Impairment tests (IAS 36) are performed at least once per year for the CGUs to which goodwill has been allocated. They have been defined according to the business segment criteria defined under IFRS 8. Given the organisation of the group and the distribution of the various business lines, the cash-generating units retained by the group are made up of the legal entities Jetly, Sferaco, Thermador, Odrea, Isocel, Pbtub, Sectoriel, Syveco, Axelair, Mecafer/Domac, Aello, Sodeco Valves, FGinox, Distrilabo, Thermacome and DPI, and a separate unit made up of SCI Thely, Opaline and Thermador Groupe (cf: Note 1).

The results of the impairment tests on this goodwill based on the assumptions in the table below justify the absence of impairment losses.

TABLE OF KEY ASSUMPTIONS

	Number retained in 2022	Number retained in 2021
Period of expected future net cash flows	5 years	5 years
Subsequent growth rate	1%	1%
Group discount rate	9.4%	7.7%
CMT (Constant Maturity Treasury) rate	30 years	30 years
CMT rate	1.75%	1.75%
Sensitivity test range	+/-0.5%	+/-0.5%

Trend: The key assumptions surrounding revenue, profitability, working capital and cash have been revised to take into account the level of activity recovered by December 31, 2022 following the crisis caused by the war in Ukraine, the impact of dollar rate fluctuations and inflation. These assumptions were based on annual budget forecasts as well as five-year forecasts prepared by the subsidiaries' operational management.

6. ANNUAL CONSOLIDATED FIGURES

Profitability: The profitability assumptions have taken into account inflation and our ability to pass on price increases to our customers in the current environment.

The working capital requirement is estimated on the basis of the stock forecasts drawn up by our operational departments for FY 2023.

The reasonable variation in key assumptions including this variation in the discount rate does not indicate a risk of impairment on any of the CGUs assessed.

Climate issues: The impact of climate issues has been closely examined with regard to a potential impact on the DCF (Discounted Cash Flow) valuation of our assets.

Note 14 Fixed assets (in thousands of euros)

CHANGES IN GROSS VALUES:

Fixed assetsa	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 31/12/2021	56,317	14,720	71,037	10,869	81,647	12,161	7,158	239	5,203	7,128	6,349	130,754	356	356	202,147
Entry into scope *	22,181	13,923	36,104	-	-	223	46	334	54	-	60	717	37	37	36,858
Increases	500	877	1,377	406	7,907	983	2,879	55	890	-3,561	3,481	13,039	100	100	14,517
Decreases	-	39	39	-	-	401	216	319	299	-	471	1,706	65	65	1,810
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

^(*) Entry into scope: DPI on 31/10/2022

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), clientele (€18,750k) and software.

Real estate:

In 2022 in Saint-Quentin-Fallavier (Isère), we completed the work begun in 2019 to completely renovate the building initially occupied by our subsidiary Dipra. This renovation enabled us to provide our three subsidiaries Odeia, Aello and Axelair with a logistics complex and office space. SCI Thely also built a warehouse for FGInox from an existing building. Work on the renovation of the future Thermador Groupe headquarters began in 2022.

In July 2022, the portfolio was further expanded with the acquisition by SCI Thely of a 2,927 m² building on a 6,889 m² plot of land, also in Saint-Quentin-Fallavier, for €1.5m.

The property portfolio comprises 310,002 m² of land and 123,114 m² of buildings (warehouses and offices). The value of the real estate was evaluated in 2021 and 2022 – for the buildings located in Saint-Quentin-Fallavier, in April 2017 for the building of our subsidiary Domac, in August 2018 for the building of our subsidiary Sodeco Valves and in 2021 for the building of our subsidiary Etablissements Edouard Rousseau – at approximately €86.3m (evaluation by Expertise Galtier, chemin Moulin Carron - 69 Écully and CBRE in Brussels). This includes built and unbuilt land.

The depreciation periods were reviewed and have been kept the same. Our real estate assets are built according to the risks associated with their geographical location (seismic risks and other natural risks). None of our properties have major risks that require a revision of depreciation periods.

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, Rousseau (Ets Edouard Rousseau and Rousseau SA), Distrilabo and Thermacome. In 2021, 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 100% 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 \$5,000 US or less.

Amendments to IFRS 16 - Leases: rent relief related to the COVID crisis beyond June 30, 2021 have no impact on the group's consolidated financial statements as no rent relief has been granted to us under the current leases.

Note 16 Depreciation and amortisation (in thousands of euros)**Accounting rules and principles:**

Depreciation is calculated on a straight-line basis over the expected life of the asset:

Brands	Not depreciated
Customer relations	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 31/12/2021	-	5,591	5,591	-	35,337	9,585	4,588	223	4,180		1,838	55,751	61,342
Entry into scope *	-	21	21	-	-	202	20	272	43			537	558
Increases	-	1,448	1,448	-	3,068	906	703	14	502		1,519	6,712	8,160
Decreases	-	39	39	-	-	372	215	246	297		475	1,605	1,644
DEPRECIATION 31/12/2022	-	7,021	7,021	-	38,405	10,321	5,096	263	4,428		2,882	61,395	68,416

(*) Included in scope: DPI on October 31, 2022.

6.3.9 – Notes on capital**Note 17 Share capital**

The capital was set at €36,803,396 at the beginning of the year, divided into 9,200,849 shares with a par value of €4 each. There are no stock options.

Thermador Groupe purchased 1,200 of its own shares during 2018 representing a purchase value of €62,000.

In April 2021 Thermador Groupe purchased 1,800 of its own shares representing a purchase value of €158,000.

Note 18 Dividends

Exercise	Number of securities paid for	Dividend per share	Grand total
2021	9,197,849 shares	€2.00	€18,395,698
2022	9,197,849 shares	€2.08	€19,131,526

On February 21, 2023, the Thermador Groupe Board decided to propose to the AGM of April 3, 2023 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 2022, with the exception of the legal risk. The management procedures in place within the group and the assessment methods have so far proven their effectiveness.

• Interest rate risk:

Between 2017 and 2022, we took out ten loans with the banks CM CIC, Société Générale and Crédit Lyonnais at a fixed rate over 5 or 7 years. Early reimbursement is possible with no penalties. We are therefore not exposed to interest rate risk.

• Liquidity risk:

The company carried out a specific review of its liquidity risks. It believes that it can meet its future commitments. The situation on December 31, 2022 was positive (cash-flow statement, page 141). 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:

Any spare cash is placed on long-term accounts, at zero risk.

• Foreign exchange rate risk:

The group's sales are denominated in euros in France and abroad. We buy from all over the world: around 37% 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 €15m 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.

This has been a day-to-day practice within our business from the outset, and we feel that we manage these problems with minimum risk for our shareholders. Our results are proof of that...

• 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 Arbitral Tribunal.

We remain confident as to the results of these procedures. No provision was entered on December 31, 2021 because to date we have no obligation to do so, and it cannot be estimated in any reliable way.

Note 20 *Contingent liabilities*

To the company's knowledge, there are no exceptional events or disputes that are likely to have, or have had in the recent past, an influence on the activity, results, financial situation or assets of the company and the group.

Financing and financial instruments**Note 21** *Loans and financial debts (in thousands of euros)*

At 31/12/2022 in thousands of euros	Current	Non-current	Total	under one year late 2023	between 1 and 5 years 2024-2027	more than 5 years after 2027
Bank loans	(8,521)	(35,319)	(43,840)	(8,521)	(24,719)	(10,600)
Bank overdrafts	(2,723)		(2,723)	(2,723)		
Rental debt (IFRS 16)	(1,439)	(5,089)	(6,528)	(1,439)	(3,433)	(1,657)
Cash and equivalent	16,031		16,031	16,031		
NET CASH	3,348	(40,408)	(37,060)	3,348	(28,152)	(12,257)

Cash and cash equivalents, equal to €16,031k, correspond to the amount of bank accounts for €13,946k and term accounts for €2,805k 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.

Note 22 *Foreign currency transactions, financial instruments and derivatives*

Foreign currency transactions are recorded at their equivalent value 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, 2022 in US dollars 9,504k.
- credit corresponding to advance payments made to our suppliers at December 31, 2022 in US dollars: €547k.

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 subscribed to USD forward currency purchases for \$34.5m US with instalments in the second half of 2023.

The IFR9 criteria are respected, allowing the group to book this hedging according to hedging accounting methods. An effectiveness test was carried out on December 31, 2022. As a result, the fair value of these financial instruments was booked for a total of €1,573k 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 31/12/2022	Balance sheet value	Fair value	Fair value per result	Receivables	Hedging instruments
Business customers	100,806	100,806		100,806	
Other debtors	15,427	15,427		15,427	
Financial instruments	0	0		0	
Cash	16,031	16,031			
Total assets	132,264	132,264		116,233	

Liabilities at 31/12/2022	Balance sheet value	Fair value	Fair value per result	Payables	Hedging instruments
Loans and long-term financial debt	35,319	35,319		35,319	
Rental obligations of more than one year	5,089	5,089		5,089	
Non-current liabilities	9,895	9,895		9,895	
Short-term loans and financial debt	11,244	11,244		11,244	
Rental obligations of less than one year	1,439	1,439		1,439	
Suppliers	71,455	71,455		71,455	
Supplier fixed assets	6,600	6,600		6,600	
Financial instruments	1,573	1,573			1,573
Other creditors	45,717	45,717		45,717	
Total liabilities	188,331	188,331		186,758	1,573

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 disputes or provisions for risks and charges. They are revalued annually.

	Current provision	Of which, uses
AMOUNT AT 31/12/2021	602	
Entries for the consolidation scope	0	
Allowances	102	
Reversals	80	80
AMOUNT AT 31/12/2022	624	

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)	79,046
DONATIONS	(94)
NET PROFIT BEFORE TAX NET OF DONATIONS	78,952
<i>Theoretical tax rate ⁽¹⁾</i>	25%
Theoretical tax expense	19,738
3.3% social contribution	390
Non-deductible expenses and charges on dividends from subsidiaries ⁽²⁾	419
Tax rebates ⁽³⁾	(347)
Non-deductible expenses and tax rate effect outside France	(2)
Tax credits	(51)
INCOME TAX EXPENSE	20,147
EFFECTIVE TAX RATE	25.52%

THEORETICAL TAX RATE ⁽¹⁾	25%
3.3% social contribution	0.49%
Non-deductible expenses and charges on dividends from subsidiaries ⁽²⁾	0.53%
Tax rebates ⁽³⁾	(0.44%)
Non-deductible expenses and tax rate effect outside France	0%
Non-deductible expenses and tax rate effect outside France	(0.06%)
EFFECTIVE TAX RATE	25.52%

⁽¹⁾ The French Finance Act introduced a sliding tax rate applicable from January 1, 2018. In 2022, profits were taxed at 25% in France. The tax rate in Belgium and Spain is 25%.

⁽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 corporate tax charge of €1,679k on the dividends to be paid in 2023 to Thermador Groupe.

⁽³⁾ Pursuant to Article 217 quinquies, II of the French tax code (CGI), companies belonging to a group, one of which has increased its capital under a company savings plan, may deduct the difference between the real value of the share and the subscription value on an extra-accounting basis. In 2020, the group implemented a group savings plan (PEG) to which a capital increase reserved for employees was attached. The subscription price corresponded to the average of the opening prices of the Thermador share over the twenty trading days with a 40% discount applied. In 2022, the various group companies filed claims with the tax authorities to request the extra-accountable deduction from the taxable income for the year 2020 and the corresponding tax refund. At December 31, 2022, the tax rebates accepted and recognised amounted to €347,000.

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, 2022, deferred tax assets and liabilities were allocated between current and non-current deferred taxes as follows:

Non-current deferred tax assets	31/12/2022	31/12/2021
Provision for end-of-career commitment	596	692
Axelair and Sodeco Valves deficit	672	627
Land and building value	(51)	(55)
Capital gain on building	(56)	(63)
Goodwill	33	33
Building depreciation	35	35
IFRS 16	9	12
TOTAL	1,238	1,281

Current deferred tax assets	31/12/2022	31/12/2021
Temporary differences	493	469
TOTAL	493	469

Non-current deferred tax assets	31/12/2022	31/12/2021
Goodwill*	1,429	1,429
Goodwill of land and construction	7	774
Provision for end-of-career commitment	(269)	(289)
Temporary offset	(51)	(32)
Gain on building	736	
Brand and customer relations	4,580	1,632
TOTAL	6,432	3,514

(*) Cf. Note 12 page 154.

Current deferred tax assets	31/12/2022	31/12/2021
Tax on subsidiaries dividends	421	420
Fair value of financial instruments	(393)	(18)
Goodwill of land and construction	3	33
Gain on building	37	8
Brand and customer relations	469	121
Temporary differences	(39)	(28)
TOTAL	498	536

Tax burden by country	31/12/2022	Share	31/12/2021	Share
France	19,444	96.5%	19,670	97.9%
Belgium	412	2%	240	1.2%
Germany				
The Netherlands	55	0.3%	38	0.2%
Spain	19	0.1%	134	0.7%
Principality of Monaco	217	1.1%		
Total tax burden	20,147	100%	20,082	100%

Tax paid by country	31/12/2022	Share	31/12/2021	Share
France	19,860	96.3%	19,836	97.9%
Belgium	424	2.0%	244	1.2%
Germany	-		-	
The Netherlands	55	0.3%	38	0.2%
Spain	17	0.1%	144	0.7%
Principality of Monaco	275	1.3%	-	
Total tax paid	20,631	100%	20,262	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

	MAZARS		CABINET ROYET		OTHER CABINETS		TOTAL	
	In thousands of euros		In thousands of euros		In thousands of euros		In thousands of euros	
	2022	2021	2022	2021	2022	2021	2022	2021
FEES FOR CERTIFICATION OF ACCOUNTS								
Issuer	36	34	36	34	None	None	72	68
Globally integrated subsidiaries	3	40	96	66	153	131	254	237
NON-AUDIT SERVICE (NAS*)								
NAS required by the legal texts - Issuer	5	5	5	5	None	None	10	10
NAS required by the legal texts - Globally integrated subsidiaries	0	5	7	5			5	10
Other NASs - Issuer	None	None	None	None	None	None	None	None
Other NASs - Globally integrated subsidiaries	None	None	None	None	None	None	None	None
Total Statutory Auditors fees	44	84	144	110	153	131	341	325

NAS = Non-Audit Services: examination of regulated conventions, management report review, annual financial report review.

6.4 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ending December 31, 2022.
To the AGM of THERMADOR GROUPE.

Opinion

In compliance with the assignment entrusted to us by your AGM, we have audited the accompanying consolidated financial statements of Thermador Groupe for the year ended December 31, 2022.

In our opinion, the consolidated financial statements give a true and fair view of the results of operations for the year and of the financial position and assets and liabilities of the group of persons and entities included in the consolidation, in accordance with International Financial Reporting Standards as adopted by the European Union.

The opinion expressed above is consistent with the content of 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 these standards are set out in the section of this report entitled «Statutory Auditors' Responsibilities in the Audit of the Consolidated Financial Statements».

Independence

We conducted our audit in accordance with the independence rules set out in the French commercial code and in the Code of Ethics for Statutory Auditors for the period from January 1, 2022 to the date of issue of our report, and in particular we did not provide any services prohibited by Article 5(1) of Regulation (EU) No 537/2014.

Justification of assessments – Key points of the audit

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French commercial code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgement, were the most important for the audit of the consolidated financial statements for the financial year, as well as the responses we have given to these risks.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on any individual item of the consolidated financial statements.

Assessment of the recoverable amount and allocation of goodwill

(Notes 12 and 13 to the consolidated financial statements)

Risks identified

Throughout its development, the group has made several acquisitions and recognised significant amounts of goodwill.

That goodwill corresponds to the difference between the price paid and the fair value of the assets and liabilities acquired in the context of external growth operations. They are described in notes 12 and 13 as the synergies expected from the integration of new activities and the economies of scale generated by the pooling of resources. The goodwill has been allocated to cash-generating units (CGU) represented by each acquired company.

The allocation of the price paid given the identified assets and liabilities was made by management at the time of acquisition.

Each year, or if there is an indication of impairment, management ensures that the carrying amount of this goodwill, which is recorded in the balance sheet at €78,998k, does not exceed its recoverable amount. However, any unfavourable change in the expected returns from the activities to which goodwill has been allocated, due to internal or external factors such as the economic and financial environment in which the business operates, is likely to have a significant impact on the recoverable amount and to require the recognition of an impairment loss. Such a change requires a reassessment of the relevance of all the assumptions used to determine this value as well as the reasonable and consistent nature of the calculation parameters.

The methods used for the impairment tests and details of the assumptions made are presented in Note 13. In the context of these tests, the recoverable amount was determined by reference to the value in use calculated on the basis of the present value of the net cash flows expected from the group of assets making up the business.

The determination of the recoverable amount of goodwill, which represents a particularly significant amount, relies heavily on management's judgement, particularly with regard to the growth rate used for cash flow projections and the discount rate applied to them or the key assumptions based on the underlying budget forecasts.

We therefore considered the assessment of the recoverable amount and the allocation of goodwill as a key audit issue.

Audit procedures implemented in response to identified risks

We have examined whether the methodology applied by the company to determine the recoverable amount of each CGU complies with applicable accounting standards.

We also carried out a critical review of how to implement this methodology.

As such, our work has consisted in:

- assessing the appropriateness of the assumptions and terms retained to evaluate assets and liabilities acquired in view of the accounting standards concerned;
- analysing the completeness of the elements composing the carrying value of CGUs;
- examining the modalities to calculate the utility value obtained from the projections of cash flows, in particular:
 - assessing the reasonableness of these projections in relation to the economic and financial context of the businesses and the reliability of the estimation process means examining the causes of the differences between the forecasts and the achievements;
 - assessing the coherence of these cash-flow projections with the latest management estimates as presented in the context of the budget processes;
- assessing the coherence of the growth rate selected for the projected flows with market analyses and the consensus of the main actors;
- verifying the calculation of the discount rate applied to the estimated cash-flow of the activities by ensuring that the different discount parameters composing the weighted average cost of the capital of the CGU allow to approach the rate of the CGU are close to the rates currently required by market players;
- checking the arithmetic accuracy of the utility value sensitivity analysis performed by management concerning variations to the key assumptions.

Finally, we checked that notes 12 and 13 provide appropriate disclosure.

Stock assessment

(Note 8 to the consolidated financial statements)

Risks identified

The goods inventory appears in the consolidated balance sheet at December 31, 2022 for an amount of €190.4m and is the largest item in the consolidated assets.

As indicated in Note 8 to the consolidated financial statements, stock is accounted for using the weighted average cost method; a provision for impairment is made when the stock value is lower than the book value.

The stock value is determined, item by item, according to stock rotation; it is based on the quantities in stock and past sales, the probabilities of disposal, and, where applicable, the scrap value. Depreciation rates are assessed on a case-by-case basis.

We considered the valuation of goods inventories to be a key audit matter because of its materiality to the group's consolidated financial statements and because any resulting provisions for impairment are inherently dependent on assumptions, estimates or judgements made by the group's management.

Audit procedures implemented in response to identified risks

Our work consisted in assessing the data and assumptions used by management to determine the stock value and to identify the items that should be recorded at this value.

In particular we:

- carried out tests on the physical existence of stocks as part of our work on physical inventories and, by means of interviews, observation and surveys, assessed all slow-moving items;

- reviewed the internal control environment and the procedures implemented by the company, particularly with regard to the valuation and identification of slow-moving items for the purposes of estimating impairment;
- tested the effectiveness of key controls related to these procedures;
- assessed the data and assumptions used by management to determine the stock value,
- tested, by sampling, the valuation of items in stock and, in particular, the correct application of the weighted average cost;
- tested, by sampling, the valuation of the impairment provisions recorded for selected items in accordance with the company's procedures.

Specific checks

In accordance with professional standards applicable in France, we also carried out the specific checks required by law and the regulations on the information relating to the group outlined in the Board's management report.

We have no comments to make on their fairness and consistency with the consolidated financial statements.

We certify that the consolidated Extra-Financial Performance Statement provided for in Article L. 225-102-1 of the French commercial code is included in the information relating to the group outlined in the management report, it being specified that, in accordance with the provisions of Article L. 823-10 of the same code, the Information contained in the Statement has not been checked by us as to its fairness or consistency with the consolidated financial statements and must be the subject of a report by a third-party organisation.

Other checks or information required by law and by the regulations

Format of the annual accounts in the annual financial report

In accordance with the professional practice standard on the due diligence of statutory auditors in relation to the annual and consolidated financial statements presented in accordance with the single European electronic reporting format, we checked compliance with this format defined by European Delegated Regulation No. 2019/815 of December 17, 2018 in the presentation of the annual financial statements intended for inclusion in the annual financial report referred to in section I of Article L. 451-1-2 of the French monetary and financial code, prepared under the responsibility of the Chairman and CEO.

Our investigations allowed us to conclude that the presentation of the annual accounts to be included in the annual financial report complies with the single European electronic reporting format in all material respects.

It is not our responsibility to verify that the financial statements that will be included by your company in the annual financial report filed with the French financial markets authority (AMF) correspond to those on which we have performed our work.

Appointment of auditors

We were appointed auditors of Thermador Groupe:

- by the AGM of October 2, 1986 for the firm Mazars
- by the AGM of April 4, 2005 as an deputy to the firm Royet, which took up its duties as a full member on April 17, 2015 following the resignation of the firm SSEC.

December 31, 2022 marked 36 consecutive years of engagement for Mazars, including 35 years since the group's shares were floated on a regulated market; at that same date, Royet was in its 18th consecutive year of engagement, including 8 years as statutory auditor.

Responsibilities of management and those responsible for governance in relation to the annual accounts

It is the responsibility of management to prepare financial statements that give a true and fair view in accordance with French accounting rules and standards and to implement such internal control as it deems necessary to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, management must make an assessment of the company's ability to continue as a going concern, to disclose in those accounts, where appropriate, the necessary information relating to the going concern and to apply the going concern accounting policy, unless the company is to be wound up or cease trading.

The Audit committee is responsible for monitoring the financial reporting process and for monitoring the effectiveness of the internal control and risk management systems, and where appropriate the internal audit, in relation to the procedures for preparing and processing accounting and financial information.

The annual accounts have been approved by the Board of Directors.

Statutory auditors' responsibilities in relation to the audit of annual accounts

Audit objective and approach

Our responsibility is to issue a report on the annual accounts. Our objective is to obtain reasonable assurance about whether the annual accounts taken as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit performed in accordance with professional standards will result in the systematic detection of material misstatements. Misstatements may be due to fraud or error and are considered material when they could reasonably be expected to influence the economic decisions that users of the accounts make on the basis of the accounts, either individually or collectively.

As specified by Article L.823-10-1 of the French commercial code, our mission of certification of the accounts does not consist in guaranteeing the viability or the quality of the management of your company.

In the context of an audit conducted in accordance with professional standards applicable in France, the auditor exercises professional judgement throughout the audit.

In addition:

- The auditor identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures to address those risks, and obtains audit evidence that the auditor believes is sufficient and appropriate to provide a basis for the audit opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error, because fraud may involve collusion, falsification, intentional omissions, misrepresentation or circumvention of internal control;
- The auditor 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 internal control;
- The auditor assesses the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as the related disclosures in the annual accounts;
- The auditor assesses the appropriateness of management's application of the going concern accounting policy and, based on the information obtained, whether there is any material uncertainty related to events or circumstances that may affect the company's ability to continue as a going concern. This assessment is based on information gathered up to the date of the report, bearing in mind that subsequent events or circumstances could call into question the company's ability to continue as a going concern. If the auditor concludes that there is a material uncertainty, he draws the attention of the readers of his report to the information provided in the annual accounts concerning this uncertainty or, if this information is not provided or is not relevant, he issues a qualified opinion or a refusal to certify;
- It assesses the overall presentation of the annual accounts and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

Report to the Audit committee

We provide the Audit committee with a report that presents, in particular, the scope of the audit work and the work programme implemented, as well as the conclusions resulting from our work. We also report to the Audit committee on any material weaknesses in the internal control procedures relating to the preparation and processing of accounting and financial information.

The matters communicated in the report to the Audit committee include the risks of material misstatement that we consider to be the most significant for the audit of the annual accounts for the year and which therefore constitute the key points of the audit, which it is our responsibility to describe in this report.

We also provide the Audit committee with the declaration provided for in Article 6 of Regulation (EU) No 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out in particular in Articles L.822-10 to L.822-14 of the French commercial code and in the Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit committee the risks to our independence and the safeguards applied.

Lyon and Saint-Etienne, February 22, 2023

The statutory auditors

CABINET ROYET
Serge Guillot

MAZARS
Frédéric Maurel

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COMPANY ACCOUNTS AND LEGAL INFORMATION REGARDING THE PARENT COMPANY

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7.1 PARENT COMPANY FINANCIAL STATEMENTS

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 2022, Thermador Groupe's resources amounted to €63,943k made up primarily of the following:

1 Profits paid into Thermador Groupe by the subsidiaries: €33,578k

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 2022 were taken from the subsidiaries' 2021 profits.

2 Financial income from cash-balancing loans to subsidiaries and advances on current accounts: €127k

3 Income from investing the group's surplus cash: €7k

4 Lease-management rents: €7,280k

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:

- €4,532k 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.
- €2,748k in rental fees for offices and warehouses based on the average surface area rented; 8,800 m² in the case of Thermador, 14,550 m² for Sferaco and 11,419 m² for Jetly.

5 Provision of staff and service-providers: €180k

Each subsidiary is invoiced at cost based on an estimation of the time spent.

6 Implementation of shared IT: €1,127k

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: €737k

Each subsidiary is invoiced at cost based on the capital and risk of each.

8 Fixed fee for assistance and advice to subsidiaries: €1,859k

This flat rate is between €5k and €256k 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 2022 Thermador Groupe's main expenses were as follows:

1 Rent of €2,785k of which €37k for Thermador Groupe's own offices and €2,748k invoiced on to Jetly, Sferaco and Thermador under the management lease.

2 Salaries and charges: €2,828k

3 Depreciation and amortisation: €624k

(mainly for hardware and software).

4 Net exchange rate difference: €1,115k

resulting from the implementation of centralised dollar cash management since January 1, 2018.

5 Other operating expenses: €3,663k including €37k in rent for Thermador Groupe's own offices.

6 Net corporation tax burden: €1,088k

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 2022, the net profit of Thermador Groupe, the listed parent company, was €32,664k. The proposal is to distribute a dividend of €2.08 per share, i.e. €19,138k, with €13,526k being placed in reserve.

7.1.2 - Profit and loss account of Thermador Groupe from January 1, 2022 to December 31, 2022

Values in thousands of euros	2022	2021
OPERATING REVENUES		
Business lease payments	2,748	2,636
Other business lease payments	4,532	3,995
Payment for services	3,168	2,440
Reversals of provisions and expense transfers	1,020	733
Other revenues		
TOTAL OPERATING REVENUES	11,467	9,804
OPERATING EXPENSES		
Business lease payments recharged	2,748	2,636
Other purchases and external charges excluding business lease payments	3,326	2,528
Taxes other than corporation tax	152	124
Wages and salaries	2,002	1,448
Social security charges	825	617
Depreciation and amortisation	624	484
Increase of provisions		
Other operating expenses	185	132
TOTAL OPERATING EXPENSES	9,862	7,969
OPERATING PROFIT	1,605	1,835
FINANCIAL REVENUES		
Dividends from investments ⁽¹⁾	33,578	25,454
Interest on intercompany loans	127	4
Net earnings from sales of investment securities		
Financial income from investments	7	73
Reversals of provisions and expense transfers		
Positive exchange rate variations	18,763	16,092
TOTAL FINANCIAL REVENUES	52,475	41,623
FINANCIAL EXPENSES		
Amortisation and provisions for financial assets		
Net interest payable ⁽²⁾	450	154
Exchange rate losses	19,878	16,268
TOTAL FINANCIAL EXPENSES	20,328	16,422
NET INTEREST (PAYABLE)	32,147	25,201
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	33,752	27,036
TOTAL EXTRAORDINARY INCOME		(278)
CURRENT TAX CHARGE	1,088	1,264
NET PROFIT	32,664	25,494
⁽¹⁾ Of which, income from associated companies.	33,704	25,458
⁽²⁾ Of which, interest from associated companies.	70	8

7.1.3 - Balance sheet at December 31, 2022

Values in thousands of euros

Assets	31/12/2022			31/12/2021
	Gross	Depreciations & Provisions	Net	Net
FIXED ASSETS				
Intangible assets:				
- Business goodwill	5,717		5,717	5,717
- Other intangible assets	5,151	3,499	1,652	1,559
Tangible assets:				
- Technical facilities, industrial equipment and tooling				
- Other tangible assets	1,452	1,094	358	362
Financial assets:				
- Investments	158,375		158,375	122,028
- Intercompany receivables	21,396		21,396	21,292
- Other financial assets	6		6	1
TOTAL FIXED ASSETS	192,097	4,593	187,504	150,959
CURRENT ASSETS				
Receivables:				
- Trade notes and accounts receivables	5		5	1
- Other receivables	28,645		28,645	18,405
Investment securities	221		221	221
Cash and cash equivalent	11,959		11,959	18,273
Accrual accounts:				
- Prepaid expenses	168		168	134
TOTAL CURRENT ASSETS	40,998		40,998	37,034
OVERALL TOTAL	233,095	4,593	228,502	187,993
Liabilities				
			31/12/2022 Net	31/12/2021 Net
SHAREHOLDERS' EQUITY				
Capital			36,803	36,803
Issue premium			23,028	23,028
Reserves:				
- Legal reserve			3,680	3,680
- Other			37,891	30,793
Result for the financial year (profit)			32,664	25,494
TOTAL SHAREHOLDERS' EQUITY			134,066	119,798
PROVISIONS FOR LIABILITIES AND CHARGES				
Provisions for charges			514	522
TOTAL PROVISIONS FOR LIABILITIES AND CHARGES			514	522
LIABILITIES				
Bank borrowings			46,030	33,995
Trade notes and accounts payables			737	361
Tax and social liabilities			1,385	1,307
Debt on fixed assets and related accounts			5,397	9
Other liabilities			40,373	32,001
TOTAL LIABILITIES			93,922	67,673
OVERALL TOTAL			228,502	187,993

LIST OF SUBSIDIARIES (in thousands of euros)	Share capital at 31/12/2022	Premium, reserves and retained earnings	Percentage of share capital held at 31/12/2022	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	2021 profit received by the parent company in 2022	Year end
				gross	net						
SFERACO S.A.S	3,200	30,099	100	3,049	3,049	7,455	None	92,410	9,900	4,400	31/12
THERMADOR S.A.S	3,200	11,701	100	3,049	3,049	None	None	106,146	18,015	11,000	31/12
JETLY S.A.S	3,200	10,674	100	3,049	3,049	None	None	60,275	9,666	8,000	31/12
ODREA S.A.S	2,284	19,651	100	24,632	24,632	12,358	None	64,687	463	1,048	31/12
PBTUB S.A.S	960	8,842	100	896	896	None	None	30,316	28,285	1,620	31/12
THERMACOMES S.A.S	1,466	2,010	100	7,000	7,000	None	None	22,903	1,454	209	31/12
ISOCEL S.A.S	160	2,236	100	152	152	None	None	10,554	1,467	800	31/12
SECTORIEL S.A.S	780	10,041	100	3,255	3,255	None	None	34,064	4,397	3,023	31/12
THELY S.C.I	3,100	29,793	100	8,670	8,670	23,263	None	6,908	2,433	None	31/12
SYVECO S.A.S	1,000	4,413	100	1,000	1,000	None	None	33,954	4,068	3,438	31/12
OPALINE S.A.S	80	285	100	80	80	None	None	2,017	106	40	31/12
AXELAIR S.A	1,000	(345)	100	3,000	3,000	4,494	None	7,346	(98)	None	31/12
MECAFER S.A.S	540	13,876	100	24,300	24,300	None	None	28,493	1,153	None	31/12
AELLO S.A.S	2,000	1,921	100	2,000	2,000	None	None	20,568	1,453	None	31/12
FGINOX S.A.S	490	9,499	100	22,882	22,882	None	None	18,124	1,195	None	31/12
DECO HOLDING N.V	2,703	7,033	100	10,000	10,000	None	None	1,110	779	None	31/12
DISTRILABO S.A.S	500	1,577	100	5,200	5,200	None	None	6,459	760	None	31/12
DPI S.A.M	150	4,063	100	36,160	36,160	None	None	9,070	820	None	31/12

7.1.4 - Thermador Groupe corporate accounts

Values in thousands of euros

Past five financial years	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months	31/12/2018 12 months
SHARE CAPITAL AT YEAR-END					
Share capital (in thousands of euros)	36,803	36,803	36,803	36,439	36,439
Number of ordinary shares	9,200,849	9,200,849	9,200,849	9,109,752	9,109,752
INCOME AT YEAR END (in thousands of euros)					
Pre-tax profits (operating and financing)	62,923	50,693	33,635	30,221	27,407
Profit before tax, depreciation, amortisation and provisions and reversals of provisions	34,368	27,483	23,755	21,081	18,919
Current tax charge	1,088	1,264	1,122	1,202	1,027
Profit after tax, depreciation and amortisation	32,664	25,494	22,141	19,554	17,591
Dividends	19,138	18,402	16,746	16,398	15,942
NET EARNINGS PER SHARE (in euros)					
Profit after tax and before depreciation and provisions	3.62	2.85	2.46	2.18	1.96
Profit after tax, depreciation and provisions	3.55	2.77	2.41	2.15	1.93
Net dividend payable per share	2.08*	2.00	1.82	1.80	1.75
EMPLOYEES					
Average number of employees during the year	22	15	10	9	7
Wages and salaries of the year (in thousands of euros)	2,002	1,448	1,161	1,042	927
Social charges paid during the year (in thousands of euros)	825	617	510	420	380

* Dividend proposed at the AGM of 03/04/2023

Cash flow Statement (in thousands of euros)	31/12/2022	31/12/2021
Profit for the financial year	32,664	25,494
Depreciation and provisions net of reversals	616	725
Net merger surplus		(71)
Eliminations of gain or losses on disposal	-	2
CASH FLOW FROM OPERATIONS	33,280	26,150
Change in working capital	(1,453)	16,502
Cash flow from operations	31,827	42,652
Acquisition of fixed assets	(732)	(878)
Net book value of fixed assets sold	248	200
Cash from complete transfer of assets and liabilities of Tagest		81
Financial assets	(31,296)	(3,522)
Total net cash flow from investing activities	(31,780)	(4,119)
Dividends paid	(18,396)	(16,743)
Change in financial debts	18,242	(12,839)
Total net cash flow from financing activities	(154)	(29,582)
Net cash flow	(107)	8,951
Opening cash position	9,485	534
Of which, positive cash*	18,495	3,398
Of which, short-term loans	(9,010)	(2,864)
Net cash	9,378	9,485
Of which, positive cash flow*	12,181	18,495
Of which, short-term loans	(2,803)	(9,010)

* Including treasury shares (see note 4).

7.1. – Notes to Thermador Groupe's annual accounts

Thermador Groupe is the lead company of the consolidated Thermador Groupe.

The year's milestones

Acquisition of Direct Pipe Industry (DPI):

On October 31, 2022, Thermador Groupe finalised the acquisition of 100% of the shares of Monaco-based DPI for €31m, paid in cash. An additional consideration of €5,160k has been provisioned in the accounts and could be paid at the beginning of 2024 if the average operating profit reaches €3,859k for the years 2022 and 2023. CIC Lyonnaise de Banque and Crédit Lyonnais supported Thermador Groupe in this transaction by granting two fixed-rate bank loans over a period of 7 years.

COVID-19 crisis:

The health crisis related to the spread of the COVID-19 virus continued during 2022 with government measures deployed as the situation evolved. Thermador Groupe did not benefit from those measures during FY 2022. No State-guaranteed loans were taken out by Thermador Groupe.

Cash-pooling agreement:

Thermador Groupe has concluded an agreement with its subsidiaries domiciled in France to set up a centralised cash management system for their respective cash flows («cash-pooling» agreements).

This centralised management system was set up for bank accounts managed by CIC from December 1, 2021 and by Société Générale on July 1, 2022. The subsidiaries concerned are Axelair, Aello, Domac, FGinox, Isocel, Jetly, Mecafer, Odra, Opaline, PBtub, Sectoriel, Sferaco, Syveco, SCI Thely and Thermacome. At December 31, 2022, the net overdraft cash position of €9,378k includes funds received net of funds advanced. Funds received from subsidiaries included in «other liabilities» amounted to €40,315k. Advances granted to subsidiaries under «other receivables» amount to €27,445k.

Inflation:

Inflation was expected to average 5.2% in France and 11.1% in Europe in 2022.

This inflationary phenomenon has several effects on our business.

In order to support employees in their home-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 costs. A value-sharing bonus was also paid during the year.

Particular attention is paid to changes to employees' purchasing power with a regular salary review.

Situation in Ukraine:

The war in Ukraine has not had a major impact on the assets, the financial situation or results of the company or our holdings. As this war was still ongoing at the date of preparation of the annual accounts, the company is unable to assess the precise consequences for the financial years ahead.

Accounting rules and methods

The financial statements for the year ended were prepared and presented in accordance with the accounting rules and principles set out in Articles 121-1 to 121-5 et seq. of the General Accounting Plan. 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.

Accounting conventions were applied in accordance with the provisions of the French commercial code, the accounting decree of 29/11/83 and ANC regulation 2014-03 and other accounting standards authority (ANC) publications relating to the rewriting of the general accounting plan applicable at the end of the financial year. The write-down periods applied are in line with the precepts of useful service life.

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 9.4% - 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 IV.

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

Receivables are assessed at their nominal value. A provision for depreciation is applied when the inventory value is lower than the accounting value.

Note 4 Treasury shares

Thermador Groupe had purchased 1,200 of its own shares during 2018 representing a value of €62,000. In April 2021 Thermador Groupe purchased 1,800 of its own shares with a purchase value of €158,000. These treasury shares were valued at the closing price, making them worth €258,500 for an unrealised gain of €37,500.

Note 5 Retirement compensation

Pension compensation was calculated at €238,4k including charges (of which Board members and corporate officers €177,3k) 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 3,77 %.

The provision entered in the accounts of €238,4k therefore concerns all employees and company managers. The 2022 allocation is €8k.

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.

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	4,590	808	248	5,150
TOTAL INTANGIBLE ASSETS	10,307	808	248	10,867
Machinery and equipment				
General installations, fixtures and improvements	568			568
Office equipment and furniture	713	117		830
Tangible assets in progress	19	35		54
TOTAL TANGIBLE ASSETS	1,300	152		1,452
Long-term investments ⁽¹⁾	122,028	36,347		158,375
Intercompany receivables ⁽²⁾	21,292	104		21,396
Other financial assets	1	5		6
TOTAL FINANCIAL ASSETS	143,321	36,456		179,777
OVERALL TOTAL	154,929	37,416	248	192,097

⁽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	3,031	469		3,500
TOTAL INTANGIBLE ASSETS	3,031	469		3,500
Machinery and equipment				
General installations, fixtures and improvements	409	33		442
Office equipment and furniture	529	123		652
TOTAL INTANGIBLE ASSETS	938	156		1,094
OVERALL TOTAL	3,969	625		4,594

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	246		8	238
Provision for share-based payments	276			276
Other provisions				
TOTAL PROVISIONS FOR LIABILITIES AND CHARGES	522		8	514
Provision for company-owned share depreciation				
GRAND TOTAL	522		8	514
Including: - operating items			8	
- financial				
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	21,396	21,396		21,396
Other financial assets	6			6
Customers	5		5	
Other debtors	370		370	
Group	28,265	28,265	28,265	
Prepaid expenses	168		168	
TOTAL	50,210	49,661	28,808	21,402

The group aggregate includes in particular the advances granted to the subsidiaries for €27,445k under the cash management agreement set up in 2021 for CJC and 2022 for Société Générale. These current account advances are subject to the ESTR rate +0.5%.

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	46,029		11,081	34,948
Loans and miscellaneous financial debt				
Suppliers	737		737	
Supplier fixed assets	5,397		237	5,160
Corporation tax				
Personnel and social bodies	860		860	
VAT	410		410	
Other taxes and duties	115		115	
Group	40,372	40,372	40,372	
Other parties				
TOTAL	93,920	40,372	53,812	40,108

The group aggregate includes funds advanced by subsidiaries for €40,315k under the cash management agreement set up in 2021. These current account advances are subject to the ESTR rate +0.5%.

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 34,500k USD with a maturity date in the first quarter of 2022. The fair value of these financial instruments was assessed at €1,573.1k on December 31, 2022.

Note 11 *Information linked to significant transactions concluded with the parties bound by article R-123-197-1 of the French companies' code*

- Rent invoiced by SCI Thely €2,785k of which €37k 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 €941k, Sferaco €1,213k and Thermador €594k,
- Levy on the three companies' turnover: Jetly €1,489k, Sferaco €1,065k and Thermador €1,978k.

Note 12 *Other information*

Accrued income: Group: €677k in fees, €5k in bank charges and expenses.

Outstanding expenses: Suppliers and related accounts: €260k, fixed asset suppliers: €5,160k, for the DPI earn-out, tax and social security liabilities: €680k, of which €267k in respect of

the variable earnings of the company's CEO and deputy CEO (Guillaume Robin and Patricia Mavigner) to be voted at the AGM of April 3, 2023, provision for paid holidays: €129k, group: €57k, accrued interest on loans: €133k.

Pre-paid expense: €168k.

Average headcount: Managers: 20 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.

Executives' 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 €1,440.4k.

Tax on profit: Taxes due.

Total taxes plus social security contributions of 3.3% came to €1,102k on the financial year's profit with no tax on the exceptional profit. The tax burden is therefore €1,102K of net profit. For the planned distribution of €19,138k, taxes and contributions will be €6,438k.

Tax deductions: Acquisition fees: €551.4k, pension provision: €313k, provisions for payments in shares: €238.4k.

Note 13 *Auditors' fees***FEES FOR CERTIFICATION OF ACCOUNTS**

	MAZARS		CABINET ROYET		TOTAL	
	In thousands of euros		In thousands of euros		In thousands of euros	
	2022	2021	2022	2021	2022	2021
Fees for certification of accounts	36	34	36	34	72	68
NON-AUDIT SERVICES (NAS)						
NAS required by the texts	5	5	5	5	10	10
Other NASs						
TOTAL STATUTORY AUDITORS' FEES	41	39	41	39	82	78

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 - 80, rue du Ruisseau, 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.
- Consultation of corporate documents: at the company's head office.

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

To enable identification of holders of bearer shares, the company can at any time request that the central clearing organisation disclose the name or, in the case of a legal entity, the company name, nationality and address of the holders that confer or will confer voting rights during the AGMs, along with the number of shares held by each and any restrictions that may apply to those shares.

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 (article 27 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 of 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 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 11 - 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			9,109,752	€36,439,008
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

Financial year ending December 31, 2022

To Thermador Groupe's AGM.

Opinion

In compliance with the assignment entrusted to us by your AGM, we have audited the accompanying financial statements of Thermador Groupe for the year ended December 31, 2022.

In our opinion, the financial statements give a true and fair view of the results of operations for the year ended and of the financial position and assets of the company at that date, in accordance with the accounting rules and standards applicable in France.

The opinion expressed above is consistent with the content of 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 evidence obtained from the audit is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are set out in the section of this report entitled «Statutory Auditors' Responsibilities in the Audit of the Annual Accounts».

Independence

We conducted our audit in accordance with the independence rules set out in the French commercial code and in the Code of Ethics for Statutory Auditors for the period from January 1, 2022 to the date of issue of our report, and in particular we did not provide any services prohibited by Article 5(1) of Regulation (EU) No 537/2014.

Justification of assessments

Key points of the audit

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French commercial code relating to the justification of assessments, we highlight the key points of the audit relating to the risks of material misstatement which, in our professional judgement, were the biggest for the audit of the annual accounts for the financial year, as well as the responses to those risks.

These assessments were made in the context of our audit of the financial statements taken as a whole and the guiding of our opinion expressed above. We do not express an opinion on any individual item of the annual accounts.

Valuation of equity investments and receivables related to equity investments (Notes 2, 3 and 6 to the annual accounts)

Risks identified

Equity investments and related receivables, shown in the balance sheet at December 31, 2022 for a net amount of €179.8m, represent 79% of the

total balance sheet. Equity investments are recorded at their acquisition cost and depreciated according to current value.

As indicated in Note 2 to the financial statements, the current value is assessed either by reference to the market value or by analysis of the most recent annual accounts closed by the companies whose securities are held. The analysis relates to the situation regarding the shareholders' equity, the level of results and the development prospects of the companies concerned. When the current value of the securities is less than their acquisition cost, a provision for depreciation is recorded.

Estimating the current value of these securities requires management to exercise judgment in selecting the items to be considered for the holdings concerned, which may be either historical or projected.

In accordance with Note 3 to the financial statements, receivables related to equity investments are valued at their nominal value and depreciated when their inventory value is lower than their book value.

Due to uncertainties inherent to specific areas, including the likelihood of fulfilling forecasts, we considered the valuation of equity investments and receivables from equity investments to be a key audit issue.

Audit procedures implemented in response to identified risks

In order to assess the reasonableness of the estimate of the current values of equity investments, based on the information provided to us, our work mainly involved verifying that management's estimates of these values were based on an appropriate justification of the valuation method and the figures used and, depending on the investments concerned, involved:

For assessments based on historical evidence:

- Checking that the equity used is consistent with the accounts of the entities that have been subject to audit or analytical procedures.

For assessments based on forecasting elements:

- Obtaining the cash flow forecasts of the activities of the entities concerned drawn up by their operational management, and assessing their consistency with the forecast data from the latest strategic plans, drawn up under the control of their top management for each of these businesses;
- Checking the consistency of the assumptions made with the economic environment at closing and preparation dates of the accounts;
- Comparing the forecasts made for previous periods with the corresponding achievements in order to assess the achievement of past objectives;
- Checking that the value resulting from the cash flow forecast has been adjusted by the amount of the entity's debt.

In addition to assessing the current values of equity investments, our work also involves assessing the recoverability of receivables in relation to equity investments in light of the analyses performed on equity investments.

Finally, we checked that Notes 2, 3 and 6 to the financial statements provide appropriate disclosure.

Specific checks

In accordance with professional standards applicable in France, we also made the specific checks required by law and by the regulations.

Information outlined in the Board's management report and other documents on the group's financial situation and the annual accounts sent to shareholders

We have no comment as to the fair presentation and conformity with financial statements of the information in the Board's management report and other documents on the group's financial situation and the annual accounts sent to shareholders.

We hereby certify that the information relating to payment periods mentioned in Article D.441-6 of the French commercial code is true and consistent with the annual accounts.

Corporate Governance Report

We hereby certify that the Board's report on corporate governance contains the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French commercial code.

Concerning the information provided in accordance with the provisions of Article L.22-10-9 of the French commercial code relating to earnings and benefits paid or granted to corporate officers as well as commitments made in their favour, we checked its consistency with the financial statements or with the data used to prepare them and, where applicable, with the information obtained by your group from companies controlled by it and falling within the consolidation scope. On the basis of our checks, we certify the accuracy and fairness of the information.

Other checks or information required by law and by the regulations

Format of the annual accounts in the annual financial report

In accordance with professional standards on the due diligence of statutory auditors in relation to the annual and consolidated financial statements presented in accordance with the single European electronic reporting format, we checked compliance with this format defined by European Delegated Regulation No. 2019/815 of December 17, 2018 in the presentation of the annual financial statements intended for inclusion in the annual financial report referred to in section I of Article L. 451-1-2 of the French monetary and financial code, prepared under the responsibility of the Chairman and CEO.

Our investigations allowed us to conclude that the presentation of the annual accounts to be included in the annual financial report complies with the single European electronic reporting format in all material respects.

It is not our responsibility to verify that the financial statements that will be included by your company in the annual financial report filed with the French financial markets authority (AMF) correspond to those on which we have performed our work.

Appointment of auditors

We were appointed auditors of Thermador Groupe:

- by the AGM of October 2, 1986 for the firm Mazars

- by the AGM of April 4, 2005 as an deputy to the firm Royet, which took up its duties as a full member on April 17, 2015 following the resignation of the firm SSEC.

December 31, 2022 marked 36 consecutive years of engagement for Mazars, including 35 years since the group's shares were floated on a regulated market; at that same date, Royet was in its 18th consecutive year of engagement, including 8 years as statutory auditor.

Responsibilities of management and those responsible for governance in relation to the annual accounts

It is the responsibility of management to prepare financial statements that give a true and fair view in accordance with French accounting rules and standards and to implement such internal control as it deems necessary to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, management must make an assessment of the company's ability to continue as a going concern, to disclose in those accounts, where appropriate, the necessary information relating to the going concern and to apply the going concern accounting policy, unless the company is to be wound up or cease trading.

The Audit committee is responsible for monitoring the financial reporting process and for monitoring the effectiveness of the internal control and risk management systems, and where appropriate the internal audit, in relation to the procedures for preparing and processing accounting and financial information.

The annual accounts have been approved by the Board of Directors.

Statutory auditors' responsibilities in relation to the audit of the annual accounts

Audit objective and approach

Our responsibility is to issue a report on the annual accounts. Our objective is to obtain reasonable assurance about whether the annual accounts taken as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit performed in accordance with professional standards will result in the systematic detection of material misstatements. Misstatements may be due to fraud or error and are considered material when they could reasonably be expected to influence the economic decisions that users of the accounts make on the basis of the accounts, either individually or collectively.

As specified by Article L.823-10-1 of the French commercial code, our mission of certification of the accounts does not consist in guaranteeing the viability or the quality of the management of your company.

In the context of an audit conducted in accordance with professional standards applicable in France, the auditor exercises professional judgement throughout the audit.

In addition:

- The auditor identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures to address those risks, and obtains audit evidence that the auditor believes is sufficient and appropriate to provide a basis for the audit opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error, because fraud may involve collusion, falsification, intentional omissions, misrepresentation or circumvention of internal control;
- The auditor 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 internal control;
- The auditor assesses the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as the related disclosures in the annual accounts;
- The auditor assesses the appropriateness of management's application of the going concern accounting policy and, based on the information obtained, whether there is any material uncertainty related to events or circumstances that may affect the company's ability to continue as a going concern. This assessment is based on information gathered up to the date of the report, bearing in mind that subsequent events or circumstances could call into question the company's ability to continue as a going concern. If the auditor concludes that there is material uncertainty, he draws the attention of the readers of his report to the information provided in the annual accounts concerning this uncertainty or, if this information is not provided or is not relevant, he issues a qualified opinion or a refusal to certify;
- The auditor assesses the overall presentation of the annual accounts and whether the annual accounts reflect the

underlying transactions and events in a manner that gives a true and fair view.

Report to the Audit committee

We provide the Audit committee with a report that presents, in particular, the scope of the audit work and the work programme implemented, as well as the conclusions resulting from our work. We also report to the Audit committee on any material weaknesses in the internal control procedures relating to the preparation and processing of accounting and financial information.

The matters communicated in the report to the Audit committee include the risks of material misstatement that we consider to be the most significant for the audit of the annual accounts for the year and which therefore constitute the key points of the audit, which it is our responsibility to describe in this report.

We also provide the Audit committee with the declaration provided for in Article 6 of Regulation (EU) No 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out in particular in Articles L.822-10 to L.822-14 of the French commercial code and in the Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit committee the risks to our independence and the safeguards applied.

The auditors

CABINET ROYET

Saint-Etienne, February 22, 2023

Serge Guillot

MAZARS

Lyon, February 22, 2023

Frédéric Maurel

7.3 SPECIAL AUDITORS' REPORT ON CONVENTIONS AND REGULATED COMMITMENTS

The AGM reviewing the results for the year ended December 31, 2022.

To the Annual General Meeting of Thermador Groupe,

As statutory auditors of your company, we hereby present to you our report on the regulated agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of the agreements notified to us or which we might have discovered when we performed our assignment. It is not our role to determine whether they are useful or appropriate or to investigate whether any other agreements exist. It is your responsibility, under the terms of article R 225-31 of the French commercial

code, to evaluate the benefits arising from these agreements prior to their approval.

Moreover, in accordance with article R. 225-31 of the French companies' code, we are required to inform you of the execution of the agreements during the year ended already authorised by your AGM.

We have completed the due diligence that we felt necessary for the professional doctrine of the national auditors' body (CNCC) in relation to this mission. That due diligence involves verifying the concordance between the information given to us and the basic documents it came from.

Agreements submitted to the approval of the AGM

Agreements authorised and concluded during the past financial year

We inform you that we were informed of no agreement or commitment approved during the financial year ended to be submitted to the AGM in accordance with article L.225-38 of the French commercial code.

Agreements already approved by the AGM

Agreements approved in previous years which continued to be executed during the past year

Pursuant to Article R. 225-30 of the French commercial code, we have been informed that the following agreements, already approved by the AGM in previous years, continued to be executed during the past year.

- Management lease agreements for businesses and rental of storage and administrative premises for some companies of the group.

Entity and person concerned

Thermador, Jetly and Sferaco.

Type and purpose

As the businesses operated by the subsidiaries Thermador, Jetly and Sferaco are owned by your company, management lease agreements have been signed. The royalties fall into three categories:

- ⁽¹⁾ Rental income: income from leases based on the surface area occupied by each subsidiary (i.e. offices, workshops and warehouses) representing 8,800 m², 14,550 m² and 11,419 m² respectively during the 2022 financial year and on the price per square metre;
- ⁽²⁾ Royalties on turnover: based on the application of the rate provided for in the contract, i.e. a percentage of turnover of: 2.3% for Thermador, 1.7% for Sferaco and 2.5% for Jetly.
- ⁽³⁾ Equipment royalties: related to leased equipment, i.e. 10% of the net value of the equipment concerned.

Conditions

In application of this agreement, your company recorded the following income for the year ended December 31, 2022 (in thousands of euros):

	Leases	Fees on turnover	Fees on equipment
THERMADOR	594	1,978	0
SFERACO	1,213	1,065	0
JETLY	941	1,489	1
TOTAL	2,748	4,532	1

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.

- Termination benefits for executives

Entity and person concerned

Corporate officers employed by Thermador Groupe.

Type and purpose

Your company has undertaken to pay a retirement indemnity to its corporate officers in the event of their retirement. This retirement indemnity is calculated in the same way as that paid to a salaried executive, in accordance with the provisions of Article 5 of Amendment I of the wholesale trade's industry-wide agreement to which your company is a signatory.

Conditions

This agreement was not applied in FY 2022.

Your Board of Directors has specified that this agreement is maintained.

The auditors

Mazars	Cabinet Royet
Lyon, February 22, 2023	Saint-Etienne, February 22, 2023
Frédéric Maurel	Serge Guillot

7.4 STATUTORY AUDITORS

Statutory auditors:



Cabinet Royet

9, place Jean Moulin BP 30 005 - 42001 Saint-Etienne (Loire), appointed on April 4, 2016, and renewed on April 10, 2017, represented by Serge Guillot since 2021 and previously by Stéphane Guichard, the change having been made with the advent of the financial security law.



Mazars

109 Rue Tête d'Or, 69006 Lyon (Rhône), appointed on October 2, 1986 and reappointed on April 10, 2017 for a final term of six years following a call for tenders in 2017, represented by Frédéric Maurel since 2017 and previously by Pierre Beluze, the change having been made with the advent of the financial security law. Mazars' mandate will end in April 2023. The 17th resolution proposes the appointment of a new Statutory Auditor: Deloitte, represented by Patrice Choquet.

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ADDITIONAL INFORMATION FROM THE UNIVERSAL REGISTRATION DOCUMENT

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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

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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
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2	STATUTORY AUDITORS	
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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.	2.9 / 7.1.6
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5.1.	Main activities.	
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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
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5.7.4.	Environmental issues.	Chapter 3
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7	REVIEW OF THE FINANCIAL POSITION AND PROFIT OR LOSS	
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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 Chapter 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	
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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
9	REGULATORY ENVIRONMENT	4.1

		Section of the Universal Registration Document
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.	Chapter 1, 4, 5 and 6
10.2.	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.	2.6
13.2.	Provisions for pensions and retirement benefits.	2.6 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.	2.6 6.3 - Annex to the accounts annual consolidated - Note 17
15.3.	Agreement providing for employee holdings in the capital.	2.8.1 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.	2.8
16.2.	Existence of various voting rights.	2.8 / 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 / 2.6 6.3 - Annex to the accounts annual consolidated - Note 6 7.3

		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 / 2.7
18.5.2.	Dividend amount per share.	1.1 / 2.7 / 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.	7.1 Annex to the accounts social - Note 4 6.3.9
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.	2.8
20	SIGNIFICANT CONTRACTS	N/A
21	AVAILABLE DOCUMENTS	2.9

8.2 COMPONENT ELEMENTS OF ANNUAL FINANCIAL REPORT, MANAGEMENT REPORT AND REPORT ON THE GOVERNANCE OF THE COMPANY

Elements	Document Sections
Management report including declaration of extra-financial performance	1.1 to 1.3 - 1.6 to 1.10 - 2.6 - 2.8 - Chapters 3 - 4.3 - Chapters 5 - 6.1 - 6.2 - 7.1
Report on corporate governance	Chapter 2
Annual accounts	Chapter 6 and Chapter 7
Auditors' reports	6.4 - 7.2 - 7.3
Statement	8.3

8.3 STATEMENT OF THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION 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 22, 2023

Guillaume Robin
Chairman & CEO
Tel. +33 04 74 95 63 28

9



DRAFT RESOLUTIONS

9. DRAFT RESOLUTIONS

To the AGM of April 3, 2023

Ordinary resolutions

FIRST RESOLUTION

The AGM, having heard the reports of the Board of Directors and the Statutory Auditors, approves the annual accounts for the year ended December 31, 2022 as presented, as well as the transactions reflected in the statements or summarised in these reports.

SECOND RESOLUTION

The AGM, having heard the report on the management of the group and the report of the Statutory Auditors, approves the consolidated financial statements for the year ended December 31, 2022 as presented, as well as the transactions reflected in the statements or summarised in these reports.

THIRD RESOLUTION

The AGM decides to allocate the profit for the financial year of €32,664,404.29 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. €13,526,638.37.

The AGM 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 14, 2023.

The AGM 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 allowance
	Dividends	Other distributed income	
2021	€18,395,698	-	-
2020	€16,743,361	-	-
2019	€16,395,394	-	-

Board members

FOURTH RESOLUTION

On the proposal of the Board of Directors, the AGM renews the directorship of Mrs Mathilde Yagoubi, residing at 3 rue Gustave Nadaud in Lyons (Rhône), for a period of four years, i.e. until the end of the AGM to be held in 2027 to approve the financial statements for 2026.

FIFTH RESOLUTION

On the proposal of the Board of Directors, the AGM renews the directorship of Mr Olivier Villemonte de la Clergerie, residing at 17 chemin de la Pinède in Ecully (Rhône) for a term of four years, i.e. until the end of the AGM to be held in 2027 to approve the financial statements for 2026.

In keeping with the Middenext governance code, our internal regulations state that an independent director cannot serve on our Board for more than 12 years. Under these rules, Karine Gaudin is coming to the end of her time on the Board, having served three four-year terms. Our gratitude goes out to her for her diligence, loyalty, readiness to speak out, and her chairmanship of the Audit committee since 2018. We salute her personal financial commitment to the group, as she currently holds 1,044 Thermador Groupe shares.

In order to maintain the same balance within our Board of Directors, we are asking for your approval of the candidacy of Véronique Bouscayrol, who has the experience and skills to participate in our work and particularly in that of our Audit committee. She is currently Diocesan Bursar, responsible for balancing the books of the Diocese of Lyon and was Administrative and Financial Director of BOIRON from 2014 to 2018. Her biography can be consulted on our website. To prepare her for the task, she will be embarking on an eight-day training course on CSR in general and on the regulatory changes concerning environmental and societal issues in particular.

SIXTH RESOLUTION

On the proposal of the Board of Directors, the AGM appoints as Director Mrs Véronique Bouscayrol, residing at 9 bis rue Joseph Rimaud in Ecully (Rhône), for a term of four years, i.e. until the end of the AGM held in 2027 to approve the financial statements for 2026.

- Executive compensation - Ex-post approval of the earnings elements for executive directors for 2022

The law institutes an a posteriori (ex-post) shareholder control procedure, applicable as of the end of the financial year following the first financial year ending after December 9, 2016, the date the law was passed (Law Art. 161, II).

The AGM of April 4, 2022 decided on the principles and criteria governing directors' earnings. At the AGM held to vote on the accounts for the following financial year, i.e. that of April 3, 2023, shareholders must vote on fixed, variable and exceptional elements making up the total earnings and benefits of any kind paid or allocated in respect of the previous financial year to the Chairman and CEO, to the Deputy CEOs or to the other executives (C. com. art. L 225-100, II).

SEVENTH RESOLUTION

The AGM, 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 AGM of April 4, 2022, to **Mr Guillaume Robin**, Chairman and CEO (see pages 40 to 45 of our universal registration document).

EIGHTH RESOLUTION

The AGM, within the meaning of Article 22-10-34 II of the French Commercial Code, approves the fixed and variable components of the total earnings and the compensation and all types of benefits paid or attributed during the previous financial year, within the meaning of the earnings policy approved by the AGM of April 4, 2022, for **Mrs Patricia Mavigner**, Deputy CEO (see pages 41 to 45 of our universal registration document).

- Executives' earnings - Approval of the ex-ante elements of the policy on executive directors' earnings for 2023.

According to the Sapin 2 law on transparency, the fight against corruption and the modernisation of economic life, shareholders are, during the OGM, called upon to vote on "the principles and criteria for determining, distributing and allocating the fixed, variable and exceptional components of the total earning and benefits of any kind, attributable" to executives.

NINTH RESOLUTION

The AGM, pursuant to Article L. 22-10-8 of the Commercial Code, approves **the earnings policy for the members of the Board of Directors** as presented in the report on corporate governance in the universal registration document (see pages 40 to 45 of our universal registration document).

TENTH RESOLUTION

Pursuant to Article L. 22-10-34 I of the French Commercial Code, the AGM approves the information referred to in section I of Article L. 22-10-9 of the French Commercial Code mentioned in the report on corporate governance contained in the Universal Registration Document (see pages 40 to 46 of this document).

ELEVENTH RESOLUTION

The AGM, ruling under the quorum and majority voting conditions required for AGMs, having taken note of the report of the Board of Directors on the earnings of **Mr Guillaume Robin**, CEO of Thermador Groupe, approves the application of the earnings policy for the financial year 2023 as presented in this report (see pages 40 to 45 and of our universal registration document).

TWELTH RESOLUTION

The AGM, ruling under the quorum and majority voting conditions required for AGMs, 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 2023 as presented in this report (see pages 41 to 45 of our universal registration document).

THIRTEENTH RESOLUTION

The AGM, ruling under the quorum and majority voting conditions required for AGMs, 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 2023 as presented in this report (see page 43 of our universal registration document).

FOURTEENTH RESOLUTION

The AGM raises the maximum annual global amount of earnings allocated to board members to one hundred and ninety thousand euros (€190,000). This amount, which applies to the current financial year, shall be maintained until a further decision of the AGM has been taken.

Approval of regulated conventions

FIFTEENTH 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 AGM approves the terms of the said report and, successively, each of the agreements mentioned therein. (cf: pages 179 and 180).

Purchase of shares by Thermador Groupe

SIXTEENTH RESOLUTION

The AGM, 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 €125, excluding acquisition costs. 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 AGM decides that this authorisation shall expire at the end of a period of 18 months from the date of this Meeting.

Renewal and appointment of auditors

We invited tenders for the renewal of Mazars' mandate in 2023, given the cumulative duration of its mandates. Following this call for tenders in 2017, we propose that you appoint Deloitte.

SEVENTEENTH RESOLUTION

As the terms of office of the Statutory and Deputy Auditors have expired, the AGM, on the proposal of the Board of Directors:

- appoints, for six financial years, as Statutory Auditor:
 - Deloitte, 106 cours Charlemagne, 69002 Lyons (Rhône),
- renews, for six financial years, as Statutory Auditor:
 - Cabinet Royet, 9 place Jean Moulin – BP n° 3005 in Saint-Etienne (Loire).

Pursuant to Article L. 823-1, paragraph 2 of the Commercial Code, the company is not required to appoint a substitute auditor.

EIGHTEENTH RESOLUTION

On the proposal from the Board of Directors, the AGM ratifies the decision relating to the transfer of the registered office of Thermador Groupe to 60 rue de Luzais, Parc d'Activités de Chesnes, Saint-Quentin-Fallavier (Isère), with effect from March 10, 2023, and consequently the amendment of Article 4 of the company by-laws, agreed by the Board of Directors on February 21, 2023.

NINETEENTH RESOLUTION

All powers are given 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.



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