2024 Annual Report

Sfpi Group - Spring 2025

GROUP

Sfpi

Safety for people & industry

2024
Annual
Report

Contents

A solid year, a steady course.

The year 2024 embodied the strength of Sfpi Group's business model based on a diverse range of operations, a robust financial structure and a consistent transformation plan.

Against a backdrop of uncertainty marked by instability in several European markets, the Group's resilience first and foremost enabled it to increase the gross margin and significantly improve recurring operating income.

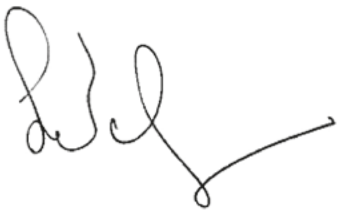
These results are all the more significant given the contraction of the building market and unstable weather conditions, which impacted the operations of the MAC division. Nevertheless, the division continued its recovery driven by the commitment of its teams and the strengthening of the MAC250 plan.

Meanwhile, the DOM Security, MMD and NEU-JKF divisions all posted strong performances, particularly MMD, which continued to grow rapidly with revenues up 8.7% versus 2023.

Finally, 2024 saw the strengthening of our financial structure: equity up, net debt down, an increase in net cash to over €145 million and net cash surplus up nearly 70%.

All of these strengths will contribute towards our Group's transformation into a European leader in industrial responsibility.

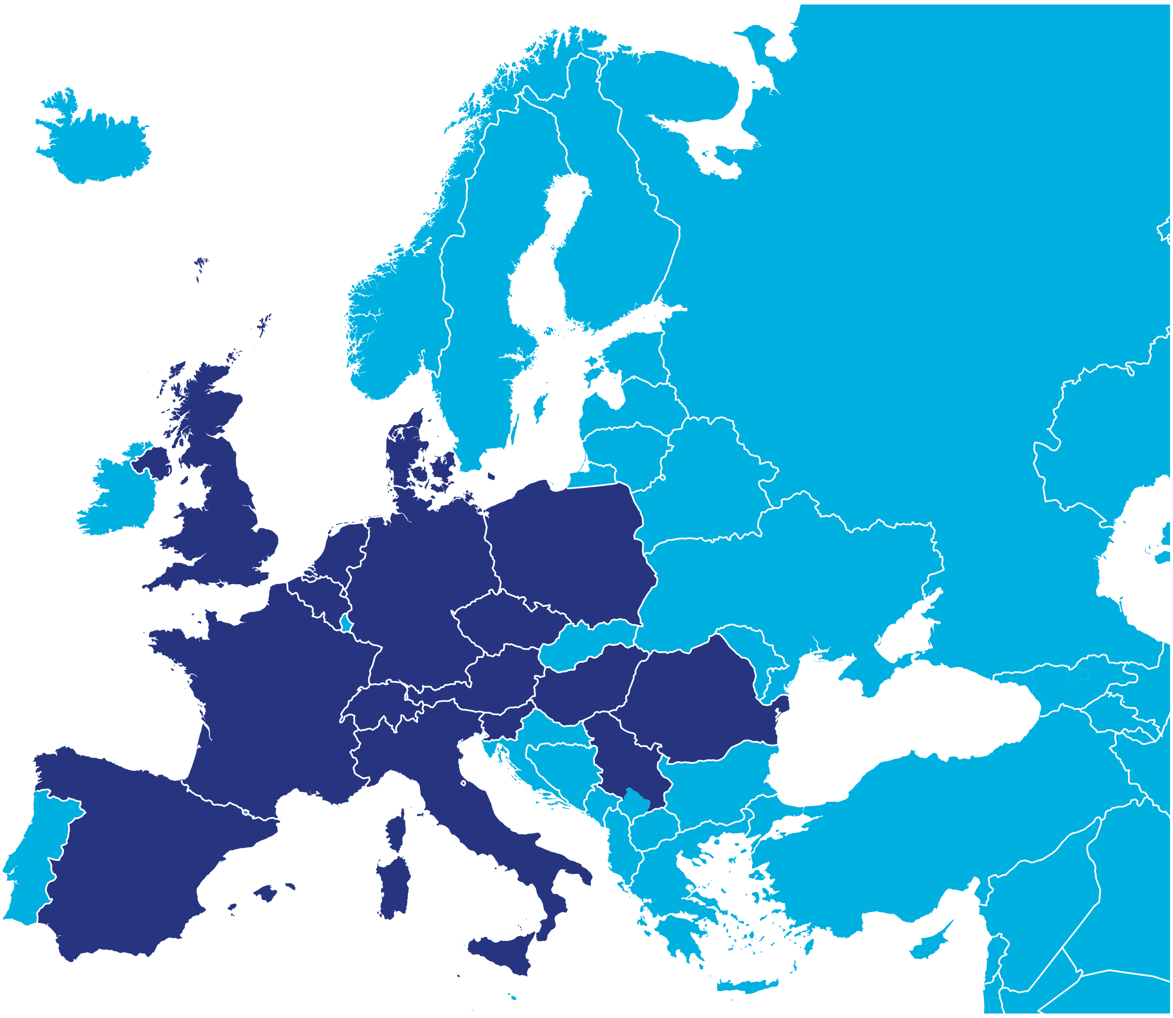
Henri MOREL
Chairman and Chief Executive Officer



Independent, industrial, international

GROUPE SFPI was created in France in 1985 by a group of entrepreneurs led by Henri Morel committed to taking over and developing industrial companies.
In 2024, GROUPE SFPI generated €666 million in revenues in the safety industry.
47.41% of these revenues were generated outside France.

GROUPE SFPI has 4,011 employees, 44.9% of whom are based outside France.



European presence

Joinery, shutters, awnings and blinds for housing and stores

MAC

The companies in the MAC division design, produce and sell door and window fittings (windows and joinery, blinds and shutters, awnings, front and garage doors, industrial doors) for housing and industrial buildings on the B2B and B2C markets.

Organised around strong brands such as France Fermetures, Franciaflex, Faber France and SIPA Menuiseries, the MAC division is based in France and, now, in Austria via the WO&WO Group specialising in solar protection. The MAC companies generate around €220 million in annual revenues and employ 1,342 people.

Much like DOM Security, the MAC companies are currently involved in an ambitious innovation plan to completely digitise the value chain, from ordering to customer delivery.

Access and locking solutions for buildings

DOM Security

European leader on the security market, DOM Security designs, manufactures and markets mechanical and electronic access and locking solutions for home-owners and corporate clients. DOM Security has also acquired specialist expertise in integrated locking solutions for industrial groups, providing turnkey solutions developed
in coordination with engineering departments. DOM Security spans over 20 companies in Europe and boasts more than 100 million users who use the Group’s products and brands on a daily basis. The DOM Security companies generate around €235 million in annual revenues and employ 1,705 people.

The Group is continuing to focus its innovation drive on developing connected locking solutions (connected locks, unlocking via smartphone or badge) and access control solutions designed for smart building management. Actively involved in the digital transformation of production and distribution methods, DOM Security’s marketing teams are Sfpi Group’s go-to for expertise.

Thermal processing and sterilisation solutions for industries

MMD

The MMD companies deliver industry solutions (food industry, chemicals, heavy industry, etc.) in thermal processing and sterilisation. Backed by leading brands on their markets such as Barriquand, Steriflow and Cipriani (Italy), the division's companies design, manufacture and distribute solutions that allow their industry customers to fulfil strict health standard requirements while controlling their energy consumption. The MMD companies generate €76 million in annual revenues and employ 285 people.

On a market experiencing sustained growth, interest in the division's products is growing due to the increasing complexity and tightening of standards and increasingly demanding requirements to reduce energy consumption.
Firmly established in Europe and distributed worldwide, the division's thermal processing and sterilisation products are regularly recognised for their excellence and innovative nature.

Air treatment in industrial settings

NEU-JKF

The NEU-JKF division specialises in improving air quality in industrial environments.

The division's companies design, produce and market systems for dust extraction, air filtration and conditioning, pneumatic conveying and industrial ventilation for a wide range of sectors (agrifood, milling, woodworking, chemicals, metalworking and minerals, cardboard and paper, nuclear, aviation, etc.).

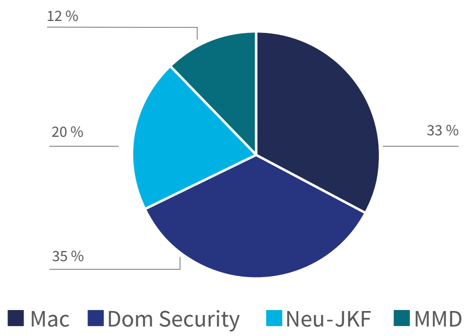
Aligned with Sfpi Group's international ambitions, the NEU-JKF division generates over half of its revenues outside France.

The NEU-JKF companies generate annual revenues of €134 million and employ 668 people.

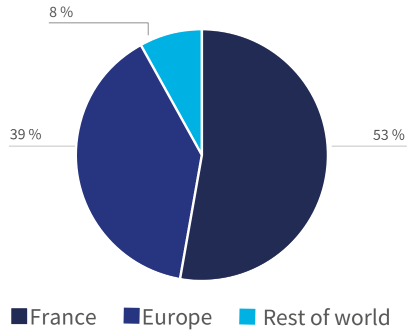
The systems and products distributed by the division meet the strictest regulatory standards and requirements and contribute to protecting the environment, industrial equipment and employee health. They help to improve productivity and performance in industrial facilities.

2024 key figures

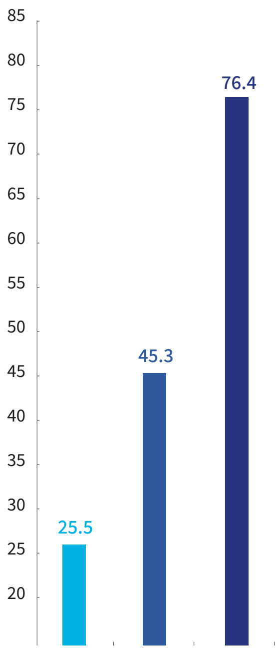
2024 revenues breakdown by division



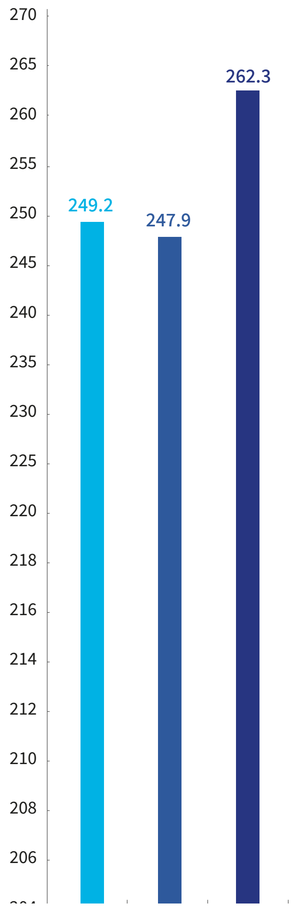
2024 revenues breakdown by region



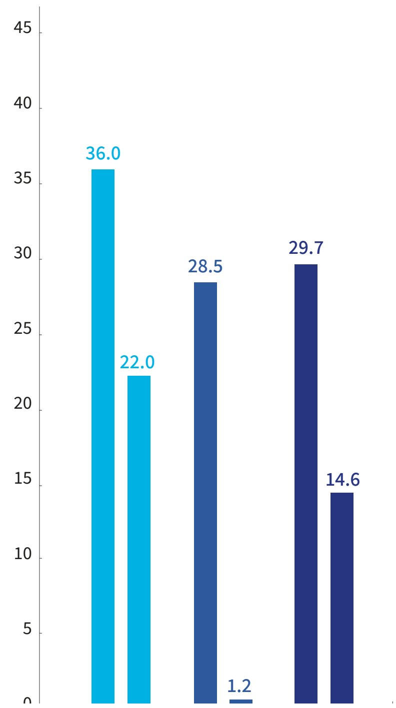
Net cash position
€m



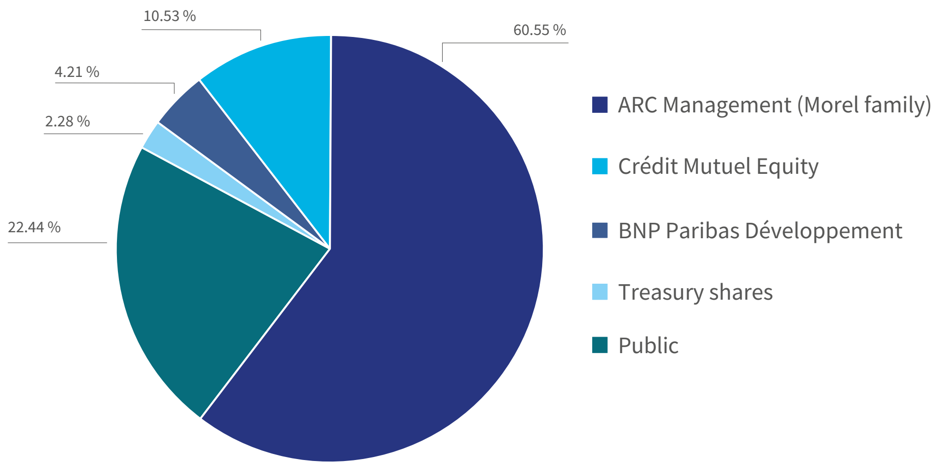
Shareholders' equity
€m



Recurring operating income
and net income
Group share
€m



Capital structure - December 2024



Data per share

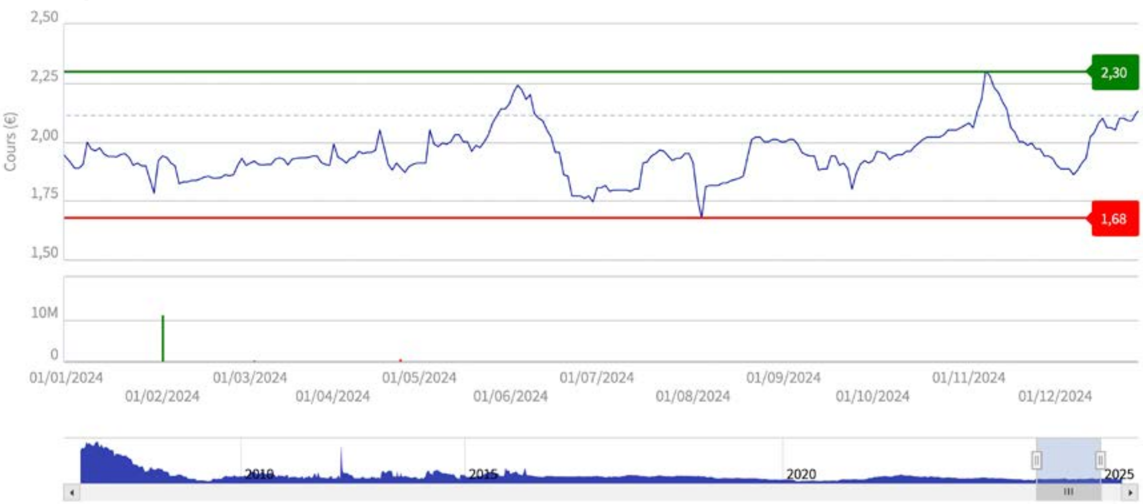
In euros	2022	2023	2024
Net earnings per share Group share	0.24 €	0.01 €	0.16 €
Net dividend	0.05 €	0.03 €	0.08 €
Number of shares (excl. treasury shares)	at 31/12/2022 **92,205,431**	at 31/12/2023 **92,205,431**	at 31/12/2024 **92,205,431**

Number of shares: 94,352,007
ISIN: FR0004155000
Listing market: Euronext Paris
Compartment: B

Price at 31/12/2024: €2.12

Market capitalisation at 31/12/2024: €200 million

Share price movements



Governance

Board of Directors

Henri Morel, Chairman and Chief Executive Officer

Damien Chauveinc, Deputy Managing Director

Spring Management SAS, represented by Jean-Bertrand Prot, until 2 February 2024
Arc Management SAS, represented by Sophie Morel
Crédit-Mutuel Equity SCR, represented by Franck Chevreux
Hervé Houdart (independent director)
Valentine Laude
Marie-Cécile Matar (independent director)
Hélène Laplante (employee representative director)

Audit Committee

Hervé Houdart (Chairman)
Spring Management SAS, represented by Jean-Bertrand Prot, until 2 February 2024
Arc Management SAS, represented by Sophie Morel
Crédit-Mutuel Equity SCR, represented by Franck Chevreux
Valentine Laude
Marie-Cécile Matar
Hélène Laplante

Board adviser (censeur)

BNP Paribas Développement, represented by Patrice Vandenbossche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DOM


DOM

MANAGEMENT REPORT

Parent company financial statements

Dear Shareholders,

We have convened you to a Combined General Meeting pursuant to the articles of association and provisions of the French Commercial Code to:

(1) **Ordinary General Meeting: (i)** provide you with an account of the Company's operations during the financial year ended 31 December 2024, the results of said operations and the outlook for the future, and to submit the balance sheet and parent company financial statements for said financial year for your approval, and request that you **(ii)** renew the term of office of Arc Management as director, **(iii)** appoint two new directors, **(iv)** approve the information on remuneration for all corporate officers, **(v)** set the annual remuneration to be paid to members of the Board of Directors, **(vi)** approve the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or awarded to the Chairman and Chief Executive Officer and the Deputy Managing Director, **(vii)** approve the remuneration policy for the Chairman and Chief Executive Officer and the Deputy Managing Director for the 2024 financial year, **(viii)** authorise the Board of Directors to carry out transactions in the Company's shares;

(2) **Extraordinary General Meeting**: request that you authorise the Board of Directors to reduce the share capital by cancelling treasury shares.

The notices of meeting required by law have been duly sent to you and the documentation required under applicable regulations has been placed at your disposal within the statutory timeframe.

Ordinary General Meeting

APPROVAL OF THE PARENT COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The financial statements for the year ended 31 December 2024 which we are submitting for your approval were prepared in accordance with the rules of presentation and valuation methods provided for by applicable regulations.

The income statement shows net income of €11,503,648 after deduction of amortisation, depreciation and regulated and justified provisions, which we recommend be distributed pursuant to the provisions of the articles of association, as set out below.

COMPANY FINANCIAL RESULTS AND BUSINESS SUMMARY FOR THE YEAR

Company financial results

Company revenues are mainly generated from services provided to Group companies.

The Company posted a net operating loss of €667,000 compared to a €629,000 loss the previous year.

The Company posted net financial income of €12,887,000, compared to a net financial expense of €10,559,000 the previous year.

Net non-recurring items amounted to a €101,000 loss compared to a €258,000 loss the previous year.

The main income and expense accounts for the year ended yielded the results shown below as compared to 2023:

	2024	2023
Revenues	9,244,603	7,741,478
Operating income	9,380,037	8,091,221
Operating expenses	10,047,571	8,720,111
NET OPERATING INCOME/(LOSS)	**(667,534)**	**(628,890)**
Financial income	22,903,782	11,130,301
Financial expenses	10,017,050	21,689,507
NET FINANCIAL INCOME	**12,886,732**	**(10,559,206)**
EARNINGS BEFORE NON-RECURRING ITEMS	**12,978,654**	**(10,622,948)**
Non-recurring income	829	6,253,582
Non-recurring expenses	102,464	6,512,000
NET NON-RECURRING INCOME/(EXPENSES)	**(101,635)**	**(258,417)**
Employee profit-sharing	0	0
Income taxes	1,373,371	(709,530)
NET INCOME/(LOSS) FOR THE YEAR	**11,503,648**	**(10,171,836)**

LEGAL MEASURES

Approval of the 2023 financial statements

At your Combined General Meeting on 18 June 2024, you approved the financial statements for the year ended 31 December 2023 showing a net loss of €10,171,836, which you resolved to allocate to the retained earnings account, thereby reducing the balance of this account from €1,210,593 to €(8,961,243).

At said meeting, the retained earnings account was cleared, meaning that its balance was reduced to zero while the balance of 'Other reserves' was reduced from €53,434,253 to €44,473,010.

Agreements

We have provided our statutory auditors with all the required information to enable them to draw up their special report on the agreements listed under Articles L. 225-38 et seq. of the French Commercial Code.

Appropriation of earnings for the 2024 financial year

We recommend that you appropriate earnings for the year in the following manner:

Source:

- Net income for the year: €11,503,648.

Appropriation:

- 5% to the legal reserve: €575,182, thereby raising the balance from €4,884,126 to €5,459,308.
- Dividends: €7,548,160.56, i.e. €0.08 per share.
- Balance of the year's profit, i.e. €3,380,350.44, to 'Other reserves', thereby raising the balance of this account from €36,130,307 to €39,510,612.44.

We hereby inform you that, since 1 January 2018, dividends received by an individual taxpayer have been automatically subject to a single 30% flat-rate withholding tax (prélèvement forfaitaire unique or PFU) comprising 12.80% income tax and 17.20% social security contributions. However, taxpayers may expressly request that their dividends be taxed according to the income tax sliding scale.

The cash dividend will be paid on 27 June 2025.

Company dividends and treasury share holdings

If the Company holds treasury shares at the time the dividend is paid, the distributable profit corresponding to the unpaid dividends attached to such shares shall be allocated to the retained earnings account.

Dividends distributed during previous financial years

In accordance with Article 243 bis of the French General Tax Code, we remind you that the amounts distributed as dividends for the three previous financial years were as follows:

Year	Dividend distributed	Dividend per share
2021	€7,945,432.16	€0.08
2022	€4,965,895.10	€0.05
2023	€2,979,537.06	€0.03

Non-tax deductible expenditure on luxuries

In accordance with the provisions of Articles 223 quater and 223 quinquies of the French General Tax Code, we hereby inform you that the financial statements for the year ended include expenses and charges that are not deductible from taxable income pursuant to Article 39-4 of said code. These expenses amount to a total of €2,660 broken down into €324 in excess depreciation and €2,336 in corporate vehicle tax.

Authorisation for sureties, endorsements and guarantees

In accordance with the provisions of Articles L. 225-35 and R. 225-28 of the French Commercial Code, on 16 April 2025 the Board of Directors authorised the Chairman to grant sureties, endorsements and guarantees in the Company's name, subject to an overall cap of €150,000.

This authorisation was granted for a term of one year, irrespective of the duration of the surety, endorsement or guarantee commitments.

Research and development

The Company has decided not to capitalise any research and development expenses for 2024 under the balance sheet line item 'Research and development costs'.

Results of the Company over the last five financial years

A table setting out the Company's results over the last five financial years is attached in the notes to this report pursuant to Article R. 225-102 of the French Commercial Code[1].

Information on outstanding trade payables and receivables

Pursuant to the provisions of Articles L. 441-6-1 and D. 441-6 (I) of the French Commercial Code, the ageing balance of outstanding trade payables and receivables at the last balance sheet date is shown below:

TRADE PAYABLES						
€000	Article D. 441-6 I-1°: Unpaid invoices **RECEIVED** and overdue at year-end					
	0 days *(account 401)*	1 to 30 days	31 to 60 days	61 to 90 days	> 90 days	**TOTAL** *(≥ 1 day overdue)*
LATE PAYMENTS BY PERIOD OVERDUE						
Number of invoices concerned	61					**26**
Total amount of invoices concerned (incl. tax)	676,081	120,507	26,519	36,960	4,175	**188,161**
% of total purchases for the year (incl. tax) (French corporate tax return: *FS+FU+FW)*	7.35	1.31	0.29	0.40	0.05	**2.05**
INVOICES EXCLUDED FROM (A) RELATING TO INTERCOMPANY PAYABLES						
Number of invoices excluded	0					
Total amount of invoices excluded (incl. tax)	0					
BENCHMARK PAYMENT TERMS APPLIED (STATUTORY OR CONTRACTUAL - ARTICLE L. 441-6 or L. 443-1, FRENCH COMMERCIAL CODE)						
Payment terms used to calculate late payments	☐ Contractual terms: (to be specified) ☒ Statutory terms: Application of the French Modernisation of the Economy Act (LME)					

[1] Table of results for the past five financial years

TRADE RECEIVABLES						
€000	Article D. 441-6 I-2°: Unpaid invoices **ISSUED** and overdue at year-end					
	0 days *(account 411)*	1 to 30 days	31 to 60 days	61 to 90 days	> 90 days	**TOTAL** *(≥ 1 day overdue)*
LATE PAYMENTS BY PERIOD OVERDUE (MAINLY INTERCOMPANY RECEIVABLES)						
Number of invoices concerned	108					**7**
Total amount of invoices concerned (incl. tax)	3,655,559	64,790	0	0	9,820	**74,610**
% of revenues for the financial year (incl. tax) *(French corporate tax return: FL)*	34.15	0.61	0	0	0.09	**0.70**
INVOICES EXCLUDED FROM (A) RELATING TO DOUBTFUL OR CONTESTED TRADE RECEIVABLES						
Number of invoices excluded	0					
Total amount of invoices excluded (incl. tax)	0					
BENCHMARK PAYMENT TERMS APPLIED (STATUTORY OR CONTRACTUAL - ARTICLE L. 441-6 or L. 443-1, FRENCH COMMERCIAL CODE)						
Payment terms used to calculate late payments	☐ Contractual terms: (to be specified) ☒ Statutory terms: Application of the French Modernisation of the Economy Act (LME), 30 days end of month on the 15th					

ACQUISITION AND SALE OF EQUITY OR CONTROLLING INTERESTS IN OTHER COMPANIES REGISTERED IN FRANCE

Equity and controlling interests acquired during the year

We remind you that the table of subsidiaries and affiliates is included in the notes to the parent company financial statements.

Our Company acquired no control or interest in other companies registered in France during the year ended.

Equity interests sold during the year

Our Company sold no equity interests in other companies registered in France during the year ended.

COMPANY SHARE CAPITAL

Breakdown of share capital at 31 December 2024

We hereby state the identities of the individuals or legal entities below, pursuant to the provisions of Article L. 233-13 of the French Commercial Code and in light of the information received under Articles L. 233-7 and L. 233-12 of said code:

Identity of individuals and legal entities holding the share capital	% of share capital
Individuals	
Henri Morel 20 rue de l'Arc de Triomphe - 75017 Paris	4.85
Legal entities	
Arc Management SAS 20 rue de l'Arc de Triomphe - 75017 Paris	55.70
Crédit Mutuel Equity SCR 28 avenue de l'Opéra - 75002 Paris	10.53
BNP Paribas Developpement SA 20 rue Chauchat - 75009 Paris	4.21

Shares registered in the name of the Company

At 31 December 2024, GROUPE SFPI held 2,146,576 treasury shares (2.28% of the share capital excluding shares assigned to the liquidity contract), including:

- 748,252 shares (0.79% of the share capital) resulting from the merger of S.F.P.I. and EMME,
- 1,398,324 shares (1.49% of the share capital) resulting from previous share buyback programmes.

72,876 shares (0.08% of the share capital) were held under the liquidity contract at 31 December 2024.

Threshold crossing disclosures

Apart from the shareholders mentioned in the above table regarding the breakdown of share capital and voting rights, to the Company's knowledge there were no other shareholders that directly or indirectly held more than 5% of the share capital or voting rights as at 31 December 2024.

On 2 September 2024, MONETA Asset Management declared that it had exceeded the statutory threshold of 2% of the voting rights on 30 August 2024 and that, as at 2 September 2024, it held 3.49% of the share capital and 2.13% of the voting rights of GROUPE SFPI SA.

Company shares held by employees

Pursuant to the provisions of Article L. 225-102 of the French Commercial Code, we hereby inform you that, as at 31 December 2024, 11 employees held 110,000 performance shares, representing 0.117% of the Company's share capital.

Performance share allocation policy

In 2024, the Group implemented a bonus performance share plan as part of the Company's salary incentive policy, in line with the objectives defined in the executive officer remuneration policy. These shares will be awarded to the beneficiaries at the end of a three-year vesting period, subject to the fulfilment of the attendance condition as well as the performance criteria defined in the 2024 Plan Rules.

Performance shares allocated to Group employees

General Meeting date	18/06/2024
Number of shares authorised by the Meeting	15% of share capital
Term of authorisation	38 months
Date of Board of Directors meeting	25/09/2024
Number of shares authorised:	110,000
to corporate officers	100,000
to employees excl. corporate officers	10,000
Vesting date	25/09/2024
End of lock-in period	26/09/2027
Total number of shares to be issued	**110,000**

Setting of remuneration awarded to the directors

We propose that you set the annual fixed amount to be divided among directors that are legal entities or non-executive individuals who are not employees of the Group, in consideration for the performance of their duties, at €48,000 in respect of the 2024 financial year and that you grant full powers to the Board of Directors to set the conditions for dividing said remuneration among the directors.

BOARD APPOINTMENTS AND REAPPOINTMENTS

Reappointment of ARC MANAGEMENT SAS as director

We propose renewing the term of office of Arc Management SAS as director, which expires at the close of this General Meeting, for a further period of three (3) years expiring at the close of the General Meeting called in 2028 to approve the 2027 financial statements.

The director has already told us that it accepts its reappointment and has not incurred any measures or incapacity liable to prevent it from exercising its duties.

Appointment of Corinne Romefort-Regnier as director

We propose that Corinne Romefort-Regnier be appointed as a director for a period of three (3) years expiring at the close of the Ordinary General Meeting of shareholders called in 2028 to approve the 2027 financial statements.

Corinne Romefort-Regnier has already told us that she accepts this position and has not incurred any measures or incapacity liable to prevent her from exercising her duties.

Appointment of Pierre Knoché as director

We propose that Pierre Knoché be appointed as a director for a period of three (3) years expiring at the close of the Ordinary General Meeting of shareholders called in 2028 to approve the 2027 financial statements.

Pierre Knoché has already told us that he accepts this position and has not incurred any measures or incapacity liable to prevent him from exercising his duties.

INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES IMPLEMENTED BY THE COMPANY

We hereby remind you that GROUPE SFPI has opted to refer to the Middlenext Corporate Governance Code for Small and Mid Caps, a new edition of which was published on 13 September 2021.

The Company subscribes to the following recommendations:

RECOMMENDATION		APPLIED		COMMENTS
		YES	NO	
R 1	Code of Ethics for Board members	X		The Code of Ethics is an essential component of the Board rules of procedure. In this respect, the latest changes will be incorporated into these rules, in particular the final point which states that each "Board member" must fulfil applicable statutory and regulatory requirements regarding transaction disclosures and closed periods for trading in the Company's securities.
R 2	Conflicts of interest	X		The Board ensures that procedures are in place to identify and manage any conflicts of interest. It carries out all reasonable investigations in order to assess the proportionate measures to be taken (clear explanation of the reasons, persons concerned must leave the room, etc.) to ensure that a decision is taken in accordance with the company's interests. "Board members" undertake to disclose, prior to each Board meeting depending on the agenda, any conflicts of interest and to abstain from discussions and voting on any subject that involves a conflict of interest for them. With regard to the statutory auditors, it is recommended that, apart from the statements and services provided pursuant to statutory or regulatory provisions, companies entrust services other than the certification of the financial

				statements to a firm other than that of the company's statutory auditor. All of these procedures are set out in the corporate governance report.
R 3	Board membership Presence of independent members	**X**		The Board is made up of seven (7) members, including two (2) independent members and one (1) employee representative.
R 4	Information for Board members	**X**		Before each meeting, the directors receive the necessary information and documentation in sufficient time to prepare for Board meetings.
R 5	Training of Board members	**X**		A three-year training plan (e.g. equivalent to four to six days of training per Board member over this period) tailored to the specific features of the Company is offered to Board members, whether or not they are under an employment contract. The plan takes into account equivalent competencies acquired through experience.
R 6	Organisation of Board and committee meetings	**X**		The Board and the Audit Committee meet whenever the financial statements are due to be approved and whenever necessary otherwise. The Executive Committee meets monthly.
R 7	Establishment of committees	**X**		There are two committees: - The Audit Committee, chaired by an independent Board member, whose duties are carried out by the directors under the conditions provided for by law and regulations. The committee also assesses agreements entered into in the ordinary course of business and on arm's length terms, at the recommendation of the Group Chief Financial Officer and the Head of Legal Affairs; - The Executive Committee, whose composition is indicated in the corporate governance report and whose duties are to review investment decisions above €1 million, the GROUPE SFPI budget, the Group monthly results, any matters relating to strategy, acquisitions, disposals, development policies etc. and hiring of key personnel.
R 8	Creation of a special committee on Corporate Social Responsibility (CSR Committee)	**X**		In light of the structure of the Group and its Board of Directors, on 18 April 2023 the Board of Directors decided that the Board would meet for CSR training as often as necessary.
R 9	Implementation of Board rules of procedure	**X**		The rules of procedure were approved and implemented by the Board at its meeting on 13 March 2018. They were amended by the Board on 27 April 2021, 22 September 2022 and 19 December 2024.
R 10	Selection of Board members	**X**		Each director is appointed under a separate resolution; directors are selected according to their skills and expertise.
R 11	Board members' term of office	**X**		The term of office for Board members is three years.

R 12	Board member remuneration in respect of their office	X		The Board allocates an annual fixed amount to be awarded to directors that are legal entities or non-executive individuals who are not employees of the Group, in consideration for the performance of their duties.
R 13	Introduction of a system for assessing the work of the Board		X	The Board periodically assesses its own operation.
R 14	"Shareholder" relations	X		The Chairman and members of senior management meet with shareholders who so wish.
R 15	Company diversity and equity policy	X		The transformation plan launched by the Group covering four pillars of responsibility (sales, management, environment and finance) incorporates Recommendation 15. For this purpose, the Board will verify that the gender balance and equity policy is implemented at each level of the Company's hierarchy. In the corporate governance report, the Board specifies the policy implemented and the results obtained during the year.
R 16	Definition and transparency of executive officer remuneration	X		See tables included in the corporate governance report. This report also includes the additional equity ratio: comparison with the French minimum wage (SMIC).
R 17	Preparation of "executive officer" succession plans	X		The subject of executive officer succession is discussed at least once a year by the Board.
R 18	Simultaneous employment contract and corporate office	X		The Deputy Managing Director.
R 19	Severance benefits		X	Not applicable.
R 20	Supplementary retirement schemes	X		The information relating to retirement schemes established for the Chairman is disclosed in the corporate governance report.
R 21	Stock options and bonus shares	X		The 18 June 2024 General Meeting, in its 25th resolution, authorised the Board to allocate bonus shares and stock options to Group executive officers and employees. This authorisation was granted for a term of 38 months, i.e. until 18 August 2027.
R 22	Review of watchpoints	X		Each year the Board takes note of and reviews the watchpoints set out in the Middlenext Code.

Internal control: definition and objective

Internal control comprises all the control systems established by senior management, the management team and other members of staff to provide reasonable assurance regarding:

- the reality and efficiency of transactions,
- the reliability of reporting,
- compliance with laws and regulations in force,
- protection of assets.

An internal control system designed to meet the various objectives described above does not, however, provide any certainty that the objectives will be achieved, due to the inherent limitations of any procedure.

General organisation of internal control

Internal control is coordinated by the GROUPE SFPI financial control and legal affairs departments.

In order to ensure, as far as possible, rigorous financial management and risk control, and to prepare the information provided to shareholders on the financial position and statements, the GROUPE SFPI financial control department audits each subsidiary's financial statements before they are audited by the statutory auditors.

This department also supervises and checks the financial reporting sent each month by each subsidiary. It coordinates any changes made to accounting and budgeting procedures as well as the pooling of financial information. It consolidates the division's reporting and manages insurance policies.

The Chief Financial Controller reports to the Chairman and Chief Executive Officer on the results of the department's work and puts forward recommendations, where applicable.

A code of ethics for controlling financial risks has been signed by all subsidiary managers and key executives. This code has been replaced by a code of conduct that is currently being signed by all Group executive officers.

The recognition of Group cash transactions and bank reconciliations are also managed by the GROUPE SFPI finance and financial control department.

The cash management and financing departments report to the treasurer.

Their principal duties are:

- monitoring financial flows and the distribution of funds,
- monitoring investment transactions and borrowings,
- managing credit facilities and commitments.

As part of legal risk control, the GROUPE SFPI legal affairs department handles the drafting of deeds, besides assisting and advising the subsidiaries on legal matters. It manages and monitors disputes in consultation with the Group's lawyers.

Other internal control procedures

With regard to operating processes, the main controls are as follows:

- in the subsidiaries' sales departments, monitoring and controlling sales invoiced, order placements, margins, etc. in order to compare actual performance per business sector with budgeted targets on the basis of monthly dashboards,
- in the subsidiaries' technical departments, monitoring and controlling progress and business volumes in terms of customer service, technical support, product testing and cataloguing and the search for solutions.

With regard to the preparation and processing of financial and accounting information:

- The process falls within the remit of the finance and financial control department.
- The accounting and management system relies on an integrated information system that facilitates verification of the completeness and correct valuation of transactions and the preparation of accounting and financial information in accordance with the accounting methods and rules in force, as applied by the Company for both parent company and consolidated financial statements.
- The senior management team is responsible for the accuracy of the accounting and financial information produced by the finance and financial control department. This information is audited by the statutory auditors, who carry out verifications in accordance with standards in force.

Shareholder information and communication

Information is communicated to shareholders mainly via the Company's **website** (www.sfpi-group.com) under the oversight and control of the Chairman and Chief Executive Officer and the GROUPE SFPI Investor Relations Manager.

Main risks facing the Group and management procedures

The main risk factors are as follows:

Customer risk

The risk of non-recovery of receivables is managed in advance through sound knowledge of the market and customers. In the case of some new customers, outstanding debt is calculated on the basis of specific financial analyses.

Interest rate and exchange risk

At 31 December 2024, the Group no longer had any instruments (interest rate cap and swap agreements), apart from a tunnel for a €5.5 million loan framing the 3-month Euribor between 2.5% and 6%. Floating-rate loans totalled €18.5 million, well below the €111.3 million in interest-bearing cash and cash equivalents.

GROUPE SFPI foreign exchange risk exposure is low.

Insurance

The Group has taken out insurance policies that duly cover the risks incurred by its business operations.

Country risk

No business activity has been developed in a country identified as at-risk.

SHARE BUYBACK PROGRAMME

Transactions carried out by the Company in its own shares in 2024

Capital reduction through the cancellation of treasury shares

By virtue of the authorisation granted by the 11th resolution of the Extraordinary General Meeting held on 16 June 2023, the Board of Directors decided on 18 April 2024 to reduce the Company's share capital by cancelling a portion of the treasury shares. As part of this operation, the Board of Directors decided to reduce the Company's share capital by €4,469,305.50 from €89,386,111.80 to €84,916,806.30 through the cancellation of 4,965,895 treasury shares (representing 5% of the share capital) with a par value of €0.90 each.

Following this reduction, the Company's share capital now stands at €84,916,806.30 divided into 94,352,007 fully paid-up shares of the same class, each with a par value of €0.90.

We inform you that, in accordance with the aforementioned authorisation, we have amended Article 6 - SHARE CAPITAL of your Company's articles of association accordingly.

Presentation of the authorisation granted to the Board of Directors

At the Combined General Meeting on 18 June 2024, you authorised the Board of Directors to purchase Company shares over a term of 18 months under a share buyback programme. The maximum purchase price was set at €5.00 per share, provided that the number of shares acquired did not exceed 10% of the share capital and that the number of shares held by the Company at any given time did not exceed 9,931,790.

The authorisation granted by the General Meeting on 18 June 2024, currently in effect, is due to expire on 18 December 2025. In order to allow an investment services provider to ensure the continued liquidity of the Company's share on the market, you are requested to authorise the Board of Directors to execute transactions in the Company's shares through a new share buyback programme, the terms of which are set out below in the paragraph entitled "**Description of the new share buyback programme submitted for approval by the Ordinary General Meeting of shareholders**".

Summary table at 2024 balance sheet date

Financial position as at 31 December 2024

% of capital held directly or indirectly as treasury shares	2.28
Number of treasury shares	2,146,576
Number of shares cancelled over the past 24 months	4,965,895

Description of the new share buyback programme submitted for approval by the Ordinary General Meeting of shareholders

The description of this programme presented below, drawn up in accordance with Article 241-3 of the AMF General Regulation, will not be the subject of a separate publication.

Given that the authorisation granted to the Board of Directors by the 18 June 2024 General Meeting to carry out transactions in Company shares expires on 18 December 2025, it is requested that you again authorise the Board of Directors to carry out transactions in Company shares at a maximum purchase price of €5.00 per share excluding acquisition expenses.

This authorisation will enable the Board of Directors to acquire Company shares representing no more than 10% of the Company's share capital. In accordance with law, the Company may at no time hold shares representing more than 10% of its share capital.

Given that the Company may not hold more than 10% of its share capital and that the number of shares already held at the date of the next General Meeting amounts to 2,146,576 shares or 2.2% of the capital following the capital reduction decided on the present date, the maximum number of shares that may be purchased stands at 7,359,457 shares or 7.8% of the share capital.

This buyback programme will enable the Company to purchase or arrange the purchase of Company shares for the purpose of:

- coordinating and ensuring the liquidity of the Company's share market by means of an investment services provider acting independently in the name and on behalf of the Company pursuant to a liquidity contract in accordance with a code of ethics recognised by the French Financial Markets Authority (AMF); and/or
- allocating shares to employees or executive officers of the Company or related companies, particularly under a profit-sharing scheme, a company savings plan or as part of the allocation of bonus shares pursuant to Articles L. 225-197-1 et seq. of the French Commercial Code.

This programme is also designed to allow the Company to carry out transactions in Company shares for all other current or future purposes authorised by law and regulations in effect.

The Company may purchase treasury shares subject to the following limits:

- the number of shares purchased by the Company during the term of the buyback programme may not exceed 10% of the shares comprising the Company's share capital, at any time, this percentage applying to the share capital as adjusted for any transactions impacting it after this General Meeting; in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code, when the shares are repurchased to promote share liquidity under the conditions defined by the regulations in force, the number of shares taken into account for the calculation of the 10% cap corresponds to the number of shares purchased less the number of shares sold during the term of the authorisation; and
- the number of shares held by the Company at any given time may not exceed 10% of the Company's total share capital.

The purchase, sale, transfer, tendering or exchange of these shares may be carried out on one or more occasions and by any means whatsoever that are authorised by current or future regulations in force. Such means include over-the-counter transactions, block trading, repurchase agreements and the use of any derivative financial instrument, traded on a regulated market or over-the-counter and the implementation of option strategies (purchase and sale of put and call options and any combination thereof in compliance with applicable regulations). The portion of the buyback programme that may be implemented via block trades is equivalent to the entire share repurchase programme.

These transactions may be carried out at such times as the Board of Directors shall determine; however, during a public tender offer, the shares may only be repurchased if such buybacks:

- allow the Company to comply with commitments it has undertaken prior to the opening of the offer period;
- are carried out in continuation of a buyback programme already underway;
- fall under the objectives listed above; and
- are not liable to thwart the public tender offer.

The Board of Directors may also reallocate previously repurchased shares (including under a previous authorisation) to another objective, in compliance with applicable statutory and regulatory provisions, or sell them on or off the market.

This authorisation is granted for a term of 18 months as of the date of this General Meeting and, when exercised by the Board of Directors, will cancel the unused part of the authorisation granted to the Board of Directors by the 18 June 2024 Combined General Meeting, in its 21st resolution, to carry out transactions in Company shares.

MATERIAL EVENTS OCCURRING BETWEEN THE BALANCE SHEET DATE AND THE DATE OF THE MANAGEMENT REPORT

In January 2025, the Munich Arbitration Tribunal dismissed the claim brought by SFPI Group against the seller of the WO&WO Group.

As at 16 April 2025, the date of the approval of the financial statements by the Board of Directors, no other significant events had occurred since the balance sheet date on 31 December 2024.

COMPANY OUTLOOK

As a holding company, most of our Company's earnings come from dividends paid by subsidiaries, amounts received for services provided to Group companies and any securities disposal transactions.

Consolidated financial statements

At 31 December 2024, the Group consolidation scope covered the companies listed in the notes to the consolidated financial statements.

We hereby request, in accordance with Articles L. 225-100 and L. 233-16 of the French Commercial Code, that you approve the consolidated financial statements as presented to you herein.

Article R. 225-102 of the French Commercial Code provides that all of the information listed by said article regarding the content of the management report also applies to the Group management report, which may be included in the Company management report.

CONSOLIDATION SCOPE

Configuration of consolidation scope:

- GROUPE SFPI
- NEU-JKF division (air treatment)
- DOM Security division (locking systems)
- MMD division (heat exchangers)
- MAC division (industrial doors)
- Other: Datagroupe, Inactiv' SAS, France Investissement, SCI Avenue Georges Nuttin, SCI Alu Des Deux Vallées, SCI VR Des Deux Vallées, SCI Stérimmo, SCI Neu, SCI La Chapelle d'Armentières, SCI Manchester, SCI Luzech, SC Immobilière Dubois, SCI Cipriani, SCI Dom.

Titan Zagreb and Euro Locks in the DOM Security division are consolidated under the equity method. In 2024, the Group acquired the remaining 40% of Tapkey GmbH shares and sold its 50% stake in Elzett Sopron Kft.

The total workforce of these companies at 31 December 2024 was 4,011 employees.

The financial statements presented below have been prepared in accordance with IFRS.

The main income and expense accounts for the year ended yielded the results shown below as compared to the previous year (€000):

INCOME STATEMENT	**2024**	**% revenues**	**2023**	**% 2024 vs 2023**
Revenues	665,804	-	688,833	*-3.3%*
RECURRING OPERATING INCOME	**29,736**	**4.5%**	**28,497**	***+4.3%***
NET OPERATING INCOME	**18,541**	**2.8%**	**8,855**	*N/A*
Net financial income/(expense)	2,115	-	276	*N/A*
Corporate income tax	(5,982)	-	(8,551)	*N/A*
NET INCOME OF CONSOLIDATED COMPANIES	**14,741**	**2.2%**	**868**	*N/A*
Parent company share	14,552	-	1,178	*N/A*
Minority interests	189	-	(310)	*N/A*
Consolidated basic and diluted EPS, excluding treasury shares *(€)*	0.16	-	0.01	*N/A*

OPERATIONS AND EARNINGS OF MAIN DIVISIONS

We hereby state that the companies of the following divisions are consolidated at GROUPE SFPI level: NEU-JKF, MMD, MAC and DOM Security. The consolidated financial statements of these divisions, included below for information purposes, are not subject to a statutory publication requirement.

The main consolidated income and expense statements for the year ended yielded the following results for the divisions (€000):

NEU-JKF	**2024**	**2023**
Revenues	133,904	136,645
Recurring operating income/(loss)	7,387	7,573
Net operating income/(loss)	7,387	7,851
Net income	6,029	6,129
Net cash surplus	14,401	3,572
Consolidated net assets	33,346	27,009

On 31 December 2024, the total workforce of the NEU-JKF division comprised 668 employees.

DOM Security	**2024**	**2023**
Revenues	235,215	231,972
Recurring operating income/(loss)	20,776	16,428
Net operating income/(loss)	14,676	15,779
Net income	12,347	11,413
Net cash surplus	25,815	22,109
Consolidated net assets	129,453	126,789

On 31 December 2024, the total workforce of the DOM Security division comprised 1,705 employees.

MMD	**2024**	**2023**
Revenues	76,409	70,281
Recurring operating income/(loss)	12,327	12,040
Net operating income/(loss)	12,297	12,040
Net income	9,689	9,405
Net cash surplus	28,949	25,191
Consolidated net assets	45,425	41,746

On 31 December 2024, the total workforce of the MMD division comprised 285 employees.

MAC	**2024**	**2023**
Revenues	220,469	250,214
Recurring operating income/(loss)	(9,889)	(7,246)
Net operating income/(loss)	(14,954)	(26,517)
Net income/(loss)	(13,457)	(26,632)
Net cash surplus	9,998	11,661
Consolidated net assets	22,818	36,236

On 31 December 2024, the total workforce of the MAC division comprised 1,342 employees.

LONG AND MEDIUM-TERM BORROWINGS

(excluding restated finance leases and consolidated operating leases) (€000)

Companies with no short, medium or long-term borrowings have not been taken into account.

Division	**Payables due in < 1 year**	**Payables due in 1-5 years**	**Payables due in > 5 years**
DOM Security	6,059	11,673	1,543
NEU-JKF	3,441	7,969	-
MAC	5,843	6,686	305
MMD	1,415	1,464	21
GROUPE SFPI & OTHER	6,344	14,702	2,100
TOTAL	**23,102**	**42,464**	**3,969**

The Group has a net cash surplus of €76,349,000.

INTEREST RATE AND EXCHANGE RISK ANALYSIS

GROUPE SFPI has a surplus cash position. The Group uses no interest rate hedging instruments except where required under the loan agreement.

OUTLOOK

The Group forecasts annual revenues of around €668 million for the 2025 financial year.

Resolutions to be submitted to the Extraordinary General Meeting

AUTHORISATION FOR THE BOARD OF DIRECTORS TO REDUCE THE SHARE CAPITAL BY CANCELLING SHARES

If you approve the share buyback programme, we request that you authorise the Board of Directors to cancel, at its sole discretion, on one or more occasions, within the limit of 10% of the share capital as calculated on the day of the decision to cancel, less any shares cancelled during the previous 24 months, shares that the Company holds or subsequently purchases as a result of buybacks carried out pursuant to Article L. 22-10-62 of the French Commercial Code, as well as to reduce the share capital in accordance with applicable statutory and regulatory provisions.

To set the period during which the Board of Directors may exercise this authorisation at 26 months and accordingly resolve that this authorisation cancels any previous authorisation having the same purpose.

It will also be necessary to grant full powers to the Board of Directors to perform the transactions required for such cancellations and corresponding capital reductions, amend the Company’s articles of association accordingly and complete all required formalities.

Results of the Company over the last five financial years

Item	2024	2023	2022	2021	2020
1 - Closing share capital	12 months	12 months	12 months	12 months	12 months
Share capital	84,916,806	89,386,112	89,386,112	89,386,112	89,386,112
Number of outstanding ordinary shares	94,352,007	99,317,902	99,317,902	99,317,902	99,317,902
Number of outstanding (non-voting) preference shares	-	-	-	-	-
Maximum number of shares to be issued in the future:					
▪ by bond conversion	-	-	-	-	-
▪ through the exercise of subscription rights	-	-	-	-	-
2 - Revenues and earnings					
Revenues	9,244,604	7,741,479	6,907,975	6,056,319	5,255,211
Income before tax, employee profit-sharing and depreciation, amortisation and provisions	18,561,382	10,203,238	10,168,114	14,186,161	(45,537)
Income after tax, employee profit-sharing, depreciation, amortisation and provisions	11,503,648	(10,171,836)	7,533,788	14,918,467	(681,128)
Corporate income tax	1,373,371	(709,530)	(897,272)	1,354,637	1,040,735
Distributed earnings	-	2,979,537	4,965,895	7,945,432	5,959,074
3 - Earnings per share (EPS)					
Earnings after tax and employee profit-sharing but before depreciation, amortisation and provisions	0.18	0.11	0.11	0.13	(0.01)
Earnings after tax, employee profit-sharing and depreciation, amortisation and provisions	0.12	(0.1)	0.08	0.15	(0.01)
Dividend per share	-	0.03	0.05	0.08	0.06
4 - Staff					
Average employee headcount	11	9	9	8	9
Total payroll for the financial year	1,431,423	1,230,816	1,218,242	1,203,337	1,004,560
Total amount paid for social contributions and benefits	598,366	493,075	485,617	485,676	414,094

Corporate governance report

Pursuant to the requirements of Article L. 225-37 of the French Commercial Code, this report is designed to provide you with an account of:

- membership of the Board of Directors (the "Board") and application of the gender balance principle;
- the conditions for the preparation and organisation of the Board's work;
- any limits imposed on the powers of the Chief Executive Officer;
- the procedure whereby the Audit Committee assesses agreements entered into in the ordinary course of business and on arm's length terms;
- the internal control and risk management procedures in place at the Company;
- update on the progress of the Board member training plan.

It is also designed to present you with:

- the principles and rules for determining remuneration and any benefits granted to Company corporate officers;
- factors liable to have an impact in the event of a public tender offer (Article L. 225-10-3, French Commercial Code) and the procedures for shareholder participation in the General Meeting.

This report has been drawn up following discussions and interviews with the heads of the Company's finance, financial control and legal affairs departments.

This report covers the following matters:

(1) Corporate governance procedures.

(2) Board of Directors.

(3) Conditions for the preparation and organisation of the Board's work.

(4) Corporate officer remuneration.

(5) Factors liable to have an impact in the event of a public tender offer.

(6) Delegations of power and authorisations granted to the Board of Directors.

(7) Regulated agreements.

(8) Any other information.

(1) CORPORATE GOVERNANCE PROCEDURES

In 2010, the Company decided to adopt the Middlenext Code (the "Code") published in December 2009 as its reference code for corporate governance, judging that it was the code most suited to the size and structure of its shareholder base. The Code was revised in September 2016 and September 2021. GROUPE SFPI has committed to complying with its recommendations.

The Code may be consulted on the Middlenext website (www.middlenext.com) or GROUPE SFPI website (www.sfpi-group.com).

Furthermore, over the past few years, the Board has conducted an initiative designed to gradually achieve compliance with the Middlenext Code recommendations. Following the revision of the Code, the Company decided to continue the process in order to comply with the new recommendations.

In accordance with Recommendation 22, the Board has taken note of the watchpoints listed by the Code and has committed to reviewing them regularly.

Senior management model

We inform you that your Board has chosen one of the two models of senior management provided for under Article L. 225-51-1 of the French Commercial Code.

The Board opted for the duties of Chairman of the Board of Directors and Chief Executive Officer to be performed by the same person.

Accordingly, Henri Morel is responsible for general management of the Company.

The Chief Executive Officer exercises his powers in accordance with the law and the Company's articles of association.
The Board's rules of procedure stipulate that it must deal with any issues concerning the smooth running of the Company, including:

- appointing executive officers,
- approving the annual and half-yearly financial statements,
- convening and setting the agenda of General Meetings of shareholders,
- carrying out the checks and verifications that it considers appropriate,
- reviewing major operations and transactions envisaged by the Company,
- keeping abreast of any significant events concerning SFPI Group.

(2) COMPOSITION OF THE BOARD OF DIRECTORS AT 31 DECEMBER 2024

(2.1) The Board is made up of seven (7) directors, of whom two (2) are independent and one (1) is an employee representative, namely:

- **Henri Morel**
  Chairman and Chief Executive Officer
  Born 27 May 1957 in Saverne (67 - Bas-Rhin)
  Date of first appointment: 31 March 2015
  End of current term of office: 2027
  Number of Company shares held: 4,576,280
- **Hervé Houdart**
  Independent director
  Born 28 July 1951 in Paris 17th (75 - Paris)
  Date of first appointment: 31 March 2015
  End of current term of office: 2027
  Number of Company shares held: 54
- **Valentine Laude**
  Director
  Born 1 June 1978 in Paris 14th (75 - Paris)
  Date of first appointment: 31 March 2015
  End of term of office: 2027
  Number of Company shares held: 21
- **Arc Management SAS**
  Director
  Represented by Sophie Morel
  Born 16 July 1985 in Strasbourg (67 - Bas-Rhin)
  Date of first appointment: 07 June 2019
  End of current term of office: 2025
  Number of Company shares held: 52,554,904
- **Crédit Mutuel Equity SCR**
  Director
  Represented by Franck Chevreux
  Born 31 December 1975 in Thiais (94 - Val-de-Marne)
  Date of first appointment: 10 November 2015
  End of term of office: 2027
  Number of Company shares held: 9,931,791
- **Marie-Cécile Matar**
  Independent director
  Born 21 March 1959 in Paris 9th (75 - Paris)
  Date of first appointment: 14 June 2018
  End of term of office: 2027
  Number of Company shares held: 1
- **Hélène Laplante**
  Employee representative director
  Born 8 October 1962 in Hazebrouck (59 - Nord)
  Date of first appointment: 08 January 2019
  End of term of office: three years, renewable
  Number of Company shares held: 0

(2.2) Composition of the Board and Audit Committee

Name, title or role of Board members	Independent Board member	Year of first appointment	End of term of office	Audit Committee	Executive Committee
Henri Morel Chairman and Chief Executive Officer	No	2015	2027	No	Member
Hervé Houdart Board member	Yes	2015	2027	Chairman	No
Crédit Mutuel Equity SCR Board member Permanent representative: **Franck Chevreux**	No	2015	2027	Member	No
Valentine Laude Board member	No	2015	2027	Member	No
Arc Management SAS Board member Permanent representative: **Sophie Morel**	No	2019	2025	Member	Member
Marie-Cécile Matar Board member	Yes	2018	2027	Member	No
Hélène Laplante Board member Employee representative	No	2019	2025	Member	No

(2.3) List of corporate mandates

In accordance with the provisions of Article L. 22-10-10 of the French Commercial Code, we hereby present you with a list of all positions held in other companies by each of the Company's corporate officers:

Corporate officer / Company	**Position**
Henri Morel	
NEU-JKF SA - SOREMEC SA - Datagroupe SA – Storistes de France SA	Director
NEU-JKF SA - SOREMEC SA - Datagroupe SA	Chairman and Chief Executive Officer
Arc Management SAS - Auberge Hazemann SAS - MAC SAS M.A.A. SAS - Storistes de France SA	Chairman
DOM Security SAS - Picard Serrures SAS - DOM Ronis SAS - DOM TSS SAS DOM-Métalux SAS - Dény Security SAS - Omnitech Security SAS NEU-JKF Delta NEU SAS - NEU-JKF Process SAS - La Foncière NEU SAS Faber France SAS - France Fermetures SAS - Franciaflex SAS SIPA Menuiseries SAS	Chairman of Arc Management SAS, a company acting as Chairman
MP Associés SARL - SCI B.G.M. - SCI NEU - SCI DOM - SCI Cipriani SCI Avenue Georges Nuttin - SCI La Chapelle d'Armentières SCI Hôtel du Champ du Feu - SCI 1896 - SCI Immobilière Dubois	Manager
Sophie Morel	
Arc Management SAS	Chief Executive Officer
SOREMEC SA	Director
MMD SAS	Chief Executive Officer of Arc Management SAS, a company acting as Chairman
Barriquand Plate Exchangers	Chairman
Datagroupe SA	Permanent representative on the Board of Directors
Hervé Houdart	
Datagroupe SA	Director
H2 Consultant SAS	Chairman
Valentine Laude	

Spring Management SAS - Valentine Laude-Prot Conseil SAS	Chief Executive Officer / Chairman
Marie-Cécile Matar	None
Hélène Laplante	None
Franck Chevreux	
Ceres (Sogefa)	Permanent representative Crédit Mutuel Equity SCR Member of the Supervisory Committee
Typhis SAS (Camille Fournet)	Permanent representative Crédit Mutuel Equity SCR Member of the Strategy Committee
Horizon 12 SAS (Groupe Paul Marguet)	Permanent representative Crédit Mutuel Equity SCR Advisory member of the Strategy Committee
IMI (cheval frères) SA, French limited company with Executive Board and Supervisory Board	Permanent representative Crédit Mutuel Equity SCR Member of the Supervisory Board
FCPR Alsace Croissance	Permanent representative Crédit Mutuel Equity SCR Member of the Consultation Committee
MP Gestion (Groupe Maisons Pierre)	Permanent representative Crédit Mutuel Equity SCR Member of the Monitoring Committee
Damien Chauveinc	
NEU-JKF SA	Director / Deputy Managing Director
MAC SAS	Chief Executive Officer
NEU-JKF International SAS - NEU-JKF Automation SAS - NEU-JKF Févi SAS Baie Ouest SAS - Well'Com SAS - Société Métallurgique du Val d'Orne SAS	Chairman

(2.4) Application of the gender balance principle

The Board of Directors has four female members out of eight in total.

(2.5) Independent directors

A director is considered as independent when they satisfy the following criteria, in application of Recommendation 3 of the Code:

- during the past five years, has not been, and currently is not, an employee or executive officer of the Company or a company belonging to its Group;
- during the past two years, has not been, and currently is not, involved in significant business relations with the Company or its Group (customer, supplier, competitor, service provider, creditor, banker, etc.);
- is not a reference shareholder of the Company and does not hold a significant percentage of voting rights;
- does not have a close relation or family tie with a corporate officer or reference shareholder;
- has not, during the past six years, been an official auditor of the Company.

With regard to the independence criteria, two Board members are classified as independent directors: Marie-Cécile Matar and Hervé Houdart.

(2.6) Term of office

Directors are appointed for a term of three years. This duration is in accordance with Code Recommendation 9. Furthermore, the Company believes that, given its size and the composition of its Board of Directors, the three-year term favours directors' experience over their knowledge of the Company, its markets and its business in their decision-making, without diminishing the quality of their supervisory role.

(2.7) Code of Ethics

In compliance with Recommendation 1 of the Code, each Board member is made aware of the responsibilities they assume upon appointment and is encouraged to respect the Code of Ethics relating to their appointment. At the beginning of their term of office, each director signs the Board's rules of procedure and commits to complying with the statutory provisions relating to the holding of multiple offices, informing the Board of any conflicts of interest arising after taking office, regularly attending Board and shareholder meetings, ensuring that they have all the required information to make fully informed decisions at Board meetings and observing professional secrecy.

(2.8) Selection of Board members

Whenever a Board member is appointed or reappointed, a description of their experience and skills and a list of other offices held are published in the annual report. This information is also posted on the Company website. Each Board member is appointed under a separate resolution in accordance with Code Recommendation 10.

(2.9) Director training

Almost all directors took part in a half-day training session organised by Middlenext focusing on "Fundamental information for directors of a listed company in 2024".

(3) CONDITIONS FOR THE PREPARATION AND ORGANISATION OF THE BOARD OF DIRECTORS' WORK

(3.1) Rules of procedure

In accordance with Code Recommendation 9, the Board has adopted a set of rules of procedure which may be consulted on the Company website.

These rules of procedure outline:

- the role of the Board and, where applicable, the transactions submitted for prior approval by the Board;
- the composition of the Board and the independence criteria for members;
- members' duties (ethics: loyalty, non-competition, disclosure of and procedure for monitoring conflicts of interest, abstention obligation, ethics, confidentiality, etc.);
- the functioning of the Board (frequency, notice of meetings, self-assessment, use of videoconference and telecommunication technology, etc.) and the specific roles of any committees;
- the means of protection for corporate officers: D&O liability insurance;
- rules for determining Board member remuneration.

The rules of procedure also include the following provisions:

- The Board may only deliberate validly if at least half of its members are present or represented. Any clause to the contrary shall be deemed inapplicable.
- Unless the Board has met for any of the operations referred to in Articles L. 232-1 and L. 233-16 of the French Commercial Code, members who take part in the meeting by videoconference or conference call will be deemed present for the calculation of quorum and majority.
- The Chairman of the meeting has the casting vote in the event of a tied vote.

(3.2) Information for Board members

In accordance with the rules of procedure, the directors receive all the documents and information required to ensure they are fully prepared for meetings. The Chairman seeks to communicate all of these items at least five (5) days before the date of the meeting. Furthermore, the Chairman follows up members' requests for additional information. The Board members assess whether they receive sufficient information to duly perform their duties.

In addition, Board members are regularly notified of developments in the Company's affairs between meetings, in accordance with Code Recommendation 4.

(3.3) Establishment of committees

In accordance with new Code Recommendation 7, we hereby notify you of the Company's choices regarding specialised committees.

A strategy committee was set up by the Board of Directors on 27 July 2018. This committee was primarily composed of directors and its main purpose was to provide an opinion on external growth opportunities, including acquisitions.

After deliberation, it seemed judicious to set up an Executive Committee to replace the existing Strategy Committee, under the Group's new organisational structure.

The Executive Committee was formally established by the Board of Directors on 26 March 2019. It is chaired by Arc Management SAS, director represented by Henri Morel. The other members are Sophie Morel (Group Corporate Secretary), Henri Morel (Chairman and Chief Executive Officer), Damien Chauveinc (Deputy Managing Director), Nicolas Loyau (Group Chief Financial Officer) and Pierre-Paul Fini (Group Head of Legal Affairs). Stéphanie Poncelet, Director of Human Resources, joined the Executive and Strategic Committee in January 2021.

The purpose of the committee is to review investment decisions over €1 million, the GROUPE SFPI budget, Group monthly results, any matters regarding strategy, acquisitions, sales, development policies etc., and the hiring of key personnel.

An inter-divisional working committee (G10) was also set up in early 2019. The G10 committee is composed of the Executive and Strategic Committee members and the heads of the main subsidiaries. It meets quarterly to discuss Group strategy, the sharing of best practices and issues related to all subsidiaries.

In accordance with Article L. 823-19 of the French Commercial Code, on 12 January 2016 the Board of Directors decided not to create a separate audit unit but to perform the duties of the Audit Committee itself in plenary session.

Hervé Houdart, independent director under the Code's criteria, has specific expertise in corporate management. He chairs the Board of Directors when it meets as the Audit Committee.

Given that the Chairman and Chief Executive Officer performs executive duties, he does not attend meetings of the Board in its capacity as the Audit Committee. However, the Chairman & CEO and the CFO may be invited to attend part of the meeting, depending on the topic under discussion, if they are able to fuel the debate with useful additional information and explanations.

An Audit Committee charter was adopted by the Board of Directors on 13 March 2018. This charter specifies the composition and duties of the Audit Committee.

Under this charter, and in accordance with the law, the Audit Committee is responsible for monitoring:

- the financial reporting preparation process;
- the effectiveness of the internal control and risk management systems;
- the auditors' statutory review of the parent company and, where applicable, consolidated financial statements;
- the independence of the statutory auditors.

In light of the structure of the Group and its Board of Directors, on 18 April 2023 the Board of Directors decided that the Board would meet for CSR training as often as necessary.

(3.4) Procedure for assessing agreements entered into in the ordinary course of business and on arm's length terms

On 22 April 2020, in accordance with Article L. 225-39 of the French Commercial Code, the Board of Directors approved an internal procedure for identifying agreements entered into in the ordinary course of business and on arm's length terms. The procedure is designed to distinguish between (i) unrestricted agreements referred to as "agreements entered into in the ordinary course of business and on arm's length terms", which must be periodically assessed in accordance with the provisions of the French PACTE Act, and (ii) agreements subject to the regulated agreements procedure.

The procedure is applied prior to the execution of any agreement that could be classified as a regulated agreement and whenever any agreement is amended, renewed or terminated. It is used to identify agreements entered into in the ordinary course of business and on arm's length terms.

The legal affairs and finance departments review prospective agreements individually to assess whether the agreement is subject to the regulated agreements procedure, is an agreement signed with a wholly owned subsidiary or meets the criteria applicable to agreements entered into in the ordinary course of business and on arm's length terms.

If the aforementioned departments consider that the agreement at issue is a regulated agreement, they notify the Audit Committee, depending on the type of agreement at issue, for review and approval by the Board of Directors.

Every year, before the financial statements for the year ended are approved, the legal affairs department forwards the Audit Committee a list of agreements entered into in the ordinary course of business and on arm's length terms between GROUPE SFPI SA and non-wholly owned subsidiaries, together with any comments it wishes to share.

During this annual review, if the Audit Committee considers that an agreement previously regarded as an agreement entered into in the ordinary course of business and on arm's length terms no longer meets the requisite criteria, it refers the matter to the Board of Directors. Thereupon, the Board reclassifies the agreement, where applicable, as a regulated agreement, approves it and submits it for ratification by the next General Meeting on the basis of the statutory auditors' special report, in accordance with Article L. 225-42 of the French Commercial Code.

Persons having a direct or indirect interest in a given agreement do not take part in its assessment. Furthermore, where applicable, they are required to abstain from discussion and voting on the authorisation of such agreements under the following circumstances:

- self-referral by the Board of Directors regarding the classification of an agreement; or
- reclassification, by the Board of Directors, of an agreement previously regarded as an agreement entered into in the ordinary course of business and on arm's length terms as a regulated agreement.

(3.5) Board meetings

The functioning of the Board (notice of meetings, meetings, quorum, director information) complies with statutory provisions and the Company's articles of association and is specified in its rules of procedure.

The Board determines the strategic orientation of the Company, sees that it is properly implemented and deals with any issues concerning the smooth running of the Company and any important management or investment operations. It also approves the Company financial statements, the consolidated financial statements and management forecasts, convenes the shareholders to the General Meeting and draws up the agenda and draft resolutions. In addition, it carries out a detailed review of the Group's business operations: sales, financial results, borrowings and cash position. Furthermore, the Board conducts the controls and verifications it deems necessary and authorises the agreements listed under Article L. 225-38 of the French Commercial Code.

In addition to the meetings scheduled annually, a Board meeting may be convened on any other topic of significance. The Board is regularly informed on progress in these matters.

The Board held four (4) physical meetings and/or videoconferences in 2024 to ensure a maximum attendance rate in light of the last-minute planning of certain meetings. The attendance rate was 93%.

These Board meetings addressed the following matters:

18 April 2024	Review and approval of the Company financial statements for the year ended 31 December 2023; Appropriation of earnings for the financial year; Clearance of retained earnings account; Dividend distribution; Review and approval of the consolidated financial statements for the year ended 31 December 2023; Regulated agreements; Termination of the strategy agreement dated 17 April 2019 with Spring Management; Amendment to the assistance and service agreement with Arc Management entered into on 2 April 2019 and its amendment no. 1 dated 31 October 2019; Agreements entered into in the ordinary course of business and on arm's length terms; Resignation of a director; Status of director appointments; Status of the Chairman and Chief Executive Officer's appointment; Status of the Deputy Managing Director's appointment; Status of Board adviser's (censeur) appointment; Status of the Executive Committee; Appointment of an approved body responsible for certifying sustainability reporting and environmental obligations; Determination of the amount of remuneration allocated to the directors; Approval of fixed, variable and exceptional items comprising the remuneration paid or awarded to the Company's Chairman and Chief Executive Officer and Deputy Managing Director for the 2023 financial year; Review of the principles and rules for determining remuneration and any benefits to be granted to Company executive officers for the 2024 financial year;

	Capital reduction through the cancellation of treasury shares; Renewal of the share buyback programme; Proposal for a new authorisation by the Extraordinary General Meeting regarding the allocation of bonus shares to Group employees and corporate officers; Decisions to be made for the preparation and convening of the Combined General Meeting (Annual Ordinary General Meeting to approve the financial statements for the year ended 31 December 2024 and Extraordinary General Meeting); Preparation of the management and activity report on the parent company and consolidated financial statements for the year ended 31 December 2023; Preparation of the corporate governance report; Sureties, endorsements and guarantees; Presentation and approval of management forecasts; Information contained in the sale documentation for divisional subsidiary Elzett-Fek.
18 June 2024	Confirmation of the Chairman and Chief Executive Officer's appointment; Breakdown of total amount of annual remuneration to be allocated to the members of the Board of Directors; Remuneration of the Deputy Managing Director; Implementation of the share buyback programme; Update on the Group's business as at 30 May 2024; Sale of the interest held in Elzett-Fek; Acquisition of the remaining share capital of Tapkey; Information on the WO&WO arbitration proceedings; Progress on the long-term incentive (LTI) project; Scheduling of upcoming meetings.
25 September 2024	Presentation of the first half 2024 consolidated financial statements; Statutory financial publication; Review of regulated agreements; Approval of the Plan Rules; determination of the criteria and procedures for the allocation of bonus shares in the Company; Designation of Company bonus share beneficiaries; determination of the number of shares allocated to each beneficiary; Share allocation letter to be sent to beneficiaries; Information regarding the acquisition of the WO&WO Group; WO&WO Sonnenlichtdesign GmbH & Co KG recapitalisation project.
19 December 2024	Progress on the CSRD report; Update on corporate governance; Update of the rules of procedure; Application of the French Attractiveness Act (Act no. 2024-537 dated 13 June 2024).

Documents were sent prior to each meeting to give directors time to prepare for the topics to be covered. In addition, the directors receive a report on the activity of Group companies at each meeting.

(4) CORPORATE OFFICER REMUNERATION POLICY

(4.1) Remuneration awarded to non-executive corporate officers

Only non-executive legal entities and individuals who are not Group employees receive remuneration (directors' fees). This remuneration is allocated by the General Meeting and distributed by the Board of Directors, in equal parts, on a flat-rate basis.

Rémunérations perçues par les mandataires sociaux non dirigeants :

Hervé Houdart	**Exercice 2024**	**Exercice 2023**
Administrateur indépendant	Montant versés	Montant versés
Rémunération liée à la fonction d'administrateur	12 000	12 000
TOTAL	**12 000**	**12 000**

Valentine Laude	**Exercice 2024**	**Exercice 2023**
Administrateur	Montant versés	Montant versés
Rémunération liée à la fonction d'administrateur	12 000	12 000
TOTAL	**12 000**	**12 000**

Marie-Cécile Matar	**Exercice 2024**	**Exercice 2023**
Administrateur indépendant	Montant versés	Montant versés
Rémunération liée à la fonction d'administrateur	12 000	12 000
TOTAL	**12 000**	**12 000**

Crédit Mutuel Equity SCR Représenté par Franck Chevreux	**Exercice 2024**	**Exercice 2023**
Administrateur	Montant versés	Montant versés
Rémunération liée à la fonction d'administrateur	12 000	12 000
TOTAL	**12 000**	**12 000**

Le montant global de la rémunération attribuée aux administrateurs de la Société a été de 48 000 euros pour l'exercice 2024.

Au titre de l'exercice 2025, et pour les exercices suivants, il sera proposé à l'assemblée générale de fixer la rémunération globale des administrateurs à 54 000 euros laquelle somme sera répartie par le Conseil d'administration entre les administrateurs non dirigeant.

(4.2) Rémunérations des dirigeants mandataires sociaux

Nous vous informons, que les principes et règles applicables à la détermination des rémunérations et avantages de toute nature accordés aux mandataires sociaux de la Société font l'objet d'un examen préalable par le Conseil.

Le Conseil arrête l'ensemble des règles relatives à la détermination de la partie fixe, et, le cas échéant, variable, des rémunérations et avantages accordés aux mandataires sociaux.

La politique de rémunération arrêtée par le Conseil d'administration respecte l'intérêt social de la Société et est en adéquation avec la stratégie et les objectifs de l'entreprise et vise à assurer une cohérence entre la politique globale de rémunération des dirigeants et des salariés de l'ensemble du Groupe ainsi que son alignement avec les intérêts des actionnaires.

Elle tient également compte des pratiques du marché, de la performance des mandataires sociaux et vise leur fidélisation.

La rémunération du dirigeant mandataire social comprend les composantes suivantes : une rémunération fixe ; une rémunération variable et des avantages en nature.

La partie fixe reflète les responsabilités du dirigeant, mandataire social, son niveau d'expérience et ses compétences.

La partie variable reflète et favorise la réalisation d'objectifs, de court, moyen et long terme.

La rémunération du président directeur général n'est composée que d'une partie fixe dont le montant est rendu public dans le présent rapport (voir tableau ci-dessous).

La rémunération du directeur général délégué comprend une partie fixe, une partie variable et des avantages en nature (voir tableau ci-dessous).

La partie fixe représente 70 % de la rémunération du directeur général délégué. La partie variable représente 30 % de sa rémunération, fixée selon les critères suivants :

— 60 % en fonction des objectifs financiers des pôles MAC et NEU JKF durant l'année de référence, et
— 40 % en fonction des objectifs qualitatifs fixés annuellement et correspondant à la réalisation de projets et objectifs spécifiques dont l'accomplissement doit être conforme aux jalons définis (résultats à atteindre, délai de réalisation).

Cette rémunération peut inclure l'attribution d'actions gratuites ou de stocks options dès lors que la Société a mis en œuvre un tel programme.

Les dirigeants mandataires sociaux ne perçoivent pas de rémunération liée à leur fonction d'administrateur au sein de la Société.

Les mandataires sociaux ne bénéficient d'aucune rémunération différée, indemnité de départ ou engagement de retraite, visés aux recommandations N° 19 et N°20 du Code Middlenext.

Conformément à la recommandation n° 21 du Code Middlenext, et en vertu de l'autorisation conférée au Conseil d'administration par l'assemblée générale extraordinaire du 18 juin 2024, la Société a instauré un plan d'attribution gratuite d'actions de performance, destiné à certains de ses mandataires sociaux ainsi qu'aux salariés de ses filiales et sous-filiales. Les modalités et l'autorisation de ce plan ont été arrêtées lors de la réunion du Conseil d'administration du 25 septembre 2024.

Le détail des rémunérations et avantages accordés aux mandataires sociaux figure dans le présent rapport sur le gouvernement d'entreprise présenté à l'assemblée générale, sous forme de trois tableaux établis conformément aux recommandations de Middlenext.

Au titre de l'article L. 22-10-8 du Code de commerce et selon le principe du vote ex-ante, l'assemblée générale ordinaire du 20 juin 2025, est appelée à approuver, sur la base du Rapport sur le gouvernement d'entreprise, la politique de rémunération des dirigeants mandataires sociaux.

La rémunération versée au titre des fonctions d'administrateur est soumise à l'autorisation préalable de l'assemblée générale.

En outre, selon le principe du vote ex-post, et conformément aux dispositions de l'article L. 22-10-9 du Code de commerce, les principes et les critères de détermination, de répartition et d'attribution des éléments fixes, variables et exceptionnels composant la rémunération totale et les avantages de toute nature, attribuables aux mandataires sociaux de la Société au titre de l'exercice clos le 31 décembre 2024, sont soumis à l'approbation de l'assemblée générale des actionnaires pour ce qui concerne la rémunération du Président Directeur Général et du Directeur Général délégué.

1° Rémunérations versées et avantages attribués aux dirigeants mandataires sociaux au titre de l'exercice 2024

Nous vous présentons ci-dessous les éléments de rémunérations versées et avantages attribués aux dirigeants mandataires sociaux de la Société au titre de l'exercice clos le 31 décembre 2024 ainsi que, pour rappel, ceux alloués au titre de l'exercice clos le 31 décembre 2023.

Henri Morel	**Exercice 2024**	**Exercice 2023**
Président Directeur Général de GROUPE SFPI SA	Montant versés	Montant versés
Rémunération fixe (1)	300 000,00	300 000,00
Rémunération variable annuelle	-	-
Rémunération exceptionnelle	-	-
Rémunération liée à la fonction d'administrateur	-	-
Avantages en nature (2)	11 126,45	11 784,36
TOTAL 1	**311 126,45**	**311 440,63**
Président d'Arc Management SAS		
Rémunération fixe (1)	186 408,00	186 408,00
Rémunération variable annuelle	-	-
Rémunération exceptionnelle	-	-
Avantages en nature (3)	40 399,80	39 800,66
TOTAL 2	**226 807,80**	**226 208,66**

(1) *Sur une base brute.*
(2) *Montant cotisé au titre de l'assurance chômage des dirigeants (GSC).*
(3) *Montant cotisé au titre de l'assurance chômage des dirigeants (GSC) – Logement*

Damien Chauveinc	**Exercice 2024**	**Exercice 2023**
Directeur Général délégué de GROUPE SFPI SA	Montant versé	Montant versé
Rémunération fixe (1)	283 473,90	261 455,96
Rémunération variable annuelle	55 000,00	62 000,00
Rémunération exceptionnelle	-	-
Avantages en nature	1 580,04	1 580,04
TOTAL	**340 053,94**	**325 036,00**

(1) *Sur une base brute.*

2.1 Remuneration policy for the Chairman and Chief Executive Officer

No changes have been made to the remuneration policy previously approved by the General Meeting of 18 June 2024; the remuneration of the Chairman and Chief Executive Officer for the 2025 financial year will consist solely of a fixed component.

Henri Morel	**2025**
Chairman and Chief Executive Officer of GROUPE SFPI SA	
Fixed remuneration (*on a gross basis*)	300,000.00

2.2 Remuneration policy for the Deputy Managing Director

The remuneration policy for the Deputy Managing Director for the 2025 financial year comprises a fixed component, a variable component and benefits in kind (see table below).

As under the previously approved remuneration policy, the fixed component represents 70% of the Deputy Managing Director's remuneration and the variable component represents 30%.

The variable component is set according to the following criteria:

- 60% based on the financial objectives of the MAC and NEU-JKF divisions during the reference year, and
- 40% based on qualitative targets set each year and corresponding to the achievement of specific projects and objectives, which must be completed in line with defined milestones (results to be achieved, timeframe for completion).

Damien Chauveinc	**2025**
Deputy Managing Director	
Fixed remuneration (*on a gross basis*)	300,000.00
Variable annual remuneration (*based on 100% of the objectives and criteria set out in paragraph 4.2*)	120,000.00
Benefits in kind (*company vehicle*)	1,580.04

Moreover, the remuneration of the Deputy Managing Director in the form of bonus shares forms part of the Company's salary incentive policy and contributes to the objectives set out in the corporate officer remuneration policy. Damien Chauveinc was awarded 10,000 shares pursuant to the 2024 Plan Rules on the allocation of bonus performance shares.

In the event that the General Meeting of Shareholders of 20 June 2025 does not approve the revised remuneration policy, the remuneration policy previously approved by the General Meeting of 18 June 2024 will continue to apply and the Board of Directors will be responsible for submitting, for approval at the next General Meeting, a draft resolution setting out a new revised remuneration policy and indicating how the vote of the shareholders and, where applicable, the opinions expressed at the General Meeting have been taken into account.

3. Equity ratios

Pursuant to Article L. 225-37-3 of the French Commercial Code, the following tables show the ratios between the remuneration due or awarded to each executive officer in respect of each of the past five years and the average and median remuneration due or awarded to the Company's employees, excluding corporate officers, on a full-time equivalent (FTE) basis over the same years.

The first table covers employees of GROUPE SFPI SA, while the second table covers employees of head office companies including GROUPE SFPI SA and Datagroupe SA.

Remuneration has been restated on a full-time equivalent (FTE) basis. Remuneration paid to employees not present for a complete year is excluded from the calculation.

Table covering only employees of GROUPE SFPI SA

RATIO VERSUS		2020		2021		2022		2023		2024	
		Average	Median	Average	Median	Average	Median	Average	Median	Average	Median
CHAIRMAN & CEO		4.65	5.01	5.10	6.27	4.30	5.76	4.30	6.05	3.86	5.28
DEPUTY MANAGING DIRECTOR		3.84	4.13	5.02	6.17	4.48	6.22	4.48	6.31	4.22	4.77

Table covering head office employees

RATIO VERSUS		2020		2021		2022		2023		2024	
		Average	Median	Average	Median	Average	Median	Average	Median	Average	Median
CHAIRMAN & CEO		3.15	4.53	53.54	4.81	3.02	5.03	2.78	5.05	2.93	3.59
DEPUTY MANAGING DIRECTOR		2.59	3.74	3.49	4.73	3.27	5.44	2.89	5.26	3.20	3.92

Table of comparison with French minimum wage (SMIC) applicable at period-end

RATIO VERSUS		2020	2021	2022	2023	2024
CHAIRMAN & CEO		16.24	16.27	15.46	14.87	14.39
DEPUTY MANAGING DIRECTOR		13.39	16.00	16.70	15.50	15.73

(5) FACTORS LIABLE TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC TENDER OFFER

(5.1) The Company's share capital structure

The share capital ownership structure at 31 December 2024 broke down as follows:

	% interest	**% voting rights**
ARC MANAGEMENT	55.70	64.65
Henri Morel	4.85	6.00
CREDIT MUTUEL EQUITY	10.53	11.30
BNP Paribas Développement	4.21	3.89
Public	22.43	14.16
Treasury shares	2.28	N/A
Total	**100.00**	**100.00**

(5.2) Restrictions pursuant to the articles of association

(i) The voting right attaching to shares is proportional to the share capital they represent. Each equity or dividend share has the same par value and carries one voting right.

However, a double voting right compared to other shares representing the same proportion of the share capital is granted to all fully paid-up shares which can be proved to have been registered in the name of the same shareholder for at least the last two consecutive years.

(ii) The Company has provided for threshold crossing disclosures in the articles of association. Accordingly, any individual or legal entity, acting alone or in concert, that holds or ceases to hold at least 2% of the Company's share capital or voting rights or any multiple of this percentage must notify the Company, within 15 days of the threshold being crossed, by registered letter with acknowledgement of receipt sent to the Company's registered office and specifying the number of shares and voting rights held.

Failing disclosure according to the conditions stated above, the shares exceeding the fraction that should have been declared shall be stripped of voting rights, pursuant to statutory provisions.

(5.3) Rules applying to the appointment and replacement of members of the Board of Directors and to amendments to the Company's articles of association:

Rules applicable to the appointment and replacement of members of the Board of Directors are defined under Article 11 "Board of Directors" of the Company's articles of association. However, the Board also has its own rules of procedure which define the operating rules and procedures applicable to the Board and any related committees, in addition to statutory provisions and the Company's articles of association and by reference to the Middlenext Code.

To amend the articles of association, resolutions may be adopted by an Extraordinary General Meeting if a two-thirds majority is present or represented. The Extraordinary General Meeting exercises its powers in accordance with the conditions laid down by law.

(5.4) The powers of the Board of Directors, particularly in relation to share issues and buybacks

Delegations or authorisations granted by the General Meeting:

Purpose of resolution	Maximum amount	Term	Exercise of authorisation in 2024
Authorisation for the buyback of Company shares	10% of the share capital corresponding to 7,359,457 shares. Maximum buyback price: €5.00 euros per share with par value of €0.90.	18 months from 18 June 2024 (21st resolution), i.e. until 18 December 2025.	Authorisation is exercised via a investment services provider.
Authorisation to reduce the share capital by cancelling treasury shares	10% of the share capital over 24 months	26 months from 18 June 2024 (23rd resolution), i.e. until 18 August 2026.	None

(6) DELEGATIONS OF POWER AND AUTHORISATIONS GRANTED TO THE BOARD OF DIRECTORS

At the date of this report, the Board of Directors holds the following delegations, powers and authorisations pursuant to the resolutions adopted by the General Meeting of shareholders:

Purpose of resolution	Maximum amount	Term	Exercise of authorisation in 2024
Powers to allow the Board of Directors to make the necessary amendments to the articles of association if the Company is required to comply with new statutory and regulatory provisions, subject to these amendments being ratified by the next Extraordinary General Meeting	Not applicable	Indefinite	None
Authorisation to grant existing or future bonus shares to employees and corporate officers of the Company and its subsidiaries	15% of share capital	38 months from 18 June 2024 (25th resolution), i.e. until 18 August 2027.	110,000 shares allocated under the 2024 bonus share plan
Authorisation to grant existing or future stock options to employees and corporate officers of the Company and its subsidiaries	10% of share capital	38 months from 17 June 2022 (15th resolution), i.e. until 17 August 2025	None

(7) REGULATED AGREEMENTS

It is specified that existing regulated agreements have been previously authorised in accordance with the law and are described in the statutory auditors' special report on regulated agreements. In accordance with Article L. 225-40-1 of the French Commercial Code, agreements entered into and authorised in previous years which continued to operate in 2024 were reviewed at the Board of Directors meeting of 25 September 2024. The directors made no comments regarding these agreements, particularly with regard to their purpose or financial conditions.

(8) ANY OTHER INFORMATION

None.

SUSTAINABILITY REPORT

2024

Sfpi GROUP

Safety for people & industry

I. ESRS 2

CONTENTS

II. TAXONOMY

III. ENVIRONMENT

IV. SOCIAL ESRS

CONTENTS

GENERAL INFORMATION

Sfpi GROUP
Safety for people & industry

I. ESRS 2

1. GENERAL DISCLOSURES – ESRS 2

Basis for preparation

1.0. BP-1 General basis for preparation of sustainability statements

Formally committed to CSR issues since 2015, SFPI Group recognises the importance of its sustainability statement.

The information in this report is therefore based on the same scope as the financial statements, without exception.

Where possible, the statement covers the Company's value chain, from upstream to downstream, with a higher degree of reliability where the links between the Company and its value chain are short.

Despite SFPI Group's CSR commitment since 2015, owing to the complexity of the CSRD standard, its scope and the specific characteristics of the Group and its organisation, it has not been possible to produce all the information (policies, actions, indicators, targets), even though these have been identified as material and priority.
The coming years should allow for greater accuracy across all of these areas.

1.1. BP-2 Disclosures in relation to specific circumstances

There are no specific disclosure circumstances to report for this publication.

Below is the list of disclosure requirements incorporated by reference.

Strategy 3: Revenues and financial data	Consolidated financial statements.

Despite SFPI Group's CSR commitment since 2015, owing to the complexity of the CSRD standard, its scope and the specific characteristics of the Group and its organisation, it has not been possible to produce all the information (policies, actions, indicators, targets), even though these have been identified as material and priority.

Furthermore, this is the first year that the standard has been applied, which adds uncertainty as to publication expectations.
The coming years should allow for greater accuracy across all of these areas.

2. GOVERNANCE

2.0. GOV-1 The role of the administrative, management and supervisory bodies

Groupe SFPI is managed by a Board of Directors, whose members are listed on the Company's website. These directors are selected for their experience in banking, finance or commerce. Their expertise covers the Group's four business areas, as well as compliance, CSR and strategy.

The Board of Directors is composed of two executive members and five non-executive members. One of these seven members is an employee representative.

Each gender is represented by more than 40% and there are no individuals identifying as non-binary. Two members are independent, representing 33% of the Board excluding the employee representative.

The Board holds CSR, development and remuneration meetings as often as necessary. The management of IROs is carried out within the Board of Directors by one of the executive directors, who presents a qualitative and quantitative overview of the issues through reporting and key performance indicators. This enables multi-year objectives (goals, targets, etc.) to be defined.

All directors have received extensive training on CSR issues and, more recently, on CSRD, through internal or external training provided by professional, public or private organisations.

The members of the Board of Directors comply in their practices with the internal rules and the Middlenext Corporate Governance Code.

Due to regulatory changes, particularly in terms of sustainability, but also in the interests of good management, changes to governance are currently underway.

Two new independent directors are in the process of being appointed and should take up their positions by the end of the first half of 2025.

2.1. GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Board of Directors holds CSR meetings as often as necessary and at least twice a year. During the CSR meetings held in 2024, the Board of Directors was informed and consulted on the following issues:

- The implementation of the CSRD (application of regulations, selection of sustainability auditors, monitoring of double materiality, validation of IROs, etc.)
- Changes in non-financial indicators
- CSR strategy through the evolution and monitoring of the transformation plan

The implementation of the new CSRD regulations will require the Board to review its operating methods on this subject on a more permanent basis. With the appointment of new directors, various specialised committees will be created, whose operating procedures will need to be refined (number of meetings, items to be discussed, composition, etc.)

Nevertheless, since the official launch of CSR-related initiatives within the Group, the Board of Directors has overseen the strategy by assessing the risks inherent to the subject, organising in-depth discussions, questioning management and taking part in numerous training sessions. In preparation for the CSRD, the Board's work has led to the identification of a number of impacts, risks and opportunities (IRO), which have been ranked in order or priority.

The list of IROs taken into account from 2024 onwards and prioritised by the governance structure is as follows:

- Creation and preservation of temporary jobs, mainly at DOM and MAC due to the seasonal nature of production activity, but also at MMD
- European employment contracts guaranteeing an adequate wage per country (monitoring of minimum wage agreements)
- Work-related injuries and work-related ill health for production and installation teams (MSDs, psychosocial risks, road accidents, etc.)
- Work-related injuries and work-related ill health for administrative teams (psychosocial risks, road risks, etc.)
- Death of an employee
- Absenteeism due to work stoppages (work-related injuries, work-related ill health, ordinary illnesses, commuting accidents)
- Loss of expertise due to a lack of internal knowledge transfer
- GHG emissions throughout the value chain (purchase of raw materials, product end-of-life, upstream transport, etc.)
- Reduction in energy consumption
- Mechanisms enabling anonymous whistleblower reporting on the Group's website

2.2. GOV-3 Integration of sustainability-related performance in incentive schemes

Managerial performance is rewarded under **two systems**:

- Variable remuneration for executive officers (+/- 100 managing directors or management committee members).

All executive officers have a stake in the performance of their respective areas, based on both financial and non-financial criteria.

Approximately 50% of variable remuneration is based on non-financial performance criteria (Net Promoter Score, On Time in Full, energy, accident frequency and severity rates, investment projects, industrial projects, etc.). These criteria and objectives are reviewed each year by managers one and two levels above.

- Performance-related share awards (LTI) have been granted since 2024 to the Group's top management (10 people).

Performance is calculated on the basis of the Group's consolidated results and no longer solely across a given scope of management. In addition to commercial performance and customer satisfaction (30%), performance in terms of decarbonisation is also monitored (10%). These objectives are defined annually by the Remuneration Committee. For 2024, a 5% reduction in CO_2 emissions was set.

2.3. GOV-4 – Statement on due diligence

The purpose of this disclosure requirement is to facilitate understanding of the due diligence process implemented by the Company with regard to sustainability issues.

Core elements of due diligence	Sustainability Report section
Embedding due diligence in governance, strategy and business model	**General information ESRS 2** The role of administrative, management and supervisory bodies Information provided to and sustainability matters addressed by the Group's administrative, management and supervisory bodies Integration of sustainability-related performance in incentive schemes **Environment E1** Environmental strategy governance **Social S1** Strategy and business model Interaction between IROs and the Group's strategy and business model
Engaging with affected stakeholders in all key steps of the due diligence	**General information ESRS 2** Stakeholder engagement **Environment E1** Objectives **Social S1** Stakeholder consultation
Identifying and assessing adverse impacts	**General information** A responsible and sustainable value creation model Main impacts, risks and opportunities Description of the processes to identify and assess material impacts, risks and opportunities General approach IRO assessments **Environment** Methodology for analysing impacts, risks and opportunities Results of the analysis of impacts, risks and opportunities
Taking actions to address those adverse impacts	**General information ESRS 2**
Tracking the effectiveness of these efforts and communicating	**General information ESRS 2** Information provided to and sustainability matters addressed by the Group's administrative, management and supervisory bodies Risk management and internal controls over sustainability reporting **Environment E1** Environmental taxonomy ESRS E1 **Social S1** Organisation and quality of social and CSR reporting **Governance G1** Related objectives

2.4. GOV-5 – Risk management and internal controls over sustainability reporting

Over more than 10 years, the Company has implemented a raft of measures designed to ensure reasonable control of these issues: creation of a CSR department, recruitment of teams, investment in management tools, definition of a strategy, internal audit, internal and external communication, training of directors, employees and executive officers on these issues, organisation of ad hoc meetings at Board level, etc.

All data is centralised using internal software or Excel files, managed by the relevant departments and reviewed by the Executive Committee.

The risk assessment method, prioritisation and mitigation strategies are presented to the Executive Committee (EXCO) at monthly meetings.

Strategy is coordinated by senior management under the supervision of the Board of Directors at least once a year. The approach is pragmatic and the objectives set are qualitative and quantitative.

Data auditing and control is carried out:
- automatically by management tools (Toovalu, Excel, PIXID),
- through extensive checks by the internal audit team,
- through regular external audits carried out by specialist companies (absenteeism audit by AYMING, temporary staff management by Arexa), and
- through the annual sustainability audit.

The results of audits, controls and policies are included in the presentation materials for the Board of Directors and reported to governance at least once a year.
Given the changing nature of the standard, SFPI Group regularly reviews all of these procedures and will do so again upon completion of the 2025 audits covering the 2024 financial statements.

3. STRATEGY

3.0. SBM-1 - Strategy, business model and value chain

Our mission:

The Group designs, manufactures, assembles, distributes and installs solutions for the protection of property, people and the environment.

Our strategy:

SFPI carries out its mission in Europe through its four industrial divisions in a responsible manner in order to create sustainable value for all its stakeholders.

3.0.1. Our resources

FINANCIAL	HUMAN	PRODUCTION
62% family-owned Shareholders	**4,011** Overall headcount	**42** Production sites
Listed Group: compliance and transparency	**94%** Permanent/fixed-term contracts	**15** Countries of operation
€**666**m Revenues	**62** work-study/interns/apprentices	**100%** products that meet the highest international standards
€**263**m Equity		
€**76**m Cash and cash equivalents		
€**15.3**m Capital expenditure		

3.0.2. **Presentation and business model**

Group overview:

SFPI Group has two business lines, Building and Industry, dedicated to ensuring the safety of goods, persons and the environment.

BUILDING

Building security and comfort

DOM SECURITY

- Access and locking solutions.
- **1,705** employees
- Revenues: **€235m**
- **19** sites

MAC

- Joinery, shutters, awnings and blinds for housing and business premises
- **4 brands:** SIPA, France Fermetures, Franciaflex, Faber
- **1,342** employees
- Revenues: **€220m**
- **17** sites

INDUSTRY

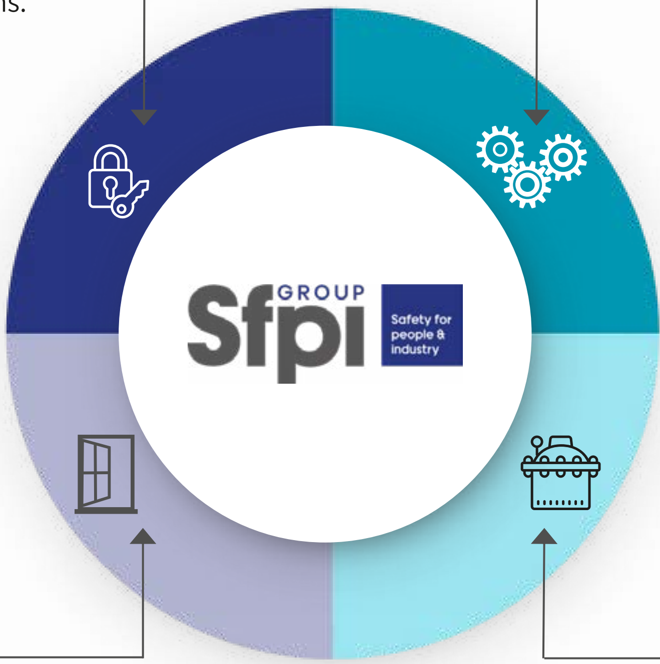
Air treatment and energy management

NEU-JKF

- Air treatment in industrial settings
- 4 manufacturing countries
- **668** employees
- Revenues: **€134m**
- **7** sites

MMD

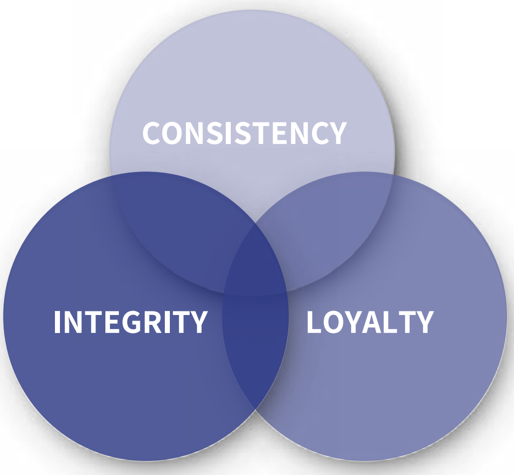
- Thermal processing & sterilisation equipment and solutions
- French and Italian manufacture
- **285** employees
- Revenues: **€76m**
- **3** sites

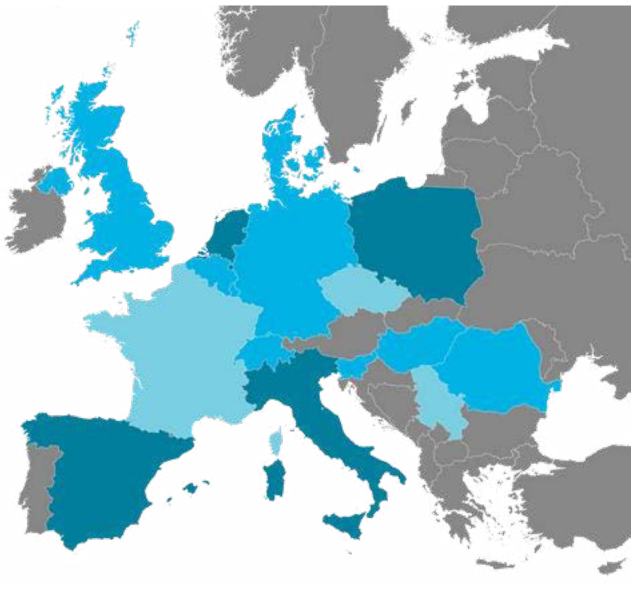


Influencing factors

- Mechatronics (AI)
- Carbon reduction

Group values and culture:





"SFPI Group serves business customers, including manufacturers, distributors and installers"

For our customers

- Increased safety, comfort and energy savings
- Increased satisfaction: NPS and OTIF
- Contribution to customer performance and competitiveness, enabling them to meet and obtain the required standards and certification in their sector

For the environment

- Reduced impact of the Group's activities
- Contribution to reducing the environmental footprint of industrial customers through the solutions offered
- Contribution to reducing energy consumption in buildings and homes through the products offered

VALUE CREATED

For our employees

- Reduced health and safety risks
- Improved quality of life at work through management
- Skills development
- Value sharing: profit sharing

For our investors

- A Group that responds to today's challenges
- Limited risks thanks to the diversity of activities and sound management
- Sustainable growth

For our regions:

- Local employment rate

	UPSTREAM			SFPI		DOWNSTREAM		
Phase	**Extraction**	**Production Raw materials Sub-assemblies**	**Transport**	**Production, design, manufacturing/assembly, inspection & packaging**	**Distribution (transport & installation)**	**Sale (& installation)**	**End use**	**End of life**
Description	Mining/rare earths Oil Forests Sand	Metals: steel, aluminium Electrical and electronic components PVC Plastics/packaging Fabrics/canvas Wood Cardboard/paper Glass	Trucks Boats	DOM Security: access and locking solutions MAC: joinery, shutters, awnings and blinds NEU-JKF: air treatment MMD: thermal processing and sterilisation solutions	NEU-JKF and MMD	DOM and MAC	Building – DOM Security and MAC: BtoB & BtoC Industry – NEU-JKF and MMD: BtoB	Reuse Recycling Incineration Landfill
Main stakeholders	Tier 2 and above suppliers Local communities	Suppliers Local communities	Suppliers Service providers	Employees Local communities (residents)	Employees	Customers	Customers End-users	Service providers Local communities
Geographical areas	No information available through "reasonable efforts"	Main European suppliers		Europe Malaysia	Europe International	Europe	Europe International	Europe International
Potential or actual negative impacts on these sustainability topics	Climate change Circular economy: resources and waste Biodiversity Air, water and soil pollution Working conditions Affected communities Human rights Business conduct Corruption	Climate change Circular economy: resources and waste Biodiversity Air, water and soil pollution Working conditions Business conduct: supplier relations	Climate change Air, water and soil pollution Working conditions	Climate change Circular economy: resources and waste Air, water and soil pollution Biodiversity Waste Working conditions Affected communities	Climate change Air, water and soil pollution Working conditions	Climate change Air, water and soil pollution Working conditions Business conditions	Climate change Circular economy: waste Air, water and soil pollution Water End-user security	Circular economy: resources and waste Climate change Air, water and soil pollution Working conditions Business conduct
Potential or actual positive impacts on these sustainability topics	Circular economy: resources	Circular economy: resources		Circular economy: resources and waste Affected communities	Circular economy: resources and waste Working conditions Affected communities	Circular economy: resources and waste Working conditions	Air pollution Climate change End-user security Circular economy: resources and waste	Circular economy: resources and waste
Key hotspots	Non-renewable resources leading to extraction operations Lack of precise information on the location and management of these operations	Resource- and energy-intensive industrial production Working conditions involving physical strain and exposure to risks	High-volume and heavyweight raw materials requiring carbon-intensive transport	Resource- and energy-intensive industrial production Working conditions involving physical strain and exposure to risks	Working conditions involving physical strain	Working conditions involving physical strain		

3.1. **SBM-2 – Interests and views of stakeholders**

SFPI Group has always placed considerable importance on respecting its stakeholders by consulting them and adhering to the highest standards, as demonstrated by the efforts made to publish this Sustainability Report despite its complexity.

The Company's main stakeholders are:

This dialogue involves organising meetings, appointments and regular consultations.

More than 35 companies in the Group with external customers consult their customers annually via an NPS (Net Promoter Score) survey. The results of these surveys are included in executive officers' performance assessment.

Shareholders and financial partners are consulted three times a year at public meetings (financial analyst meetings or General Meetings).

Finally, employees are consulted through the staff representative bodies.

The results of these surveys are analysed, summarised and reported at various levels of the organisation to ensure that the feedback received is properly understood.

If necessary, this feedback could impact the Group's strategy, although this has never been the case, as SFPI Group is generally aligned with its stakeholders.

The steady growth of the Group, its activities and its level of profitability demonstrate that the Group's actions appear to meet the expectations of its stakeholders.

3.2. SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

The list of IROs identified by the Group is presented in GOV-2. Details of these IROs and their interactions with strategy and business model are presented at the beginning of the topical ESRS.

4. IMPACT, RISK AND OPPORTUNITY MANAGEMENT

IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

4.0. Identification and overall assessment of IROs

To identify the IROs, the Company worked collectively through a working group at the highest level of the Company, involving senior management, the HR department, those responsible for environmental issues and financial control.

To identify the IROs, the Company first worked in collective workshops to develop a business model that would highlight the "resources" required for the Group's activities, as well as the different forms of "value" created. This work on identifying resources and values created highlighted various sustainability topics related to the Company's business model.

Benchmarking of sector peers highlighted the sustainability topics raised or addressed by companies pursuing comparable activities. Accordingly, it was possible to verify that no issue on which there was consensus within the profession had been overlooked.

A sustainability risk analysis by country/continent was carried out for the Company's main suppliers using recognised international databases.

Based on the description of the value chain, the main topics with positive or negative impacts were identified, highlighting "hotspots" in the value chain in relation to negative impacts.

For each sustainability topic in AR 16, positive and negative impacts, both actual and potential, were identified based on the work carried out on the business model and value chain.

Internal stakeholders were consulted to clarify certain negative impacts. No external experts or stakeholders were consulted. The impacts were rated collectively by the project group.

Each negative and positive impact was rated according to its severity, i.e. an average of its scale, scope and irremediable character (for negative impacts), on a scale of 1 to 4.
It was also rated according to its likelihood, i.e. an average of its occurrence and timing, also on a scale of 1 to 4. The time horizon scale was based on CSRD guidelines: long term > 5 years, medium term between 1 and 5 years, short term < 1 year.

The average severity and likelihood score results in an impact rating between 1 and 4. The materiality threshold was set at 3.5.

The issues were then prioritised as follows:

- **Environment:** 65 positive and negative impacts identified – 19 prioritised as material
- **Social:** 18 positive and negative impacts identified – 4 prioritised as material
- **Governance:** 6 positive and negative impacts identified – 1 prioritised as material

Each risk and opportunity was rated according to its magnitude on a scale of 1 to 4 corresponding to the estimated financial cost to the Company.

It was also rated according to its likelihood, i.e. an average of its occurrence and timing, also on a scale of 1 to 4. The time horizon scale was based on CSRD guidelines: long term > 5 years, medium term between 1 and 5 years, short term < 1 year.

The average of the magnitude and likelihood scores allows the risk or opportunity to be rated between 1 and 4. The materiality threshold was set at 3.5.

The issues were then prioritised as follows:

- **Environment:** 22 risks or opportunities identified – 3 prioritised as material
- **Social:** 33 risks or opportunities identified – 14 prioritised as material
- **Governance:** 7 risks or opportunities identified – none are material.

4.1. Description of process used to identify, assess, prioritise and monitor risks and opportunities that have or may have financial effects

4.1.1. Description of how connections of impacts and dependencies with risks and opportunities that may arise from those impacts and dependencies have been considered

For each sustainability topic in AR 16, the project group identified actual and potential risks and opportunities in relation to the work on the business model and value chain. These connections have been taken into account in a meaningful way.

4.1.2. Description of how likelihood, magnitude and nature of effects of identified risks and opportunities have been assessed

Each risk and opportunity has been rated according to its magnitude on a scale of 1 to 4 corresponding to an estimated financial cost to the Company.

It was also rated according to its likelihood, i.e. an average of its occurrence and timing, also on a scale of 1 to 4. The time scale was based on CSRD guidelines: long term > 5 years, medium term between 2 and 5 years, short term < 2 years, very short term < 1 year.

The average of the magnitude and likelihood scores allows the risk or opportunity to be rated between 1 and 4. The materiality threshold was set at 3.5 for social and environmental impacts and at 3 for governance impacts.

A hierarchy was thus established as follows:

- **Environment:** 22 risks or opportunities identified – 6 prioritised as material
- **Social:** 33 risks or opportunities identified – 17 prioritised as material
- **Governance:** 7 risks or opportunities identified – 1 prioritised as material

4.1.3. Description of how sustainability-related risks relative to other types of risks have been prioritised

There has not been much connection between the prioritisation of sustainability-related risks and other types of risk within the Company.

4.2. Description of decision-making process and related internal control procedures

The decision-making process and internal control are in constant communication through various exchanges.

4.3. Description of extent to which and how process to identify, assess and manage impacts and risks is integrated into overall risk management process and used to assess the overall risk profile and risk management processes

The identification and assessment process was carried out with the project group, including the Group's senior management, which is specifically responsible for risk management.

4.4. Description of extent to which and how process to identify, assess and manage opportunities is integrated into overall management process

The identification and assessment process was carried out with the project group, including the Group's senior management, which is specifically responsible for opportunity management.

4.5. Description of input parameters used in process to identify, assess and manage material impacts, risks and opportunities

The input parameters are:

- the project group members' knowledge of the activities, sector and sustainability topics;
- benchmarking of companies in the sector;
- sustainability risk analysis by country/continent;
- workshops and interviews with Déclic.

4.6. Description of how process to identify, assess and manage impacts, risks and opportunities has changed compared to prior reporting period

As this is the first time this exercise has been carried out, there are no changes compared to the prior reporting period.

IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement

4.7. Disclosure of list of data points that derive from other EU legislation and information on their location in sustainability statement

No data points derived from other EU legislation have been disclosed.

4.8. Disclosure of list of ESRS Disclosure Requirements complied with in preparing sustainability statement following outcome of materiality assessment

Details below:

Mat IRO ref	Disclosure Requirement	Section
ESRS 2	General basis for preparation of sustainability statements	5 a - 5 b i - 5 b ii
ESRS 2	Disclosures related to specific circumstances	16
ESRS 2	The role of administrative, management and supervisory bodies	21a - 21b - 21c - 21d - 21e - 22a - 22b - 22c 22c i - 22c ii - 22c iii 22d - 23 - 23a - 23b
ESRS 2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	26a - 26b - 26c
ESRS 2	Integration of sustainability-related performance in incentive schemes	29 - 29a - 29b - 29c - 29d - 29e
ESRS 2	Statement on due diligence	30; 32
ESRS 2	Risk management and internal controls over sustainability reporting	36a - 36b - 36c - 36d - 36e
ESRS 2	Strategy, business model and value chain	40a i - 40a ii - 40a iii - 40b - 40c - 40e - 40f - 40g - 42 - 42a - 42b - 42c
ESRS 2	Interests and views of stakeholders	45a - 45a i - 45a ii - 45a iii - 45a iv - 45a v - 45b
ESRS 2	Material impacts, risks and opportunities and their interaction with strategy and business model	48a - 48b - 48c i - 48c ii - 48c iii - 48c iv - 48d - 48e - 48f - 48g - 48h
ESRS 2	Description of the processes to identify and assess material impacts, risks and opportunities	53a - 53b - 53b i - 53b ii - 53b iii - 53b iv - 53c - 53c i - 53c ii - 53c iii - 53d - 53e - 53f - 53g - 53h
ESRS 2	Disclosure Requirement IRO-2 - Disclosure requirements in the ESRS covered by the undertaking's sustainability statement	56 - 57 - 59
Mat IRO E1.GOV-3	E1.GOV-3- **Integration of sustainability-related performance in incentive schemes**	13
Mat IRO E1-2, E1-4	E1.IRO-1- **Description of the processes to identify and assess material climate-related impacts, risks and opportunities**	20a - AR 9 - 20c - AR 11a - AR 11b - AR 11c - AR 11d - AR 12a - AR 12c - AR 15
Mat IRO E1-2, E1-4	E1.SBM-3- **Material impacts, risks and opportunities and their interaction with strategy and business model**	18 - 19a - 19b - 19c - AR 7b - AR 8b
Mat IRO E1-2, E1-4	E1-1- **Transition plan for climate change mitigation**	14 - 16a - 16b - 16c - 16d - 16g - 16h - 16i - 16j
Mat IRO E1-2, E1-4	E1-2- **Policies related to climate change mitigation and adaptation**	24 - 25 - 28
Mat IRO E1-2	E1-3 - **Actions and resources in relation to climate change policies**	29a - 29b - 29c i - 29c ii - 16c

Mat IRO ref	Disclosure Requirement	Section
Mat IRO E1-2	E1-4 **Targets related to climate change mitigation and adaptation**	32 - 33 - 34a + 34b - AR 25a - AR 25b - 34e - 16a – 81
Mat IRO E1-4	E1-5- **Energy consumption and mix**	39 - 40 - 37c - 38c – 47
Mat IRO E1-2	E1-6 - **Gross Scopes 1, 2, 3 and Total GHG emissions**	50 - 51 - 53 - 48a, AR 39b - AR 41 - AR 46d - AR 46h - AR 50 - AR 52 - AR 55
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	Material impacts, risks and opportunities and their interaction with strategy and business model	14 - 14a - 14b – 15
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	**Policies related to own workforce**	20 - 20a - 20b - 20c - 21 - 22 - 23 - 24a - 24b - 24c - 24d
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	**Processes for engaging with own workers and workers' representatives about impacts**	27 - 27a - 27b - 27c - 27d - 27e – 28
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	**Processes to remediate negative impacts and channels for own workers to raise concerns**	32a - 32b - 32c - 32d - 32e - 33 – 33
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	**Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions**	37 - 38a - 38b - 38c - 38d - 39 - 40a - 40b - 41 - 43 - AR 43
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	**Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**	46 - 47b - 47c – 81
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	**Characteristics of the undertaking's employees**	50a - 50b - 50b + 51 - 50c - 50d i - 50d ii - 50e
Mat IRO S1-1	**Characteristics of non-employee workers in the undertaking's own workforce**	55a - 55b v - 55b i - 55b ii - 55c – 57
Mat IRO S1-3	**Collective bargaining coverage and social dialogue**	60a
Mat IRO S1-3	**Adequate wages**	69 – 70
Mat IRO S1-8	Training and skills development indicators	83a 83b
Mat IRO S1-4, S1-5, S1-6, S1-7	Health and safety indicators	88a - 88b - 88c 88d - 88e
Mat IRO S1-4, S1-5, S1-7	**Incidents, complaints and severe human rights impacts**	103a - 103b - 103c 103d - 104a - 104b
Mat IRO G-5	**The role of administrative, supervisory and management bodies**	5a 5b
Mat IRO G-5	**Business conduct policies and corporate culture**	10a
Mat IRO G-5	**Prevention and detection of corruption**	18a
Mat IRO G-5	**Incidents of corruption**	

4.9. **Explanation of negative materiality assessment for ESRS E1 Climate change**

ESRS E1 Climate change is well integrated into this Sustainability Report as it is material to the Company.

4.10. **Explanation of how material information to be disclosed in relation to material impacts, risks and opportunities has been determined**

Each material IRO has been reconciled with the disclosure requirement and the expected data point(s) related to the sustainability topic associated with the IRO.

II. TAXONOMY

0. Context and consistency

Under European Regulation 2020/852 (known as the Taxonomy Regulation), supplemented by Regulation (EU) 2023/2486 (Environmental Delegated Act) on the establishment of a framework to promote sustainable investments within the European Union (EU), SFPI Group is required to publish, for the 2024 financial year, for its entire financial consolidation scope, performance indicators highlighting the proportion of its net revenues (turnover), capital expenditure (CapEx) and operating expenditure (OpEx) resulting from products and/or services associated with economic activities considered sustainable within the meaning of this Regulation in relation to the six **environmental objectives**:

- Climate change mitigation (CCM);
- Climate change adaptation (CCA);
- Sustainable use and protection of water and marine resources (WTR);
- Transition to a circular economy (CE);
- Pollution prevention and control (PPC);
- Protection and restoration of biodiversity and ecosystems (BIO).

An eligible activity will be considered aligned if it complies with the technical criteria for substantial contribution, if it does not significantly harm other environmental objectives (Do No Significant Harm – DNSH) and, finally, if the company complies with the minimum safeguards relating to human rights, corruption, taxation and competition. Since the 2022 financial year, the Group has been reporting in accordance with the Taxonomy “Article 8” delegated act adopted on 6 July 2021 on the level of eligibility and alignment of its revenues, capital expenditure and operating expenses with the first two climate objectives.

1. Assessment and methodology

In order to implement these reporting requirements, the Group has set up a working group composed of members of the finance and sustainability departments, as well as business line teams.

This team has worked to analyse the eligibility and alignment of the Group’s activities, in particular on the basis of:

- Commission Delegated Regulation (EU) 2021/2139 (“Climate Delegated Act”), as amended by Commission Delegated Regulation (EU) 2023/2485;
- Commission Delegated Regulation (EU) 2023/2486;
- the various FAQs issued by the European Commission (the Group has reviewed the draft FAQs dated 29 November 2024).

In 2024, the Taxonomy working group analysed the eligibility and alignment of activities with the six environmental objectives for the revenues, CapEx and OpEx performance indicators.

2. Eligibility

The Group’s main activities presented below could not be directly linked to an activity eligible for the Taxonomy.
Consequently, they were considered not eligible:

- Access and locking products (DOM SECURITY division excluding PICARD SERRURES): no activity listed in the Taxonomy Delegated Regulations provides for the manufacture and distribution of access and locking products;
- The heat exchanger (BARRIQUAND CIPRIANI division) and air treatment (NEU-JKF division) activities involve the design, manufacture and sale of equipment and devices for industrial use.

As SFPI Group does not install this equipment, it is therefore not eligible for the installation, maintenance and repair of energy-efficient equipment (7.3);

- No activity listed in the Taxonomy Delegated Regulations provides for the production and/or distribution of autoclaves (STERIFLOW).

On the other hand, several of the Group's activities fall within the categories of energy-efficient manufacturing for building construction (3.5) and installation, maintenance and repair of energy-efficient equipment (7.3) and installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings (7.5).

This mainly concerns the activities of the MAC division (joinery, blinds), GTB (NEU automation) and other marginal activities.

3. Alignment

In order to assess the current level of alignment of the activities identified as eligible, the Group has verified compliance with the technical screening criteria for selecting activities by reading the documentation.

With regard to construction and real estate activities (7.), the Group has analysed all the technical criteria relating to this activity.

It is possible that for certain activities (doors), these criteria have not been formalised because the analysis is too technical for a non-material figure.

4. Do no significant harm to the other five objectives targeted by the taxonomy (DNSH)

The Group has carried out work to verify compliance with DNSH criteria, in particular with regard to climate change adaptation by conducting a local analysis of climate-related risks and vulnerabilities.

5. Verification of compliance with minimum safeguards (MS)

The Group meets the requirements of the minimum safeguards of the Platform on Sustainable Finance (PSF) report, as specified in the FAQ of 16 June 2023, in terms of human rights, corruption, competition law and taxation.

SFPI Group has implemented a number of procedures:

- SFPI Group has an anti-corruption system in place in accordance with the Sapin II law;
- SFPI Group considers its contribution to taxation to be an integral part of its social, environmental and societal responsibility.

6. Determining metrics

6.1. Revenues

The revenue (turnover) numerator consists of revenues generated by activities aligned with the Taxonomy.

6.2. Capital expenditure (CapEx)

The CapEx numerator includes all investments aligned with the six environmental objectives and integrated into eligible activities in proportion to the turnover of the company concerned. The denominator includes all acquisitions of property, plant and equipment (IAS 16), intangible assets (IAS 38), right-of-use assets (IFRS 16) and investment property (IAS 40), as well as acquisitions resulting from business combinations.

6.3. Operating expenses (OpEx)

The operating expenses recognised by the Group in accordance with the provisions of the Taxonomy relate to non-capitalised research and development expenses, rental expenses, repair, maintenance and other direct expenses related to the day-to-day servicing of property, plant and equipment.

In 2024, OpEx within the meaning of the Taxonomy amounted to several million euros, less than 3% of total OpEx amounting to several hundred million euros. Given the non-material amount of Taxonomy-aligned OpEx, the Group continues to apply the disclosure exemption permitted by the regulations.

The mandatory summary tables are provided below.

	Share of OpEx/ Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	
CCA	0%	
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

	Share of CapEx/ Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	34%
CCA	0%	24%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

	Share of revenues/ Total revenues	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	49%
CCA	0%	28%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

MANDATORY TABLES

TABLE 1 - REVENUES Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024:

Year N	Year			Substantial contribution criteria						Do no significant harm criteria (DNSH - Do No Significant Harm)									
Economic activit	Code	Revenues	% of revenues, year	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Share of revenues aligned with Taxonomy (A.1) or eligible under Taxonomy (A.2) year N-1	Enabling activity	Transitional activity
		000	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	%	E	T
A. ACTIVITIES ELIGIBLE UNDER THE TAXONOMY																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Revenues from environmentally sustainable activities (i.e. Taxonomy-aligned) (A.1)		0	0.00%																
Of which enabling																		E	
Of which transitional																			T
A.2 Activities eligible under the Taxonomy but not environmentally sustainable (not Taxonomy-aligned)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Production of energy-efficient equipment for building construction	CCM 3.5/CC	316,427	47.60%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3/CC	3,913	0.60%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	CCM 7.5/CC	7,477	1.10%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Revenues from activities eligible under the Taxonomy but not environmentally sustainable (not Taxonomy-aligned) (A.2)		327,017	49.20%																
A. Revenues from activities eligible under the Taxonomy (A.1		327,017																	
B. ACTIVITIES NOT ELIGIBLE UNDER THE TAXONOMY																			
Revenues from activities not eligible under the Taxonomy (B)		337,987	50.80%																
TOTAL (A + B)		665,004	100%																

<u>TABLE 2 - CAPEX Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024:</u>

Year N	Year			Substantial contribution criteria						Do no significant harm criteria (DNSH - Do No Significant Harm)									
Economic activities	Code	CapEx	% of CapEx, year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Share of CapEx aligned with Taxonomy (A.1) or eligible under Taxonomy (A.2) year N-1	Enabling activity	Transitional activity
		1000	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	%	E	T
A. ACTIVITIES ELIGIBLE UNDER THE TAXONOMY																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx from environmentally sustainable activities (i.e. Taxonomy-aligned) (A.1)		0	0.00%																
Of which enabling																		E	
Of which transitional																			T
A.2 Activities eligible under the Taxonomy but not environmentally sustainable (not Taxonomy-aligned)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Production of energy-efficient equipment for building construction	CCM 3.5/CCA	4,516	30.70%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3/CCA	37	0.20%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	CCM 7.5/CCA	147	0.90%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Electricity generation using solar photovoltaic technology	CCM 4.1/CCA	412	2.60%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
CapEx from activities eligible under the Taxonomy but not environmentally sustainable (not Taxonomy-aligned) (A.2)		5,112	34.50%																
A. CapEx from activities eligible under the Taxonomy (A.1+A.2)		5,112																	
B. ACTIVITIES NOT ELIGIBLE UNDER THE TAXONOMY																			
CapEx from activities not eligible under the Taxonomy (B)		10,229	65.50%																
TOTAL (A+B)		15,341	100%																

<u>TABLE 3 - OPEX Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024:</u>

Year N	Year			Substantial contribution criteria						Do no significant harm criteria (DNSH - Do No Significant Harm)									
Economic activities	Activity code	OpEx	% of OpEx, year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Share of OpEx aligned with Taxonomy (A.1) or eligible under Taxonomy (A.2), year N-1	Enabling activity	Transitional activity
		1000	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	%	E	T
A. ACTIVITIES ELIGIBLE UNDER THE TAXONOMY																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx from environmentally sustainable activities (i.e. Taxonomy-aligned) (A.1)		0	0.00%																
Of which enabling																		E	
Of which transitional																			T
A.2 Activities eligible under the Taxonomy but not environmentally sustainable (not Taxonomy-aligned)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Production of energy-efficient equipment for building construction		0.00%	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Production of energy-efficient equipment for building construction		0.00%	0.00%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment		0.00%	0.00%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings		0.00%	0.00%	EL	EL	N/EL	N/EL	N/EL	N/EL										
OpEx from activities eligible under the Taxonomy but not environmentally sustainable (not Taxonomy-aligned) (A.2)		0.00%	0.00%																
A. OpEx from activities eligible under the Taxonomy (A.1+A.2)		0																	
B. ACTIVITIES NOT ELI																			
OpEx from activities not eligible under the Taxonomy (B)		0																	
TOTAL (A+B)		27,110	100%																

Table of nuclear and fossil gas related activities

Nuclear energy related activities	
1. The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2. The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3. The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities	
4. The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5. The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6. The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

CSRD

ESRS ENVIRONMENT

Sfpi GROUP Safety for people & industry

III. ENVIRONMENT

0. Governance (E1.GOV-3)

The integration of sustainability-related performance in incentive schemes is described in section **2.2 GOV-3 Integration of sustainability-related performance in incentive schemes** in this Sustainability Report.

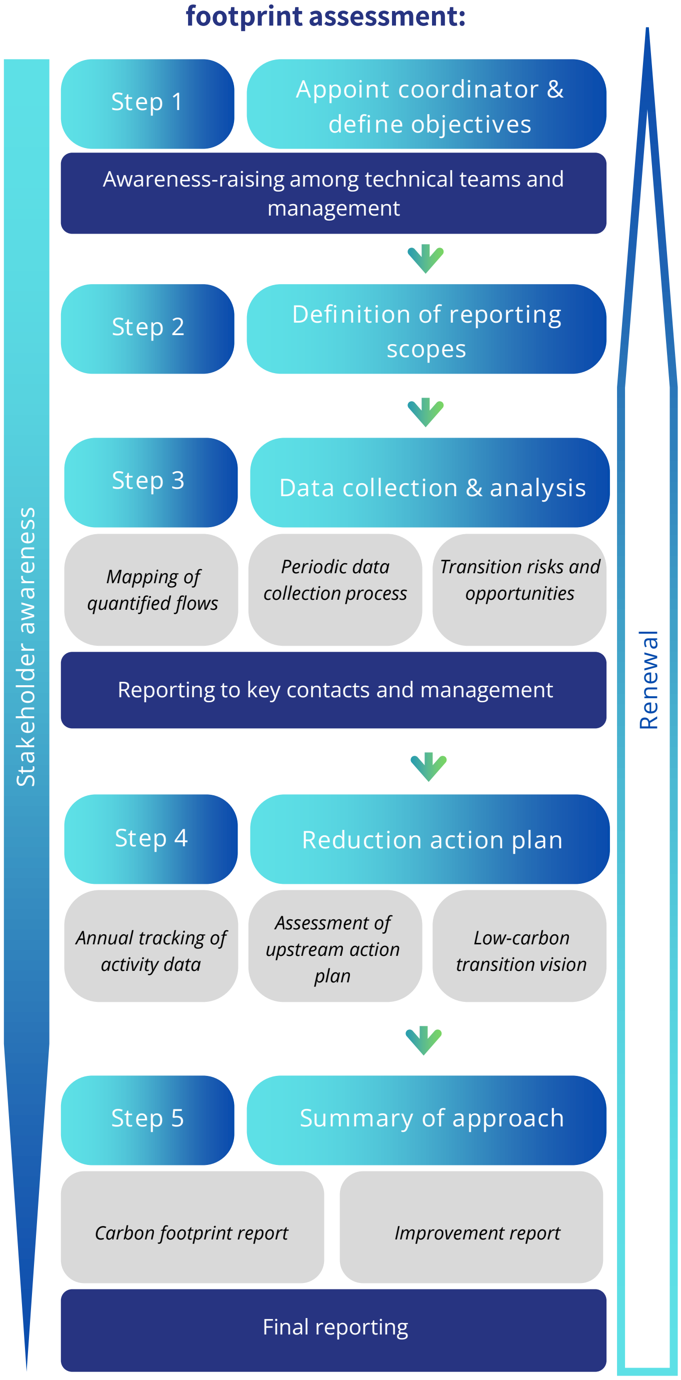
1. Strategy

1.1. Transition plan for climate change mitigation (E1-1)

For several years now, SFPI Group has made industrial responsibility one of the core priorities of its development model. Industrial responsibility is defined as behaviour that enables a company and its employees to achieve performance while guaranteeing the protection of people, property and the environment. The principle of industrial responsibility combines a set of management practices strongly anchored across the Group for many years (financial control and reporting culture, entrepreneurial independence, product compliance with the highest standards) with a determination to step up the environmental transition of the Group and its business. To accelerate this approach, a transformation plan was launched across the Group in 2020. The plan is based on four pillars, including an environmental pillar which aims to move towards a low-carbon strategy.

In connection with the plan, SFPI Group has developed a structured process to identify and measure its impact on climate change. This process is integrated into our overall sustainability strategy and aims to minimise our carbon footprint while contributing to the transition to a low-carbon economy. Here are the key steps in our carbon footprint assessment:

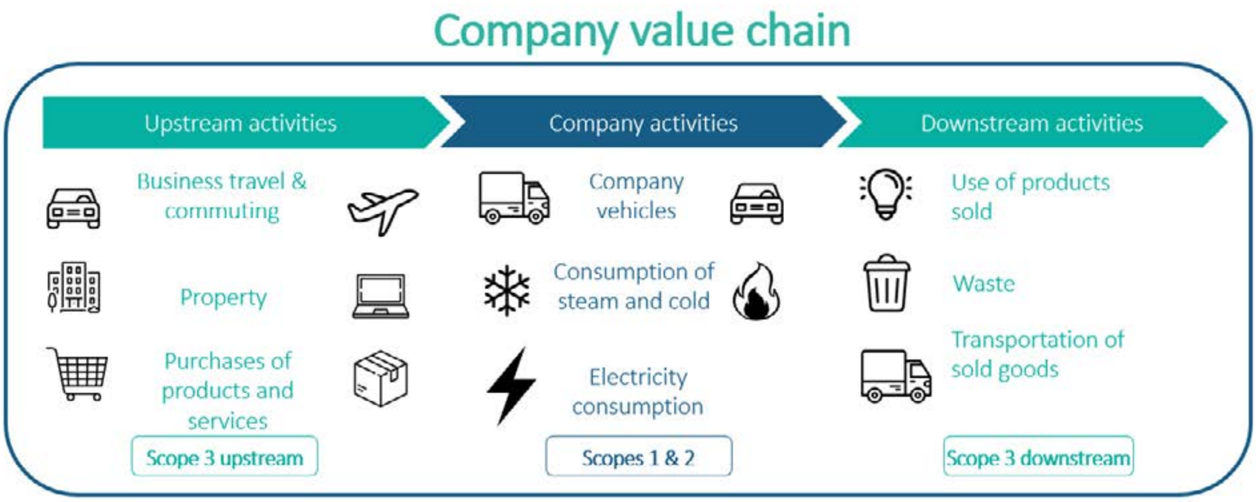
Here are the key steps in our carbon footprint assessment:



1.1.1. Identification and measurement of GHG emissions

a- Identification of emission sources
SFPI Group's overall carbon footprint is divided into three categories of emissions, in accordance with the GHG Protocol:

- **Scope 1:** direct GHG emissions related to gas and fuel consumption across all Group sites, as well as fuel used to power company vehicles. GHG emissions associated with any refrigerant leaks are also included;
- **Scope 2:** indirect GHG emissions related to electricity, heat and cooling purchased by the sites operated by the Group and its company vehicles;
- **Scope 3:** other indirect GHG emissions related to the Group's upstream and downstream value chain.



b- Measurement, analysis and monitoring of impacts
Once identified, the Toovalu measurement tool is used to calculate the Group's GHG emissions on an annual basis. We monitor key carbon emission indicators (per FTE and per revenues/turnover) to better understand our environmental impact.

1.1.2. Impact reduction strategies

a- Development of a roadmap

The strategic compass in a nutshell:

- The strategic compass is the roadmap described in a single comprehensive document. This is the first time that SFPI Group has shared its ambitions for 2050 in a single document.
- The roadmap was co-developed by senior management in four workshops.
- It is divided into two parts:
    - **Who are we?**
    - **Where are we going?**
- It includes all of the statements that reflect the Group's challenges, such as 'innovation projects include decarbonisation criteria'.
- The compass has a strong focus on environmental actions, as we need to catch up on time lost in taking this issue into account in our decisions and actions.

STRATEGY COMPASS

FOUNDING ELEMENTS	
PURPOSE	SFPI Group contributes to **meeting the environmental expectations and objectives of its customers,** through its **specific range of products and services** with a low environmental footprint (throughout the entire life cycle).
	Internally, SFPI Group has incorporated its requirements for **sustainable development and reducing the environmental footprint** of its activities and products (carbon footprint, environmental debt, etc.) into its transformation **roadmap**.
	Within SFPI Group, the culture of sustainable development and reduction of the environmental footprint **is a unifying factor for employees.**
	SFPI Group takes **a proactive approach** to sustainable development and reducing its environmental footprint.
FUNDAMENTAL PRINCIPLES	**Operational excellence (total quality, lean management, sobriety, efficiency, etc.)** is an essential prerequisite for sustainable development and decarbonisation.
	The investments (CapEx and investment-related OpEx) made by SFPI Group contribute to reducing its carbon footprint.
	The decision to invest or not is based on **criteria adapted** to the nature of the investment (industrial, environmental, social, digital, etc.).
	Innovation projects integrate decarbonisation criteria with measured risk-taking.
	The analysis of global risks against a backdrop of uncertainty guides the industrial strategy (climate change, conflicts, risks of disruption in the supply chain for components or resources, etc.).
GOVERNANCE MODEL	
INTERNAL ORGANISATION	The Executive Committee defines its decarbonisation policy and monitors it through quantitative and qualitative **environmental indicators and targets.**
	Decarbonisation projects and investments are part of the **budget process.**
	Employees are **actively involved and have a financial interest** in the success of SFPI Group's environmental approach.
	Culture, **curiosity,** the **need for transformation and open-mindedness** are encouraged among all employees at SFPI Group, particularly in the environmental field.
	SFPI Group regularly **communicates internally** about its decarbonisation actions and successes.
EXTERNAL ENGAGEMENT	**The deployment and acceleration of the decarbonisation strategy** are supported by partnerships chosen for their complementary skills vis-à-vis SFPI Group (expertise, methodologies, facilitation, training, etc.).
	SFPI Group is open to **the hybridisation of knowledge and skills** subject to approval by the Executive Committee (choice of industrial partners, type of project, etc.).
	SFPI Group is developing **a communication policy on its commitment** and results in terms of sustainable development and decarbonisation (events, professional social media, etc.).

DRIVERS OF CHANGE	
DEVELOPMENT STRATEGY	SFPI Group has set itself the goal of **carbon neutrality by 2050.**
	SFPI Group is decarbonising its activities **"step by step"** and by division, at a minimum annual reduction rate of **5% of the carbon footprint**, over an equivalent scope of activities.
	The Group is rolling out its decarbonisation strategy through **project-based working groups.**
	SFPI Group is involved in **regulatory and standardisation projects** at national and European level to assess and anticipate risks and opportunities.
MAJOR LEVERS	**Carbon footprint measurement and analysis** lead to **action plans for sobriety and efficiency** (energy, MP, land, water, etc.), reorganisation (quality, lean management, etc.), a shift towards responsible purchasing policies (MP sourcing, low-emission upstream and downstream transport, etc.) and investments (more energy-efficient equipment, responsible digital technology, etc.).
	Eco-design and value analysis approaches are systematically incorporated into the development of new products.
	SFPI Group's business model is moving towards more **sustainable economic models.**
	SFPI Group **recycles its end-of-life products** (reuse, retrofitting, recycling) for each of its divisions, either directly or through external channels.
	SFPI Group **is developing its employer brand** in line with its environmental approach (talent retention, attractiveness, etc.).
MEDIUM-TERM OUTLOOK	
CORE VALUES	SFPI Group employees **share the values** of integrity, consistency and loyalty.
	Employees are driven by a **spirit of enterprise** (initiative, valuing expertise, clear-headed approach to risk).
	The operational teams submit a **transformation roadmap** to the Executive Committee and implement it following approval.
	Customer satisfaction, measured in terms of OTIF and NPS, is a priority.
	SFPI Group **finances its transformation**, including decarbonisation, through profitability that also ensures the **fair remuneration of all stakeholders**.
KEY CHALLENGES	SFPI Group **improves its profitability** through its commitment to decarbonisation.
	By 2030, 70% of **products will have their own environmental data sheet** (FDES, etc.), enabling SFPI Group to be recognised by its customers as a company that contributes to their own decarbonisation.
	SFPI Group will achieve **the target of reducing its carbon footprint by 35%** based on its 2023 balance sheet, by 2030.
	The employee engagement rate has reached 90%, largely thanks to SFPI Group's environmental policy.

In its strategic compass, SFPI Group has made sustainable development and reducing its environmental footprint core priorities of its strategic roadmap, including tangible commitments to decarbonisation. The Company has set itself the bold target of achieving carbon neutrality by 2050. To this end, it aims to reduce its carbon footprint by 35% by 2030, based on 2023 data, by adopting a gradual and structured approach. Each division contributes to this effort through a minimum annual reduction of 5% in its carbon footprint across an equivalent scope of activities. This transition is supported by project-based working groups that ensure rigorous management of the decarbonisation strategy. In addition, CapEx and OpEx investments are geared towards supporting this objective in accordance with decision-making criteria that take into account industrial, environmental, social and digital dimensions.

Thanks to this integrated roadmap, SFPI Group is committed to reducing its impact on climate change while playing an active role in the ecological transition and the preservation of the environment. The Company's objectives are aligned with the Paris Agreement target of limiting global warming to 1.5°C.

b- Reduction action plan

Under the European Union's benchmarks aligned with the Paris Agreement, the SFPI Group is not an excluded company, quite the contrary. Indeed, the Group demonstrates a strong commitment to decarbonisation and energy transition, ensuring its compliance with EU climate targets.

Firstly, based on the data collected, SFPI Group is implementing action plans to reduce its GHG emissions. These plans include improving energy efficiency, integrating renewable energy sources (PV) and optimising infrastructure and industrial processes to minimise emissions (heat recovery, relamping, upgrading the machine fleet, etc.).

In terms of the circular economy, we also encourage innovation through the design of sustainable products and the integration of circular economy principles. This includes increasing resource efficiency, recycling materials and reducing waste.

1.2. Material impacts, risks and opportunities and their interaction with strategy and business model (E1.SBM-3)

1.2.1. Resilience analysis – Climate change adaptation solutions (MAC & NEU-JKF)

In collaboration with DECLIC agency and with the participation of the Group Secretary General, Deputy Managing Director and Head of Environmental Affairs, during the 28 May 2024 working meeting on the business model and value chain we conducted an in-depth analysis of our value chains and their resilience.
This analysis of the resilience of our activities was conducted over the medium term (5 to 10 years), based on two contrasting climate scenarios:

- Moderate transition scenario (~2°C)
- High-emissions scenario (>3°C)

MAC division – Glazing & Solar Protection
Technical glazing and external blinds **help buildings adapt** to heat waves by reducing solar gain and improving summer comfort without the need for active solutions.

- **Opportunity:** expected growth in demand linked to regulatory requirements (RE2020, summer comfort) and the need for resilient buildings.

- **Resilience:** high – solutions not very sensitive to physical risks, but vigilance is required regarding the supply of materials (glass, aluminium).

NEU-JKF division – Industrial Air Cooling
Adiabatic cooling and ventilation solutions improve working conditions in industrial environments facing extreme temperatures.

- **Opportunity:** rising expectations in terms of health and safety at work and maintaining production in hot environments.

- **Resilience:** high – high relevance in a warmer climate. Moderate risk related to certain technical components and energy.

The value chain analysis enabled us to identify material impacts, risks and opportunities (with a rating threshold of 3.5 or above) and how they interact with our strategy and business model.

As such, after rating, we identified the following material IRO topics for the ESRS E1 standard:

1.2.2. Negative impact: GHG emissions throughout the value chain

The risk associated with GHG emissions throughout the value chain (purchase of raw materials, product end-of-life, upstream transport, etc.) represents a material transition risk for SFPI Group. This risk is reinforced by increasing regulatory pressure on GHG emissions and global climate targets, as well as the potential impact on the Group's reputation and competitiveness if these emissions are not adequately reduced.
The carbon footprint analysis shows that SFPI Group's value chain is heavily dependent on raw materials, particularly metals, which are among the most GHG-intensive materials. This represents a significant challenge, especially as changes in GHG emissions regulations could lead to additional costs or restrictions on access to certain markets. The Group is therefore aware that it must anticipate measures to reduce emissions in these key areas.

In terms of impact on the business model, this risk could lead to increased production costs, particularly if the Group fails to control its emissions. However, a proactive mitigation strategy, focusing on low-emission solutions and better management of emissions throughout the supply chain, could not only minimise this risk but also create new opportunities, particularly through access to more sustainable markets and by strengthening the Group's reputation for sustainability.

1.2.3. Opportunity: Reduction in energy consumption

Reducing energy consumption is a strategic opportunity for SFPI Group in its energy transition and decarbonisation efforts. It enables the Group to lower operating costs and improve competitiveness in the face of rising energy costs and environmental regulations, while contributing to global climate goals. This approach also strengthens the Group's reputation for sustainability and environmental responsibility.
It could also enable the Group to better prepare for future energy consumption regulations and reduce the risks associated with rising energy prices.
In terms of impact on the business model, this opportunity could improve profitability by reducing energy costs.

Summary of identified material IROs

Issue	IROs concerned	Nature of IRO	Time horizon	Value chain stage concerned
Climate change mitigation	Negative impact on GHG emissions throughout the value chain	Negative impact	Irreversible	Entire value chain
Energy	Opportunity to reduce energy consumption	Opportunity	Irreversible	Own operations

2. Impact, risk and opportunity management

2.1. Description of the processes to identify and assess material climate-related impacts, risks and opportunities (E1.IRO-1)

The process for identifying material impacts, risks and opportunities is described in the same way as in section "General information (ESRS 2)" 2.6 on page 13 of this Sustainability Report.

2.2. Policies related to climate change mitigation and adaptation (E1-2)

Responsibility for implementing climate change policy lies with the **Executive Committee (EXCO) of SFPI Group**, the highest hierarchical body involved in climate strategy.

The **Group Secretary General**'s office provides **strategic guidance** on the Group's climate commitments, in particular with regard to:

- defining greenhouse gas emission reduction trajectories,
- integrating climate issues into overall strategy,
- monitoring performance indicators,
- approving priority actions.

This climate policy was developed collaboratively through several **workshops organised with CETIM (Technical Centre for Mechanical Industries)**. As a leading organisation in the field of industrial innovation and environmental transition support, CETIM has assisted SFPI Group in **formalising a strategic climate compass** aligned with the Group's industrial realities and regulatory requirements.

The Executive Committee is supported in the implementation of the policy by the managing directors of the subsidiaries, in conjunction with representatives in each entity, ensuring **an operations-oriented, decentralised approach** to climate strategy. This compass takes into account all stakeholders and their opinions. Each item of feedback is analysed, processed and may lead to a change in the compass.

These policies on climate change mitigation and adaptation are structured around several strategic priorities, in line with the activities and related value chain.

They aim to reduce SFPI Group's greenhouse gas (GHG) emissions by taking action across the entire **value chain**:

- **Product eco-design:**
  - Designing products with a low carbon footprint throughout their life cycle;
  - Reducing the energy intensity of finished products.

- **Responsible purchasing:**
  - Promoting recycled and recyclable or alternative materials in product manufacturing;
  - Working with suppliers committed to decarbonisation initiatives.

- **Energy transition:**
  - Deploying renewable energy sources at industrial and commercial sites.
  - Improving the energy efficiency of buildings (relamping, installing heat recovery systems, improving insulation, etc.).

- **Optimisation of manufacturing processes:**
  - Investing in lower-emission technologies, for example the electrification of processes that currently use fossil fuels;
  - Reducing losses and improving factory energy efficiency.

2.3. Actions and resources in relation to climate change policies (E1-3)

Actions:

The Group has initiated numerous actions since the launch of the transformation plan, including:

- carbon assessments at all of the Group's physical sites;
- energy audits of industrial sites in France every four years;
- installing solar panels at around ten sites in France and Europe;
- reusing cardboard waste (at two sites) and continuing this practice at other sites;
- installing waste heat recovery systems (3 projects);
- replacement of LED lighting systems and lighting management at all of the Group's industrial sites (39 sites in France and Europe);
- detailed, centralised control of consumption by machine and workshop at each production site, with real-time consumption readings at production sites in France;
- elimination of numerous gas heating systems;
- replacement of doors and windows in buildings to improve thermal insulation and reinforce wall insulation.

Resources:

- **Financial:** For the year 2024, SFPI Group allocated a total budget of approximately €16 million (see taxonomy, CapEx paragraph 4.6 et seq.) for environmental projects related to the actions described in this report.

- **Human:** Strengthening the environmental team, training employees

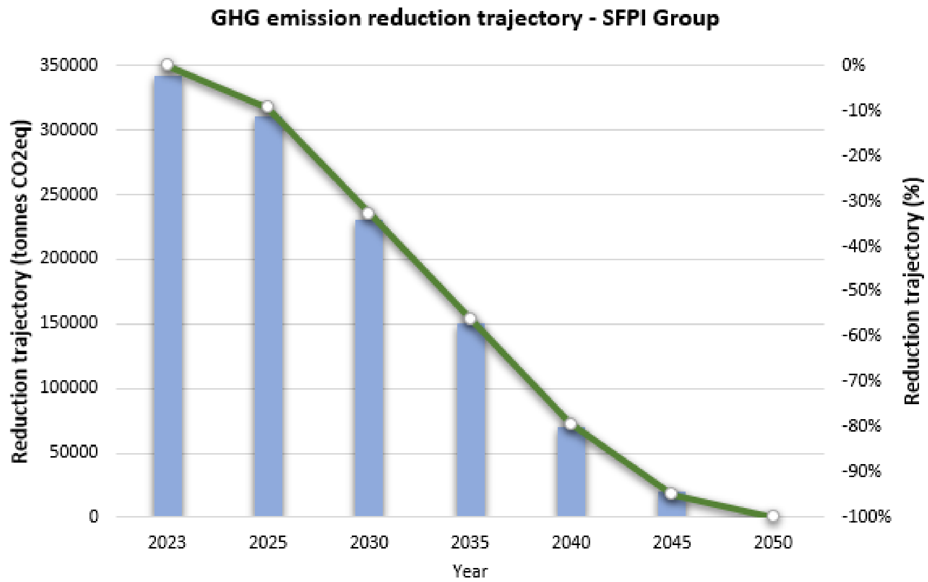
- **Technological:** Tools for managing our carbon strategy: Toovalu, Enerdigit: tool for monitoring energy consumption in real time, accessing the load curve and taking action.

- **Partnerships:** expert firms (DECLIC, CETIM), collaborative R&D projects – other LEYTON expertises.

3. Metrics and targets

3.1. Targets related to climate change mitigation and adaptation (E1-4)

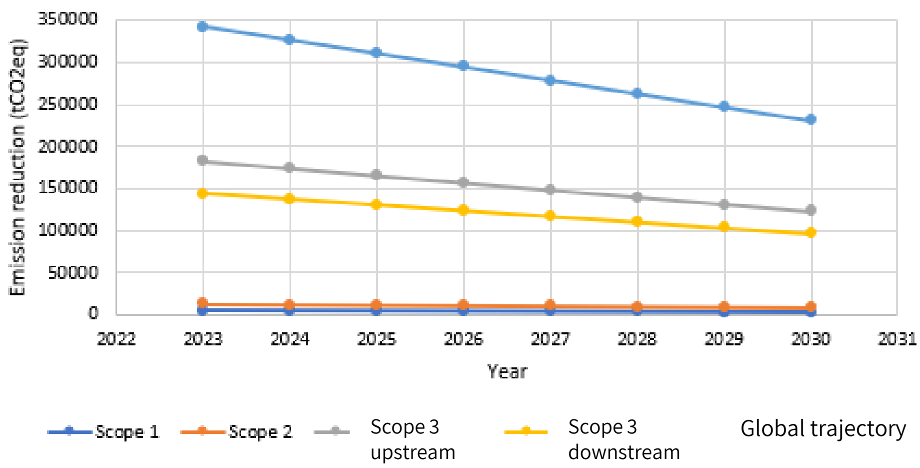
In line with the Paris Agreement and the goal of limiting global warming to 1.5°C, SFPI Group has set itself the ambition of achieving **carbon neutrality by 2050**.



In the short term, the Group aims to **reduce greenhouse gas emissions by 35% by 2030**, compared to 2023, via a **minimum annual reduction of 5%** across an equivalent scope.

These targets are based on the **Science-Based Targets initiative (SBTi)**, which is informed by scientific data. They are **directly integrated into Toovalu** but have not been subject to external verification. They enable the Group to monitor and fine-tune its decarbonisation trajectory using environmental performance indicators.

Supported by a **structured strategy** and **clear governance**, this approach is set out in the Group's **strategic compass**, which mobilises all divisions around a coherent trajectory for climate change mitigation and adaptation.



SFPI Group short-term GHG emissions trajectory

Category	Tonnes of CO2eq						Reduction trajectory (%)
	2023 baseline	Trajectory (tonnes)	Scope 1	Scope 2	Scope 3 Upstream	Scope 3 Downstream	
2023	342329	342329	4606	12412	182078	143233	0%
2024	342329	326342	4391	11832	173575	136544	-5%
2025	342329	310356	4176	11253	165072	129855	-9%
2026	342329	294369	3961	10673	156569	123166	-14%
2027	342329	278382	3746	10093	148066	116477	-19%
2028	342329	262395	3531	9514	139563	109788	-23%
2029	342329	246408	3315	8934	131060	103099	-28%
2030	342329	230422	3100	8355	122557	96410	-33%

To achieve this objective, the decarbonisation levers envisaged are organised around two main areas:

- **Emissions from operations,** corresponding to Scopes 1 and 2;
- **Emissions from the value chain,** falling under Scope 3.

Operational emissions (Scopes 1 and 2) represent a relatively small share estimated at between 4% and 6%. For these emissions, the Group will continue its policy focused on improving the energy efficiency of processes, electrifying thermal processes, using electricity from renewable sources (through self-consumption or purchase agreements) and gradually replacing combustion vehicles with low-carbon alternatives. These actions could account for a significant portion of the overall reduction in emissions, estimated at between 2% and 3%.

With regard to Scope 3, which accounts for the majority of SFPI Group's greenhouse gas emissions, the main source is the purchase of raw materials. These materials, which are highly energy-intensive to produce and process, generate a significant carbon footprint throughout their life cycle, even before they are used in the manufacture of Group products.

Actions include product eco-design to reduce raw materials, the promotion of recycled and recyclable materials (which have a carbon footprint four times lower than that of new materials) and the use of alternative materials in product manufacturing. Work on the use of our products and their impact on our customers is also being initiated in several subsidiaries. Other initiatives include optimising logistics, extending product lifespan and involving suppliers and customers in decarbonisation initiatives. All of these actions could contribute between 25% and 30% of the total effort to reduce emissions.

3.2. Energy consumption and mix (E1-5)

Currently, the Group mainly measures the share of electricity in its energy mix (nuclear, renewable, fossil, etc.), including self-generated renewable electricity, as well as gas consumption.

Aware of the importance of a more comprehensive view of its energy consumption, the Group plans to include all additional information on the various energy sources used in its next data collection campaign in 2025. This approach will also enable indicators to be adjusted to better manage energy performance.

Energy consumption and mix	2023 baseline	2024	Change 2024 v 2023
3) Fuel consumption from natural gas (MWh)	29239	29325	0%
4) Fuel consumption from other fossil sources (MWh)	N/D	N/D	N/D
5) Electricity consumption - Average mix	27049	24311	-12%
6) Total fossil energy consumption (MWh) (calculated as sum of lines 1 to 5)	**56288**	**53636**	**-5%**
Share of fossil sources in total energy consumption (%)	N/D	N/D	N/D
7) Consumption from nuclear sources (MWh)	N/D	N/D	N/D
Share of consumption from nuclear sources in total energy consumption (%)	N/D	N/D	N/D
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	N/D	N/D	N/D
10) Consumption of self-generated non-fuel renewable energy (MWh)	N/D	N/D	N/D
11) Total renewable energy consumption (MWh) (sum of lines 8 to 10)	**N/D**	**N/D**	**N/D**
Share of renewable sources in total energy consumption (%)	**N/D**	**N/D**	
Total energy consumption (MWh) (sum of lines 6, 7 and 11)	**56288**	**53636**	**-5%**
Net revenues, € million	**689**	**666**	**-3%**
Energy intensity associated with activities in high climate impact sectors (total energy consumption per net revenues) --> MWh/€m	**82**	**81**	**-1%**

3.3. Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

SFPI Group's greenhouse gas (GHG) emissions are assessed in accordance with the principles of the GHG Protocol. Assessment and monitoring are carried out using Toovalu, a platform specialising in climate strategy management. Two indicators are used for monitoring: emissions per revenues and emissions per number of full-time equivalent employees (FTEs). Toovalu allows data to be centralised, reduction trajectories visualised and progress monitored by division, entity or consolidated scope.
Aware that carbon footprint calculation is a constantly evolving discipline, SFPI Group is committed to continuously improving its methodology by incorporating scientific advances, updated emission factors and sector best practices. In 2024, as part of an effort to improve and enhance the reliability of the data collected, an entity within the NEU-JKF division developed a method for assessing emissions linked to the use of its products. To ensure consistency with the reduction trajectory, this new method was also applied to the baseline year. As a result, emissions for the baseline year were revised from 288 to 342 kilotonnes of CO_2e.
Some Scope 3 monetary data was also replaced by physical data to improve the accuracy of emissions estimates.

Share of emissions: Scope 1 & 2 (tCO2eq) and change			
Emissions category (tCO2eq)	**2023 baseline**	**2024**	**Change 2024 v 2023**
Scope 1	**4607**	**4002**	**-13%**
Direct fugitive emissions	172	281	63%
Mobile combustion sources	3050	2643	-13%
Fixed combustion sources	426	240	-44%
Direct process emissions	959	838	-13%
Scope 2	**12412**	**12173**	**-2%**
Consumption of steam, heat or cooling	5858	5806	-1%
Electricity consumption	6554	6367	-3%
Total Scope 1 & 2 (tCO2eq)	**17019**	**16175**	**-5%**
Share of Scope 1 & 2 (%)	**5.0%**	**5.2%**	

Gross location-based GHG emissions from Scopes 1 & 2, expressed in metric tonnes of CO2 equivalent.

Share of emissions: Scope 3 upstream and downstream (tCO2e) and change			
Emissions category (tCO2eq)	**2023 baseline**	**2024**	**Change 2024 v 2023**
Upstream transport of goods and distribution	11725	10744	-8%
Products and services purchased	150030	125237	-17%
Upstream leased assets	226	197	-13%
Waste generated during operations	2423	2237	-8%
Business travel	4127	4110	0%
Commuting	4576	4653	2%
Fixed assets	8970	11197	25%
Total Scope 3 upstream (tCO2eq)	**182077**	**158375**	**-13%**
Share of Scope 3 upstream (%)	**53.2%**	**51.4%**	
Use of products sold	117944	110840	-6%
End-of-life of products sold	12208	11782	-3%
Downstream transport of goods and distribution	13080	10973	-16%
Total Scope 3 downstream (tCO2eq)	**143232**	**133595**	**-7%**
Share of Scope 3 downstream (%)	**41.8%**	**43.4%**	

Scope 3 gross location-based GHG emissions expressed in metric tonnes of **CO2** equivalent.

Overall carbon footprint of SFPI Group in absolute terms and per revenues.

Category	2023 baseline	2024	Change 2024 v 2023
Scope 1 (tCO2eq)	4606	4002	-13%
Scope 2 (tCO2eq)	12412	12173	-2%
Scope 3 upstream (tCO2eq)	182078	158376	-13%
Scope 3 downstream (tCO2eq)	143233	133596	-7%
Total emissions (tCO2eq)	**342329**	**308147**	**-10%**
Net revenues, € million	**689**	**666**	**-3%**
Total emissions in millions of euros (tCO2eq/€m)	**497**	**463**	**-7%**
Total emissions per FTE (tCO2eq/FTE)	**84**	**77**	**-8%**

Between 2023 and 2024, the Group recorded **an overall 10% reduction in its greenhouse gas emissions** across all scopes, from 342,329 to 308,147 tCO_2e. This reduction covers all scopes, with a notable decrease in Scope 1 and Scope 3 upstream (-13% each) and a more moderate decrease in Scope 2 (-2%) and Scope 3 downstream (-7%).

Intensity indicators also show **an improvement in environmental performance**:

- Emissions per million euros of revenues decreased by 7%.
- Emissions per employee (FTE) decreased by 8%.

3.4. Towards better integration of data

Not all of the data points below have been prioritised. Although they are material, we recognise their importance and plan to address them in a transparent manner.

Mat IRO ref	Disclosure Requirement	Section
Mat IRO E1-2, E1-4	E1.IRO1-1 **Description of the processes to identify and assess material climate-related impacts, risks and opportunities**	20b - 21 - AR 12b - AR 12d - 21
Mat IRO E1-1	E1-1 **Transition plan for climate change mitigation**	16c - 16e - 16f
Mat IRO E1-1, E1-2, E1-3	E1-4 **Targets related to climate change mitigation and adaptation**	34f - 16b - AR 30c
Mat IRO E1-2	E1-3 **Actions and resources in relation to climate change policies**	AR 21 - 29c iii -16c
Mat IRO E1-4	E1-5 **Energy consumption and mix**	39 - 41 - 42 - 43 - 37a - 37b - 37c i - 37c ii - 37c iii - 38a - 38b - 38d - 38e - AR 34
Mat IRO E1-2	**E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions**	44 - 52a - 44 - 52b - 48b 49a - 52a - 49b - 52b - AR 42c - AR 43c - AR 45d - AR 45e - AR 46g - AR 46i - AR 46j - AR 55

4. Pollution (ESRS E2)

The state of knowledge, the Group's organisational structure and the recent nature of the regulations do not allow us to report on this subject in a meaningful way. It will be addressed in the medium term, within two to five financial years.

5. Water and marine resources (ESRS E3)

The state of knowledge, the Group's organisational structure and the recent nature of the regulations do not allow us to report on this subject in a meaningful way. This will be addressed in the medium term, within two to five financial years.

6. Biodiversity and ecosystems (ESRS E4)

The state of knowledge, the Group's organisational structure and the recent nature of the regulations do not allow us to report on this subject in a meaningful way. This will be addressed in the medium term, within two to five financial years.

7. Circular economy (ESRS E5)

The state of knowledge, the Group's organisational structure and the recent nature of the regulations do not allow us to report on this subject in a meaningful way. This will be addressed in the medium term, within two to five financial years.

ESRS SOCIAL

IV. SOCIAL ESRS

0. Governance (S1)

The Executive Committee is co-chaired by the Chairman and Chief Executive Officer and includes the Chief Executive Officer, the Chief Financial Officer, the Head of Legal Affairs, the Director of Human Resources and the Group Secretary General. The committee meets once a month to define health and safety policy, objectives and strategies. It also ensures that the necessary resources are made available to implement the action plans within the specified timeframes and thus achieve the objectives set. In addition, the Executive Committee oversees a key pillar of the transformation plan coordinated by the HR department, with ambassadors appointed in each company. If necessary, ad hoc meetings are also organised with payroll managers to ensure optimal coordination.

KPIs AND TARGETS

Policy effectiveness requires maintaining the frequency of these meetings, along with a high attendance rate and the sharing of quality content.

- Number of G10 and EXCO meetings per year and attendance rate.

	2020	2021	2022	2023	2024	2025 target	
Number of EXCO meetings	11	11	11	11	11	11	☺
Attendance rate	100%	98.7%	95.5%	95.5%	95%	96%	☺
Number of G10 meetings	2	3	3	3	3	3	☺
Attendance rate	94%	94.4%	100%	97%	95%	96%	☺

- Starting in 2023, processing 95% of alerts via the platform within 8 weeks.

1. Strategy (S1)

Definition

Although mainly based in Europe, the Group ensures that these standards are respected in all regions where it operates. SFPI Group, whose companies are mainly located within the European Union, benefits from a strict regulatory framework that significantly limits the risk of incidents related to forced or compulsory labour.

Regular ISO 9001 audits at our production sites ensure strict compliance with worker rights protection standards. These measures enable us to maintain a working environment that complies with European standards while minimising the associated risks. Particular attention is paid to the prevention of forced or involuntary labour, particularly within the supply chain, to ensure ethical and responsible practices.

Types of employees and non-employee workers concerned

SFPI Group employs various categories of staff:

- Employees: employees on permanent and fixed-term contracts in various sectors;
- Self-employed professionals;
- Personnel provided by third-party companies: temporary employees and subcontractors.

Risk identification and prevention measures:
SFPI Group is committed to ensuring safe working conditions, in compliance with current standards, for all its employees and partners.

- **Risks related to working conditions:** Although most of the Group's activities are located in Europe and subject to strict regulations, certain risks may exist, particularly with certain international suppliers. SFPI Group ensures that high standards of working conditions are applied throughout its supply chain.

- **Work-related injuries and work-related ill health:** Industrial environments and technical sectors involve specific risks.

To date, no systemic risk of forced labour or child labour has been identified within SFPI Group. However, in order to prevent any situation that could have a negative impact on its personnel, SFPI Group has implemented a Code of Ethics that defines the Group's main principles in terms of ethics and compliance.

This code is accompanied by a system of **delegation of powers** that transfers criminal liability to the directors of the various Group entities. The latter are responsible for ensuring compliance with applicable laws and regulations, including labour law and employee protection. This system is a **preventive measure** that guarantees a working environment that complies with legal requirements.
As part of its continuous improvement process, SFPI Group aims to strengthen oversight and internal control in the area of human resources management.

By 2026, the Group plans to start implementing the **HRIS** project, an HR information system that will provide a centralised and comprehensive overview of all Group companies.

This tool will ensure **greater control** and enable the early identification of potential risks in terms of social compliance and working conditions.

In addition, SFPI Group has identified potential risks related to work-related injuries and work-related ill health, particularly in industrial environments and high-risk sectors. These incidents can have a material impact on the health and safety of employees. However, in order to prevent such incidents, the Company implements a series of initiatives and preventive measures.

This commitment is reflected in tangible initiatives in the areas of occupational safety and professional development, led by dedicated teams. The main production sites therefore have health and safety officers who ensure continuous dialogue on the ground and implement appropriate measures (training, investments, etc.).

Identification of workers exposed to negative risks
As part of its assessment of material impacts on its personnel, SFPI Group has taken into account workers who may be negatively affected based on their characteristics, activities and the specific contexts in which they operate.

The Company has implemented a raft of measures to identify these workers and limit their exposure to risks related to their working conditions.

To this end, SFPI Group has integrated appropriate onboarding and safety procedures, as well as specific training depending on the job and working environment. This training is tailored to potential risks, particularly in highly industrial environments where specific protection is required.

For example, operators using acid dispensing stations, which are particularly sensitive equipment due to the chemical nature of their use, undergo rigorous training on safety procedures, personal protective equipment (PPE) and emergency procedures to be followed in the event of an incident.

The Company also ensures that its procedures are adapted to the specific local conditions of the various sites where it operates. For example, in Malaysia, although the Company is subject to local regulations, it applies the same strict safety and working conditions standards as in Europe. These uniform practices ensure that workers, regardless of their place of work, enjoy the same protection and safe working conditions.

IRO: Creation and preservation of temporary jobs
SFPI Group also identifies potential impacts related to the creation and preservation of temporary jobs, particularly through the use of temporary employees. These practices mainly concern certain Group entities such as DOM and MAC, which are heavily impacted by the seasonal nature of production, but also MMD. The Group nevertheless strives to limit this insecurity by regulating the use of temporary workers and, where possible, promoting career stability.

Since 1 January 2023, the human resources department has been managing this issue at Group level through a dedicated HR project manager. As part of this initiative, several measures have been implemented, including the introduction of PIXID, a tool that enables centralised and transparent monitoring of temporary assignments.

A monthly steering committee has also been set up with the aim of preventing cost overruns, particularly in the context of price negotiations with temporary staffing agencies, and checking their ethical practices upstream.

European employment contracts guaranteeing an adequate wage
In order to promote decent working conditions, SFPI Group ensures that employment contracts comply with European legislation, guaranteeing an adequate wage in each country.

Monitoring of minimum wage requirements is in place to ensure that remuneration complies with the pay scales in force in each region, thus ensuring a fair basis for remuneration for all Group employees (similar to the minimum wage in France). The new **HRIS** will enable random compliance checks to be carried out, thereby enhancing transparency and rigour in remuneration.

In addition, the Group's **Code of Ethics** states that **each managing director (MD) is responsible for ensuring compliance with laws and regulations**, by virtue of the powers delegated to them.

2. Policies related to own workforce (S1-1)

2.1. Commitment to human rights and employee safety at SFPI Group

SFPI Group is firmly committed to respecting and promoting human rights for all its staff. This commitment is based on fundamental principles, including the United Nations Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. To ensure compliance with these standards, SFPI Group has established monitoring processes and mechanisms such as absenteeism and work-related injury indicators to monitor and ensure compliance with these commitments across all its operations. This commitment is part of a crucial challenge for the vitality of our companies, fuelling our ambition to move towards **zero work-related injuries** and **zero work-related ill health**.

2.2. Safety and risk prevention

Safety at work is a key priority for SFPI Group. The Group has implemented a robust policy aimed at preventing accidents and ensuring the safety of its employees. Detailed records are kept, where applicable, for every incident, whether minor or serious, in order to monitor and learn from each situation. In addition, a register of serious and imminent hazards is maintained at all sites in France to quickly identify risks and take the necessary measures.

With the implementation of the HRIS, digitised records are gradually being rolled out across all Group companies, thereby improving traceability and responsiveness to incidents. With this in mind, SFPI Group continuously invests in protective equipment, specific training and innovative technologies to improve safety at work and prevent risks. These measures enable SFPI Group to strengthen its vigilance and guarantee an ever safer working environment.

2.3. Equality, non-discrimination and respect for employee rights

At SFPI Group, creating a respectful and fair working environment is a priority. The Group has implemented strict policies against discrimination and harassment, making equal opportunities a central focus of its commitments. These policies are reflected in the Company's Ethics Charter and Code of Conduct. In addition, SFPI Group ensures that all forms of discrimination recognised by the European Union and national law are prohibited, thus guaranteeing a respectful working environment for all current and future employees.

2.4. Measures for whistleblower reporting and protecting employee rights (S11-3)

To strengthen ethics and transparency, SFPI Group has set up systems for its employees to report any potential violations of their rights. Clear and confidential procedures have been established to deal with such reports quickly. These channels include an anonymous whistleblower reporting line, ensuring that employees can express their concerns in complete safety.

SFPIGroup.integrityline.app

This channel allows employees to submit concerns or reports completely anonymously and securely, if they choose to do so. To ensure confidentiality and security of information, employees must create a personal password to track the progress of their request and receive feedback on the status of their report. This process ensures transparent and direct follow-up, while preserving the anonymity of users who wish to remain anonymous.

When a request is received, an acknowledgement of receipt is sent within 48 hours, confirming that the concern has been noted. The deadline for processing requests is 30 days, during which time a thorough analysis is carried out to resolve the issue raised. This process not only ensures that issues are dealt with effectively, but also provides structured and timely feedback, reassuring employees that their concerns are being taken seriously and dealt with diligently.

2.5. Well-being at work

As part of the managerial pillar of the transformation plan, SFPI Group has identified a correlation between well-being at work and performance. Since 2023, training courses have been offered to Group managers:

- **Burt Wayne**: Spark training

- In 2024, these actions continued with the introduction of a conference on the culture of well-being and performance, led by **Malene Rydahl**, aimed at all managers and employees, as well as the development of future modules.

3. Processes for engaging with own workers and workers' representatives about impacts (S1-2)

Social dialogue

Social dialogue (S1-1-4)

SFPI Group attaches great importance to the opinions and concerns of its employees in managing actual and potential impacts. It is committed to developing **constructive and innovative social dialogue** based on listening and collaboration.

Each country applies existing employment obligations, in particular through **employee representatives** or **trade unions** (professional associations). This approach is based on several key pillars:

1. **Social dialogue:** Good communication between employees and managers is essential to fostering a climate of trust and shared decision-making.
2. **Senior management initiative:** Managing directors play a key role in facilitating social dialogue and implementing employee engagement policies.
3. **Transformation plan:** The plan supports the evolution of organisations and professions by anticipating the impact on employees.
4. **Development of key skills:** The Company ensures that employee skills are adapted and developed to ensure their employability and meet strategic challenges.
5. **Managerial listening: Regular meetings** are held to enable employees to discuss issues with their managers. These **individual and Group meetings** are an essential tool for identifying and resolving any issues that arise. However, frequent cancellation of these meetings can lead to a feeling of disengagement.

To this end, **staff representative bodies** are in place in all the companies concerned and meet approximately **once a month**. These exchanges enable employees to share their suggestions and concerns, which can be taken into account in the Company's decisions and actions in order to better manage risks and improve employee well-being.

The social dialogue policy is developed and implemented by the HR department and the managing directors of each Group company. They are responsible for implementing and monitoring agreements reached with staff representative bodies, thereby ensuring a structured and effective framework for labour relations.

In addition, **SFPI Group** implements schemes such as **profit-sharing and incentive bonuses** to assess and encourage team commitment, while strengthening motivation to achieve collective objectives.

Since **2024**, profit-sharing has been extended to **all French companies in the Group**, with the integration of **non-financial performance criteria** to further align employee remuneration with the Company's strategic and sustainable commitments.

In addition, **SFPI Group** conducts an **in-depth analysis of absenteeism**, a key indicator that provides a better understanding of **employee engagement** and the various issues that can impact attendance, such as working conditions, psychosocial risks and work-related injuries. This approach makes it possible to identify concrete levers for improvement to enhance employee well-being and reduce the risks associated with absenteeism. An initial action plan is being drafted for implementation in 2026.

With regard to **staff turnover**, although no formal methodology has yet been put in place, we are closely monitoring this indicator to detect any issues related to workplace dissatisfaction. Staff turnover and absenteeism are key indicators that help us assess employee engagement.

In addition, each company in the Group has **specific processes** in place for handling employee resignations. When an employee resigns, an informal interview is organised to listen to the reasons for their departure, in a spirit of continuous improvement. This feedback is analysed to better understand the issues and make any necessary adjustments, with the aim of improving the working environment and preventing any form of dissatisfaction in the future.

We are currently unable to provide an accurate figure for the percentage of **employees covered by a collective bargaining agreement**. However, as part of the **HRIS (Human Resources Information System)** project planned for 2026, it will be possible to calculate the number of employees covered by a collective bargaining agreement. This project is firmly anchored in our development plan to improve our monitoring of social indicators and strengthen our actions in favour of social dialogue.

⟶ Link between metric and IRO (S1-8)

Target	Description of metric	Scope	2024 performance	Monitoring
Ensure a fair and balanced working environment in compliance with local law (e.g. collective agreements, company agreements)	% of employees working in countries with collective agreements and covered by these agreements	Group	Not yet available. Planned for the 2026 HRIS project	Monitoring planned as part of the HRIS project

This monitoring will enable SFPI Group to give more consideration to the rights of its employees and strengthen its commitment to a fair working environment that complies with local regulations.

4. Taking measures regarding material impacts on its own personnel, approaches to managing material risks and seeking material opportunities related to its own personnel, and the effectiveness of these measures (S1-4-5)

4.1. Metrics and targets: action plan

Faced with work-related injuries, incidents during business travel and risks related to natural disasters, fires or explosions, SFPI Group is firmly committed to protecting its entire workforce through a proactive prevention approach. This approach is based on analysing, managing and reducing health and safety risks.

To this end, the DUERP (Single Occupational Risk Assessment Document) is the central tool used by SFPI in France to identify and assess occupational risks, both on production sites and during travel. The DUERP also covers specific risks, such as natural disaster, fire and explosion, and proposes appropriate preventive measures. However, although this document is essential, SFPI does not yet have a dedicated tool for classifying and prioritising the risks identified: prioritisation is currently based on internally defined criteria. In this context, the HRIS project will plug this gap by providing a structuring tool for harmonising, prioritising and centrally monitoring risks across all Group entities, based on shared indicators and a common methodology.

SFPI Group also works with external experts such as QHSE managers to reduce and control technical risks, calling on specialist organisations to check that equipment is working properly and that current standards are being met, depending on the issue.

In addition, regular training is offered to employees according to their position and sector in order to raise awareness of risks and safety best practices. The frequency and adaptation of these training courses depend on local standards and site-specific requirements, sometimes covering particular themes such as business travel or environmental risks.

To ensure rigorous monitoring of safety practices within France, incidents and work-related injuries must be reported within 48 hours, recorded in the accident register and, in the event of work stoppage, reported to the health insurance authorities. This information is forwarded to the relevant departments, which analyse it and identify the root causes. An investigation is then conducted using a dedicated form to define corrective actions. A confidential communication channel is also in place to enable employees to report risks or incidents.

In terms of emergency management, SFPI Group has specific protocols in place to deal with natural disasters, fires and explosions. Site managers play a key role in anticipating and managing emergency situations, ensuring that teams are prepared and that a rapid and effective response is guaranteed in the event of a crisis.

During the year, several significant measures were taken to strengthen health and safety within SFPI Group, including:

- work on analysing absenteeism with a view to reducing it;
- work on the organisation of safety workshops;
- choice of software and initial deployment of an HRIS (Human Resources Information System) that will enable standardised management rules to be established, with dedicated modules such as absenteeism management and work-related injury management, which are currently under development.

Aware that health and safety issues are part of a long-term approach, SFPI aims to create a safe and healthy working environment that enables every employee to reach their full potential while contributing to a positive safety culture.

This vision is based on a structured 3- to 5-year improvement plan, which includes:

- reinforcing health and safety related knowledge, skills and abilities among all employees;

- establishing safety-specific performance indicators to measure the effectiveness of actions taken (reduction in incidents, improvement in safety behaviour, employee satisfaction);

- conducting regular internal and external safety audits to assess progress and identify areas for improvement;

- developing safety dashboards accessible at all levels of the Company to monitor identified risks and actions taken in real time;

- ensuring that managers are trained to be safety ambassadors and can respond quickly to employee concerns.

4.2. Results:

SFPI Group has a target of reducing accidents to zero. The benchmark indicator monitored every six months at SFPI is frequency rate FR2, which is defined as follows:

$$FR2 = \frac{No.of\ accidents\ with\ or\ without\ lost\ time\ (employees\ and\ temporary\ workers)}{No.of\ hours\ worked\ (employees\ and\ temporary\ workers)}\ x\ 10^6$$

For SFPI Group, the annual target for reducing the frequency rate of work-related injuries (FR2) is set at 0%, based on the rate observed within their scope. This target is also broken down into the FR1 employee rate, which measures the frequency rate of accidents resulting in lost time among Group employees.

Current data (H1-14):

Year	Employee accident frequency rate with lost time (FR1)	Employee accident frequency rate with or without lost time (FR2)	Employee accident severity rate
2021	22.4	33.9	0.62
2022	20.1	27.5	0.74
2023	19.52	29.05	0.42
2024	18.25	25.49	0.66

Year	Percentage of staff covered by an H&S management system (%)	No. of accidents with lost time	No. of accidents without lost time	No. of cases of work-related ill health	No. of days lost (accidents)
2022	n/a	131	48	10	4179
2023	n/a	125	61	9	2704
2024	n/a	116	46	11	4185

Reduction targets:
FR1:
- 2024 target: Reduction of 10-20% compared to the number of accidents in 2023 (baseline) (19.52).
- Target range: 19.52 to 17 accidents with lost time per million hours worked.

FR2:
- 2024 target: Reduction of 5-10% compared to the number of accidents in 2023 (baseline)
- Target range: 29.05 to 27 accidents with or without lost time per million hours worked.

The data shows a **significant reduction** in the lost-time accident frequency rate (FR1), which decreased from 22.4 in 2021 to 18.25 in 2024, and a **steady decline** in the accident frequency rate with or without lost time (FR2), from 33.9 in 2021 to 25.49 in 2024. These results indicate significant progress in occupational risk management and accident prevention.
However, the severity rate shows some variation, with a slight increase in 2024 compared to 2023. This suggests that, although progress has been made, more efforts are needed to further reduce accident severity and maintain the downward trend in other indicators, particularly in terms of preventing more serious accidents.

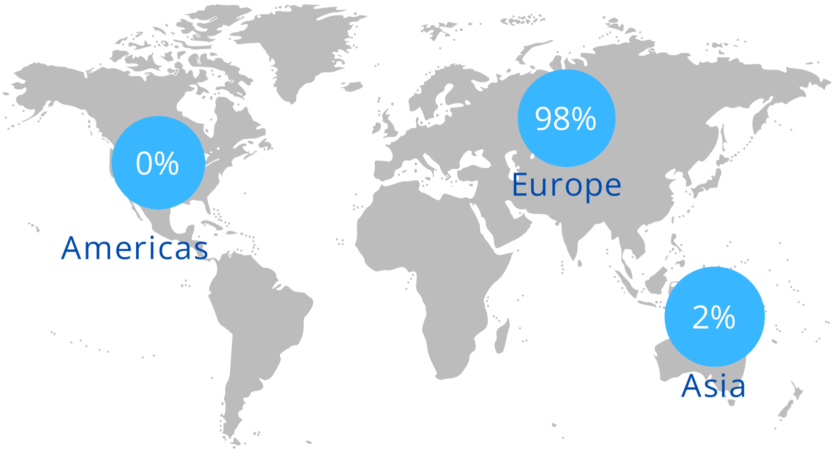
These objectives form part of a proactive drive to improve health and safety among SFPI Group employees.

Indicator	Description of metric	Scope	Current performance	Monitoring and action plan
Health and safety management system	Percentage of staff covered by a health and safety management system based on legal requirements and recognised standards or guidelines	Group	Currently being implemented, data to be centralised	2026 HRIS project for monitoring and improving coverage data
Deaths among Company workforce	Number of deaths among the Company's own workforce as a result of work-related injuries and work-related ill health	Group	2 deaths in 2024	Continuous monitoring, strengthened prevention policies
Deaths among external workers	Number of deaths resulting from work-related injuries and work-related ill health among other workers working on Company sites	Group	0 deaths in 2024	Continuous monitoring of safety measures at external sites and partners

5. Commitment to equality, individuals and communities

5.1. Definition

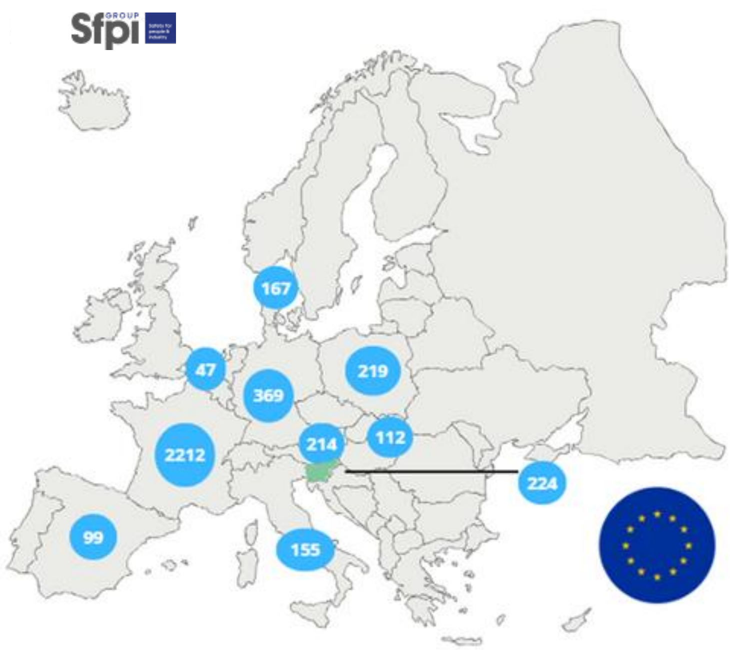
In 2024, SFPI had 4,011 employees representing a total of 3,971 full-time equivalent (FTE) employees.



Breakdown of SFPI Group workforce in 2024

The breakdown of employees across different geographical areas over the last three years is as follows:

	2022	2023	2024
Europe	98%	98%	98%
Asia	2%	2%	2%
America	0%	0%	0%
Africa	0%	0%	0%



Breakdown of FTEs by country with more than 50 employees in 2024

Breakdown of employees in countries where the Company employs at least 50 employees

Country/Year	2023	2024
France	2269	2212
Germany	378	369
Austria	216	214
Belgium	48	49
Denmark	179	167
Spain	99	99
Hungary	114	112
Italy	156	155
Malaysia	59	60
Poland	210	217
Slovenia	199	224

Breakdown of employees by gender

Gender*	2022	2023	2024
Male	2887	2800	2747
Female	1278	1267	1264
Other	..	..	..

* Headcount reported at end of reference period

Total number of non-employee workers treated as Company personnel

	2023	2024
Number of non-employee workers (temporary workers)	1050	810
Number of contracts signed to cover absences	590	1108
Number of temporary contracts signed to cover temporary increases in activity	3269	2371
Number of temporary contracts for other reasons	117	92

* The workforce is expressed as the number of people employed during the reference period and is extracted from Toovalu.

Employees by type of contract by region

Country	Permanent	Fixed-term
France	2138	72
Germany	359	10
Austria	210	4
Belgium	49	0
Denmark	157	10
Spain	98	1
United Kingdom	42	1
Hungary	111	1
Italy	149	6
Malaysia	60	0
Netherlands	36	6
Poland	188	29
Slovenia	178	46
Czech Republic	26	2
Serbia	4	0
Switzerland	16	0
TOTAL	3821	188

In 2024, there was an increase in the number of temporary contracts signed to cover absences, rising from 590 in 2023 to 1,108. This may be interpreted as a response to increased short-term needs, but also as a positive sign of proactive absence management, enabling business continuity without excessive reliance on temporary contracts.

On the other hand, the number of temporary contracts for temporary increases in activity fell from 3,269 in 2023 to 2,371 in 2024, which may indicate an adjustment in seasonal needs or better workload management within the entities concerned.

Finally, the use of temporary workers for other reasons remains relatively stable, with a slight decrease from 117 in 2023 to 92 in 2024.

These results illustrate SFPI Group's efforts to reduce the use of temporary workers, while balancing operational needs and actions aimed at limiting job insecurity. Following the implementation of PIXID and the steering committee, the HR department closely monitors these indicators to ensure that the use of temporary staff remains under control, while maintaining the stability of career paths.

5.2. Policy and action plan (S1-5)

Since 2020, SFPI Group has been committed to an **industrial responsibility** approach based on four key dimensions: commercial, managerial, environmental and financial. This principle is based on a commitment to combining performance with the protection of people, property and the environment.

For the 2020-2025 period, SFPI Group is building on these fundamentals in order to define an ambitious strategy based on five priorities: employees, customers, performance, sustainability and compliance. These pillars reflect the Group's commitment to creating sustainable value for its stakeholders – customers, partners, employees, the environment and investors – while accelerating its environmental transition.

The first pillar, focused on employees, reflects their central contribution to the Company's success. SFPI Group aims to strengthen its human resources policy through the following objectives:

- **Encouraging employee engagement** to turn employees into key drivers of collective performance;
- **Retaining and developing managerial talent** to ensure modern and inclusive leadership;
- **Attracting and retaining the talent required to ensure the Group's sustainable growth**;
- **Improving employer attractiveness** by promoting a rewarding and stimulating work environment;
- **Promoting diversity and inclusion** by integrating these principles into managerial and organisational practices.

These initiatives reflect the SFPI Group vision: combining performance, responsibility and sustainability to support market developments and meet the expectations of all stakeholders.

Every five years, after consulting stakeholders, the Executive Committee draws up a long-term plan (Transformation Plan) dedicated to human resources.

The main objectives of this plan are to:

- align human resources priorities with overall Group strategy;
- standardise HR management principles across the subsidiaries to ensure a consistent and harmonised approach;
- strengthen the impact of HR initiatives on all employees;
- promote diverse cultures while establishing common objectives and a shared language across the HR network.

The current long-term plan covering the years 2022 to 2025 **is based on three strategic priorities:**

Priority objectives are defined for each year of the long-term plan. For 2025, the priorities include:

- implementing initiatives to accelerate hiring;
- reducing staff turnover and voluntary departures;
- strengthening employee engagement by identifying the causes of absenteeism and identifying solutions.

6. Talent, the cornerstone of collective success (S1-13)

6.1. Definition

Training our employees means investing in their personal and professional development to improve their skills, commitment and performance. This approach is part of a strategic vision that considers employees to be the main drivers of collective success. Training enables teams to adapt to changes in the market, technologies and business lines, while promoting personal development. By cultivating talent, we strengthen not only the Company's competitiveness, but also its ability to innovate and attract and retain motivated and skilled employees.

6.2. Policy and action plan

Chairman and CEO, SFPI Group

"Continuous learning is the key to success, especially for our managers, who are the driving force behind our Group.

It is with this deep conviction that we have created this management training catalogue, an initiative that I believe is crucial to our growth and future success. We firmly believe in the positive impact of targeted training on our managers. Training courses tailored to their specific needs, which we have identified through interviews, can save years of learning on the job, punctuated by avoidable mistakes.

It is an investment in our most valuable asset: our management teams.
Training tailored to their needs enables our managers to perform better in their roles, reduce failures, manage stress and improve their teams' perception of their roles.

It is a virtuous circle that distinguishes a leader from a mere manager.

I know that leadership cannot be learned solely through experience. You can be a natural leader but lack managerial skills. Our concrete objective is to help our teams implement practical tools, master them and share knowledge among peers.

As for my expectations, I want our managers to feel comfortable in their roles. The implementation of dedicated tools will develop both their interpersonal skills and their expertise, thereby strengthening the complementary nature of leadership and management.

I am convinced that this initiative can only reach its full potential if our managers make full use of it. We would fail in our mission if this were not the case.

That is why I emphasise the importance of adapting the content of the catalogue to the specific issues faced by our managers, ranging from general soft skills to training specific to our business lines.

Finally, I would like to reiterate that this management training catalogue is not just a toolbox, but an opportunity to create a strong culture around our values (integrity, consistency,
loyalty), expertise and interpersonal skills. As we invest in machines for our success, let's not forget that investing in our teams is just as essential.

Together, let us build a solid future enriched by knowledge and driven by the strength of our human capital."

Henri Morel

In addition, within each Group company, SFPI ensures that each entity establishes an annual action plan together with a three-year forecast. Furthermore, human resources action plans are presented at Social and Economic Committee (SEC) meetings in France.

RESULTS

	2022	2023	2024
Engagement rate	n/a	n/a	n/a
Average number of training hours per person	n/a	n/a	14.05
Number of training hours for men (direct/indirect labour)	n/a	n/a	27,721 hrs
Number of training hours for women (direct/indirect labour)	n/a	n/a	7,205 hrs
Percentage of employees who participated in regular performance and career development reviews	n/a	n/a	72.1%
Voluntary departure rate	50.96%	43.08%	48.37%
Number of departures	671	683	583
Staff turnover	15.14%	16.04%	13.79%

* Data relating to employees for the year 2024 is collected and monitored via Toovalu on a half-yearly basis. Each legal entity appoints at least one coordinator responsible for entering information on the platform. A specific period is allocated for completing the data.

Indicators relating to employee training and engagement show positive trends. In 2024, a significant number of training hours were completed for both men and women, reflecting the Group's efforts to develop skills. Employee participation in performance and career reviews remains high, demonstrating good overall engagement. Meanwhile, although the voluntary departure rate has fluctuated in recent years, there has been a reduction in staff turnover, indicating that the measures implemented to improve talent retention are beginning to bear fruit. However, managing long-term stability and continuity of employee engagement still requires sustained effort.

MAT IRO S1-8 - Loss of expertise due to lack of internal knowledge transfer

One of the main concerns for SFPI Group is the **loss of expertise** due to a lack of transfer and sharing of expertise within the organisation.

This phenomenon is particularly visible in certain entities where key knowledge is not systematically transferred between employees, especially when they retire or change positions. This lack of fluidity in the transfer of skills can lead to significant gaps in operational processes, slowing down productivity and increasing the risk of errors. In response to this challenge, the Group is implementing corrective measures, such as organising **cross-functional training sessions** and **centralising knowledge via digital tools** to ensure that essential expertise is shared and accessible at all levels of the organisation. The aim is to **reduce dependence on certain key individuals** and maintain business continuity while **strengthening internal resilience** to issues such as staff turnover or team changes.

7. Promoting diversity (S1-9 and S1-1)

7.1. Definition

At SFPI Group, the diversity of employee profiles embodies the richness of the Company as a whole. We are committed to recognising and valuing all talent, regardless of gender, disability, age, family situation, social or cultural background, religion, sexual orientation, political opinion or trade union affiliation.
Equity is based on the fair application of HR policies and processes, taking into account the specific needs of each individual.

TR: "Diversity is our wealth"

Inclusion refers to the experience of our employees in the workplace and how they feel recognised and valued for their skills, expertise and unique contributions.

The diversity of profiles within our Group is a key driver of our success and development, while also reflecting the values we uphold.

7.2. Policy and action plans

In 2022, the SFPI Group Executive Committee recognised the need to reaffirm the importance of Diversity, Equity and Inclusion issues and implemented a dedicated policy. This policy, developed at the highest level of the Company, was incorporated into the Code of Conduct circulated to all employees at the beginning of 2023, thereby formalising SFPI Group's commitments.

This policy was communicated in 2023, together with the following objectives defined by the Company:

- Encourage the integration, development and promotion of diverse talent;
- Ensure equity in human resources management processes, particularly in hiring, retention, promotion, remuneration and access to training;
- Promote inclusive behaviour through training and awareness-raising among teams;
- Ensure diversity at all levels of the organisation;
- Communicate this approach to the Group's stakeholders, particularly during transformation plan meetings.

Professional gender equality: current situation and prospects (S1-1)

SFPI Group firmly believes that diversity within its teams contributes directly to the success of the Company. With this in mind, the Group is committed to promoting professional equality by guaranteeing equal opportunities for all, regardless of gender. Internally, SFPI Group has introduced a key indicator to measure the proportion of women among its employees.
SFPI Group continues to promote gender equality in all countries where it operates.

At the highest management level, 3 of the 57 executive officers are women. The Executive Committee is made up of six members, including three women.

To reinforce its commitment, SFPI Group provides an online platform for reporting any violations of non-discrimination rules. The internal regulations in force in the Group's Code of Conduct establish guidelines on health, safety and discipline, while emphasising the prevention of sexual harassment and sexist behaviour.

Disability (S1-1)

SFPI Group is actively committed to promoting the inclusion and integration of employees with disabilities. These measures are designed to meet the specific needs of each country where the Group operates, while forming part of a global equal opportunities policy.

SFPI Group encourages initiatives to strengthen the inclusion of persons with disabilities in the workplace. Among its flagship initiatives, the Delta Neu division recently participated in DuoDay France, a national initiative promoting inclusion.

The concept? A person with a disability is welcomed into a company, community or association. For one day, they form a duo with a volunteer professional, sharing their daily work.

The objectives? This experience allows participants to discover the world of work in a practical way, gain a better understanding of different professions and discuss their skills. It is also a great opportunity for SFPI Group employees to actively contribute to a more inclusive working environment.

In parallel with this event, SFPI Group is continuing to fulfil its commitments:

- **Workstation adaptation:** SFPI Group provides appropriate tools and equipment, such as ergonomic chairs and specific aids, to ensure a comfortable and inclusive working environment.
- **Awareness:** The Group organises awareness days to inform employees and combat misconceptions about disability.
- **Collaboration with specialist organisations**: some subsidiaries work with institutions that employ persons with disabilities to promote their integration.
- **Personalised support:** Tailored solutions, such as flexible working hours or support for returning to work, are put in place to meet individual needs.
- **Inclusive employment:** SFPI Group protects the jobs of employees with disabilities and seeks to recruit more diverse talent.

RESULTS

	2022	2023	2024
Percentage of women in the workforce (direct)	32.21%	32.59%	32.30%
Percentage of women in the workforce (indirect)	29.25%	29.81%	30.81%
Number of employees with disabilities	156	177	166

8. Adequate wage

All employees receive adequate wages in line with the applicable benchmark criteria in the countries where the Company operates. These wages are based on local standards and legal remuneration requirements, ensuring fair and adequate compensation to meet the basic needs of employees.

9. Incidents, complaints and severe human rights impacts (S1-17)

No complaints were reported for the site concerned via the online alert system. Furthermore, traditional feedback mechanisms revealed no complaints or incidents relating to serious human rights impacts, particularly those mentioned above.

10. Towards better integration of data

Not all of the data points below have been prioritised. Although they are material, we recognise their importance and plan to address them in a transparent manner.

Mat IRO ref	Disclosure Requirement	Section
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	S1.SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	14c - 14d - 14e -16
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	S1-1 Policies related to own workforce	19a - 19b - 62
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	S1-2 Processes for engaging with own workers and workers' representatives about impacts	29
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	34
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	S1-4 Taking measures regarding material impacts on its own personnel, approaches to managing material risks and seeking material opportunities related to its own personnel, and the effectiveness of these measures	62
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	47 (a)
Mat IRO S1-1, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8	S1-6 Characteristics of the undertaking's employees	50d - 50f
Mat IRO S1-1	S1-7 Characteristics of non-employee workers in the undertaking's own workforce	55a
Mat IRO S1-3	S1-8 Coverage of collective bargaining and social dialogue	60b - 60c - 63a - 63b - AR 70
Mat IRO S1-3	S1-11 Social protection	74a - 74b - 74c - 74d - 74e - 75 - 76
Mat IRO S1-5	S1-12 Persons with disabilities	79
Mat IRO S1-8	S1-13 Training and skills development indicators	83a

11. Workers in the value chain (ESRS S2)

The state of knowledge, the Group's organisational structure and the recent nature of the regulations do not allow us to report on this subject in a meaningful way. This will be addressed in the medium term, within two to five financial years.

12. Affected communities (ESRS S3)

The state of knowledge, the Group's organisational structure and the recent nature of the regulations do not allow us to report on this subject in a meaningful way. This will be addressed in the medium term, within two to five financial years.

13. Consumers and end-users (ESRS S4)

The state of knowledge, the Group's organisational structure and the recent nature of the regulations do not allow us to report on this subject in a meaningful way. This will be addressed in the medium term, within two to five financial years.

ESRS GOVERNANCE

V. GOVERNANCE

0. Governance oversight (G1-GOV1)

The administrative and governance bodies of GROUPE SFPI are responsible for reviewing the Group's governance policy on an annual basis.

The Group's directors receive regular training on these issues and have all the requisite skills to draw up the roadmap and set the policy and objectives to be achieved.
SFPI Group has a Board of Directors composed of seven members who meet between four and seven times a year to discuss various topics, including Group governance.

In addition to these scheduled meetings, ad hoc discussions may be held as required.

Details of the skills and expertise of the members of the Company's Board of Directors may be found in the governance report and on the SFPI website ⟶ **SFPI WEBSITE**

1. Impact, risk and opportunity management

Following the entry into force of the Sapin II law, the Group's senior management adopted the Code of Conduct put forward by Middlenext. In 2023, the Group updated its Code of Ethics, which became a Code of Conduct incorporating all of the Group's anti-corruption policies.

In addition to a Code of Conduct setting out its business conduct policy and corporate culture, SFPI Group has adopted a set of values and implemented a whistleblowing system.

The Group is built on strong values that shape its culture and guide its actions.
Three core values form a shared foundation to which employees and managers are expected to freely commit, though this list is not exhaustive:

- **Consistency:** honouring the commitments made;
- **Transparency and integrity:** so that trust becomes the cement that holds teams together;
- **Loyalty:** serving the Company and its stakeholders.

Around this common foundation, **the Group promotes a principle of managerial autonomy and individual freedom** in line with local challenges and the professional qualities of each individual.
The Group encourages managers to discuss, identify and share values within their teams as a guarantee of collective performance.

SFPI Group promotes industrial responsibility among its employees, as a key link between its values and actions.
Embedded in the DNA of the Group's founders and executive officers, **industrial responsibility is the behaviour that enables a company and its employees to achieve performance while guaranteeing the protection of people, property and the environment.**

Industrial responsibility seeks to create sustainable value for all Group stakeholders. All Group operations are perfused with the principle of industrial responsibility and the transformation of the subsidiaries is underway in four key areas:

- **commercial responsibility**: focusing Group practices on customers;
- **environmental responsibility**: producing better, consuming less and promoting innovation;
- **financial responsibility**: creating sustainable value for all stakeholders;
- **managerial responsibility**: capitalising on the expertise of teams and managers.

Since 2024, all individuals in high-risk positions within the Group (representing 10% of the workforce – including buyers, sales staff, finance teams, executive management, etc.) have been required to complete anti-corruption training. This training has been delivered to over 350 Group managers (80% of those at risk have been trained) via an online training organisation, DAESIGN. Participants are required to achieve a minimum score; otherwise, their participation cannot be validated.

Training is monitored at least once a year by the Executive Committee.

Description of mechanisms for identifying, reporting and investigating concerns about behaviour that is illegal or contrary to the Code of Conduct or similar internal rules.

SFPI Group is committed to acting ethically, fairly and professionally in its relations with all market players, whether public authorities, partners (customers, suppliers, subcontractors) or competitors.

Anti-corruption policy
SFPI Group adheres to the Middlenext Anti-Corruption Code of Conduct. This Code is an integral part of the Company's internal regulations. SFPI Group prohibits all practices of corruption or influence-peddling in the course of its business.

Prevention and detection of corruption: Information on the procedures in place to prevent, detect and deal with allegations or incidents of corruption

The first step is to report such issues or information to the line manager or the Group Secretary General's office.

To ensure that these rules are properly applied, SFPI Group has also set up a whistleblower reporting system. This system allows anonymous reporting of inappropriate or worrying behaviour that could represent a risk to the Group or its employees.

The system can be accessed here: **https://sfpigroup.integrityline.com/frontpage**

SFPI Group undertakes to process all alerts within a reasonable time frame, involving several steps:

- acknowledgement of receipt of the alert within 48 hours;
- assignment of the alert to an identified neutral person separate from the management chain;
- processing within 30 days with information provided to senior management and governance, closure to the whistleblower, or extension of the processing time for valid reasons.

Corruption incidents: Action plans and resources to manage material impacts, risks and opportunities related to corruption and bribery [see ESRS 2 - MDR-A].

During the 2024 financial year, no incidents were recorded and no convictions or fines were imposed.

2. Towards better integration of data

Not all of the data points below have been prioritised. Although they are material, we recognise their importance and plan to address them in a transparent manner.

Mat IRO ref	2022	2023
Mat IRO G1	G1-1 **Business conduct policies and corporate culture**	10b - 10c - 10d 10e - 10f - 10g 10h
Mat IRO G1	G1-1 **Business conduct policies and corporate culture**	18b - 18c - 19 - 20 21a - 21b 21c
Mat IRO G1	G1-4 **Incidents of corruption**	24a 24 b

PARENT COMPANY FINANCIAL STATEMENTS - FY 2024

Balance sheet

ASSETS

€000	Net	Net
	31-12-2024	31-12-2023
Intangible assets	11	26
Property, plant and equipment	172	151
Long-term investments	140,784	150,380
Total non-current assets	140,967	150,557
Inventories and work in progress	-	-
Trade receivables	3,730	4,558
Other receivables	23,928	25,624
Cash and cash equivalents	19,057	15,068
Prepaid expenses	520	453
Total current assets	47,235	45,703
Total ASSETS	**188,202**	**196,260**

EQUITY & LIABILITIES

€000	31-12-2024	31-12-2023
Share capital	84,917	89,386
Additional paid-in capital	5,593	5,593
Reserves and retained earnings	41,250	59,549
Net income	11,504	(10,172)
Shareholders’ equity	143,264	144,356
Provisions for contingencies and charges	18	-
Borrowings	23,148	33,034
Trade payables	1,128	1,370
Other payables	20,644	17,500
Payables	44,920	51,904
Total EQUITY & LIABILITIES	**188,202**	**196,260**

Income statement

€000	2024	2023
Net revenues	9,245	7,741
Other operating income	114	139
Provision reversals and expense reclassification	21	211
Operating income	9,380	8,091
Purchases of goods and raw materials	-	(2)
Change in inventory	-	-
External charges	(7,693)	(6,405)
Taxes and duties	(120)	(77)
Staff costs	(2,029)	(1,724)
Depreciation, amortisation and provisions	(139)	(144)
Other expenses	(66)	(367)
Operating expenses	(10,047)	(8,720)
NET OPERATING INCOME/(LOSS)	(667)	(629)
Joint operations	759	565
NET FINANCIAL INCOME	12,842	(10,559)
EARNINGS BEFORE TAX AND NON-RECURRING ITEMS	12,934	(10,623)
NET NON-RECURRING INCOME	(57)	(258)
Corporate income tax	(1,373)	709
NET INCOME	**11,504**	**(10,172)**

Notes

Notes to the balance sheet before appropriation of earnings for the year ended 31 December 2024, showing a total of €188,202,000, and the income statement presented in list format and showing net income of €11,504,000.

The reporting period is a 12-month financial year running from 1 January to 31 December 2024.

The notes and tables presented below form an integral part of the company financial statements for the year ended 31 December 2024.

ACCOUNTING PRINCIPLES AND POLICIES

Generally accepted accounting principles have been applied, in accordance with the principle of prudence and the following overriding concepts:

- going concern,
- consistency of presentation,
- accrual basis of accounting,

and in accordance with the accounting rules governing the preparation and presentation of annual financial statements drawn up in accordance with the accounting principles and policies set out in the French chart of accounts as presented in Regulation no. 2016-07 of 4 November 2016 issued by the French accounting standards board (ANC).

Accounting entries are measured at historical cost.

Unless otherwise stated, amounts are expressed in euro thousands.

- **Intangible assets**

Acquired patent rights and licences are included under this item. Assets are amortised over the period of legal protection. Trademark registration fees are also included but are not amortised.

Except under exceptional circumstances, research and development costs are expensed as incurred. If capitalised, including patent registration fees where applicable, they are amortised over three years from the beginning of commercial exploitation or use. Provisions are recorded if the criteria for capitalising these amounts are no longer met.

- **Property, plant and equipment**

Property, plant and equipment is carried at acquisition cost (purchase price plus ancillary expenses, excluding broker fees and commissions) or at production cost.

Depreciation charges are calculated in accordance with the expected useful life.

The most commonly applied periods are as follows:

ITEM	***Term (years)***	***Tax depreciation***
Buildings	20-25 years	Straight-line
Building fixtures and fittings	10 years	Straight-line
Other fixtures and fittings	10 years	Straight-line
Vehicles (new)	3-5 years	Straight-line
IT equipment (new)	3-5 years	Straight-line
IT equipment (used)	3 years	Straight-line
Office equipment	3-5 years	Straight-line
Office furniture	10 years	Straight-line

- **Leasing, long-term rental and finance leases**

The Company does not use these methods of financing.

- **Long-term investments**

The gross value is the historical purchase cost. Where the value in use of securities falls below the book value, a provision for impairment is recorded for the difference. Value in use is estimated on the basis of multiple criteria, taking into account the portion of shareholders' equity held and profit history and projections.

- **Trade receivables**

Receivables are recognised at face value. A provision for impairment is recorded when the recoverable amount is lower than the book value.

Trade receivables are earmarked for provisions on the basis of their age. Impairment provisions are calculated as follows:

- Provisions are recorded for the full amount of receivables more than a year overdue that are not covered by credit insurance;
- Provisions are recorded for at least 50% of the amount of receivables more than 6 months overdue that are not covered by credit insurance;
- Provisions are recorded for at least 25% of the amount of receivables more than 3 months overdue that are not covered by credit insurance;
- Provisions are recorded for the full amount of receivables not covered by credit insurance as soon as the deadline for submission to the insurance company expires.

- **Other receivables and payables**

Other receivables and payables are recognised at face value. A provision for impairment is recorded when the recoverable amount is lower than the book value.

Foreign currency receivables and payables are adjusted in accordance with the closing exchange rate, with a matching entry under accruals (assets or liabilities).

A provision for contingencies is recorded in respect of unrealised foreign currency losses that cannot be offset.

- **Valuation of short-term investment securities**

All short-term investment securities are subject to a sale and buyback transaction at year-end. Accordingly, they are measured at the closing price at year-end.

- **Regulated provisions**

Regulated provisions carried on the balance sheet are itemised in the statement of provisions and form part of shareholders' equity.

- **Provisions for contingencies and charges**

Provisions for contingencies and charges are recognised in respect of contingencies and charges corresponding to a precisely defined purpose, the occurrence of which is uncertain but likely in view of past or current events.

- **Prepaid expenses and deferred income**

These items result from the application of the accrual basis of accounting, which involves deducting recognised expenses and income for which the consideration (provision of goods or services) has not yet been received or provided by the Company.

- **Retirement benefits**

The valuation method used is the prospective method with a discount rate of 3.37%, an inflation rate of 2.00% and wage growth of 1.00%. The standard rate of social security contributions is 48.52%. Lump-sum retirement payments have been measured in accordance with a percentage of life expectancy and presence at the Company on retirement, as well as probable end-of-career salary. The main assumptions are based on voluntary retirement at the age of 64.

These obligations are not recorded under provisions but are included under off-balance sheet commitments.

- **Change in measurement method**

No change in measurement method was made during the year.

- **Change in presentation method**

No change in presentation method was made during the year.

- **Tax group**

The Company is the head entity of the tax consolidation group. As provided for in the tax consolidation agreement, each subsidiary calculates its own tax charge, disregarding its membership of the tax group.

Only tax loss carryforwards generated by each individual company's prior losses are recognised. Tax savings arising from prior losses of subsidiaries are recognised as future tax liabilities and are reduced as and when the subsidiaries begin to post taxable profits.

The following companies are included in the tax consolidation group headed by GROUPE SFPI: NEU PROCESS, NEU JKF SA, NEU AUTOMATION, DELTA NEU, NEU JKF WOOD INDUSTRY, LA FONCIÈRE NEU, NEU FEVI, NEU JKF INTERNATIONAL, MMD, BARRIQUAND SAS, FINANCIÈRE BARRIQUAND, BARRIQUAND SHELL AND TUBES, STÉRIFLOW, BARRIQUAND HEAT EXCHANGERS, BARRIQUAND PLATE EXCHANGERS, DATAGROUPE, DÉNY SECURITY, PICARD SERRURES, DOM METALUX, DOM RONIS, DOM TSS, OMNITECH SECURITY, DOM SECURITY SAS, INVISSYS, ELIOT&CIE, FRANCE FERMETURES, FRANCIAFLEX, SIPA MENUISERIES, SIPOSE, FABER, BAIE OUEST, SMVO, WO&WO FRANCE, WELL'COM, MAC AND M.A.A..

Consolidation

The Company presents consolidated financial statements in its capacity as the parent company of SFPI Group.

NOTES TO THE FINANCIAL STATEMENTS

I - Highlights of the year

On 2 February 2024, Spring Management sold its 11.34% stake in the share capital to Arc Management (6.65%), Crédit Mutuel (2.66%) and BNP Paribas (2.03%).

On 18 April 2024, GROUPE SFPI reduced its share capital by €4,469,305.50 by cancelling 4,965,895 treasury shares representing 5% of the capital.

On 25 September 2024, GROUPE SFPI launched a bonus share plan covering eleven employees and executive officers for a total volume of 110,000 shares. The allocation of these bonus shares is contingent on achieving several performance criteria. The vesting period is set at three years from the date of allocation.

II - Intangible assets - property, plant and equipment - long-term investments

Intangible assets and property, plant & equipment

Gross	31-12-2023	Increase	Decrease	31-12-2024
Intangible assets	1,205	12	39	1,178
Property, plant and equipment	2,228	102	205	2,125
Total	**3,433**	**114**	**244**	**3,303**
Depreciation, amortisation and impairment	3,256	103	243	3,116
Net	**177**			**187**

Long-term investments

Gross	31-12-2023	Increase	Decrease	31-12-2024
Equity investments	136,262	0	0	136,262
Receivables related to equity interests	17,336	0	2,902	14,434
Other long-term securities	42	0	0	42
Loans and other long-term investments	243	0	65	178
Treasury shares	19,172		12,525	6,647
Total	**173,055**		**15,492**	**157,563**
Provisions for equity investments	19	0	0	19
Provisions for receivables from equity investments	17,336	0	2,902	14,434
Provisions Loans and other	46	0	46	0
Provisions for treasury shares	5,274		2,944	2,329
Total	**22,675**		**5,892**	**16,783**
Net	**150,380**			**140,780**

Thanks to contributions in current accounts, M.A.A. was able to repay the €2,902,000 instalments of the loan granted to it by SFPI. The corresponding provisions were the subject of a reversal offset by the increase in the provision for contributions to the shareholder current account (see Notes V and VI).

The reduction of the share capital via the cancellation of 4,965,895 treasury shares and the allocation of 110,000 treasury shares were both recognised at their respective FIFO values of €2.45 and €3.18 per share. These shares were provisioned on the basis of the closing share price of €1.954 on the last trading day of the previous financial year. The remaining 2,036,576 treasury shares with a FIFO value of €3.26 per share have been provisioned for the value exceeding the share price of €2.12 per share as at 31 December 2024. The provision reversals were recorded under net financial income/(expense).

III - Shareholders' equity

Share capital amounts to €84,916,806.30 divided into 94,352,007 fully paid-up shares with a par value of €0.90.

At 31 December 2024, the Company held 2,146,576 treasury shares.

	31-12-2023	Share capital reduction	Appropriation of earnings	Dividend distribution	31-12-2024
Share capital [1]	89,386	(4,469)			84,917
Merger premium	5,593				5,593
Legal reserve	4,884				4,884
Regulated reserves	20				20
Other reserves	53,434	(5,363)	(11,940)		36,130
Retained earnings	1,211		(1,211)	216	216
Prior year earnings	(10,172)		13,151	(2,979)	0
Net income for the year		11,504			11,504
Shareholders' equity	**144,356**	**1,672**	**0**	**(2,763)**	**143,264**

[1] With a share price of €1.98 per share on the day of the capital reduction, the 4,965,895,895 cancelled treasury shares are deducted from the share capital in the amount of €0.90 per share and, alternatively, €1.08 per share for reserves.

IV - Loans and borrowings

Loans and borrowings break down as follows:

Credit institutions	31 December 2024	*< 1 year*	*1-5 years*	*> 5 years*
Bank loans	23,148	6,344	14,704	2,100

No new loans were taken out during the year.

Borrowings include five loans:

- An €18.3 million loan contracted in 2018 for the purposes of the public tender offer, the balance of which amounted to €3.1 million at the closing date;
- A €1 million loan contracted in 2021 to finance the acquisition of SCI Dubois, the company that owns the industrial building occupied by MAC subsidiary Faber, the balance of which amounted to €0.5 million at the closing date;
- Two loans taken out in 2022 to finance the purchase of WO&WO shares, with balances of €7.2 million and €7.1 million at the closing date;
- A loan taken out in 2023 to finance the acquisition of VIRO Tronic, which owns the industrial building occupied by VIRO, a DOM Security subsidiary, with a balance of €5.1 million at the closing date.

At 31 December 2024, the Company had net cash and cash equivalents of €19,058,000 (see Note IX).

V - Receivables and payables

The values shown below are gross values.

Receivables	31 December 2024	< 1 year	> 1 year
Trade receivables	3,730	3,730	0
Staff and related payables	0	0	0
Government – Income tax	164	164	0
Government – VAT	547	547	0
Other taxes	0	0	0
Group and shareholders	33,970	33,970	0
Other receivables	140	140	0
Prepaid expenses	520	520	0
Total	**39,071**	**39,071**	**0**

Under Group and shareholder receivables, GROUPE SFPI holds current accounts:

- with its real estate holding companies in the amount of €8,456,000;
- with its French subsidiaries under the tax consolidation scheme in the amount of €886,000;
- with MAC (€6,086,000) and M.A.A. (€18,542,000) respectively in connection with the acquisition of the WO&WO Group in 2023. After the €6.5 million recapitalisation of WO&WO Austria and taking into account the current accounts not subject to provisions for said recapitalisation, the recoverable amount of the current account was valued at €7,665,000, leading to a €10,877,000 impairment charge.

The values shown below are gross values.

Payables	31 December 2024	< 1 year	> 1 year
Trade payables	1,128	1,128	
Staff and related payables	196	196	
Social security payables	190	190	
Government – Income tax	17,905	4,171	13,734
Government – VAT	328	328	
Government – Other	33	33	
Group and shareholders	1,992	1,992	
Other payables	0	0	
Total	**21,772**	**8,038**	**13,734**

'Government – Income tax' includes the Group's tax liabilities under the tax consolidation scheme. They consist of the tax liability owed to the French government, which amounts to €4,133,000, and the tax savings recognised on tax loss carryforwards of companies included in the tax consolidation group, which are treated as a theoretical future tax liability to be paid by GROUPE SFPI as and when the companies in the tax consolidation group generate taxable profits.

The tax consolidation scheme provides for a neutral effect on the subsidiaries compared to separate taxation. As such, the savings generated by the parent company's use of tax losses do not give rise to the recognition of a profit or expense. In accordance with earnings forecasts for companies reporting tax losses, the Company estimates that the portion to be returned to them after more than one year amounts to €13,734,000.

Under the heading of Group and shareholder payables above, GROUPE SFPI is liable for:

- €888,000 in respect of advance payments under the tax consolidation scheme, which the French Treasury will reimburse at the time of tax settlement, and
- €1,100,000 to its subsidiary VIRO Tronic under the liquidity agreement to allow it to benefit from French bank interest rates, which are much higher than those of the Italian banks.

Receivables and payables with Group companies break down as follows:

Trade receivables	3,721	
Other receivables	34,066	Including €886,000 under the tax consolidation scheme
Trade payables	375	
Other payables	1,992	Including €888,000 under the tax consolidation scheme

VI - Provisions for impairment of receivables

Changes in this item are as follows:

Provision	31-12-2023	Increase	Decrease	31-12-2024
Trade receivables	12	0	12	0
Other receivables	8	16	8	16
Shareholder current accounts	1,905	8,972	0	10,877
Total	**1,925**	**8,988**	**20**	**10,893**

The current account receivable provision relates exclusively to M.A.A.. The increase in the provision must be analysed together with the corresponding €2,902,000 reversal of provisions for receivables from equity investments (see Note II).

VII - Breakdown of balance sheet accrued expenses

Borrowings – Banks	98
Trade payables	264
Tax and social security payables	277
Other payables	0

VIII - Prepaid expenses and deferred income

Changes in prepaid expenses over the year were non-material.

IX - Short-term investments

Opening value	Change	Gain/(loss)	Closing value
15,034	**3,427**	**439**	**18,900**

Short-term investments include:
- €17,680,000 in interest-bearing bank term deposits;
- €814,000 in cash at Gilbert Dupont, which is responsible for treasury shares and the liquidity contract, under which shares amounting to €153,000 were held;
- €46,000 in accrued interest; and
- shares amounting to €205,000 corresponding to the 110,000 shares granted on 25 September 2024 under the bonus share plan. These shares are provisioned under liabilities over the three-year vesting period, in the amount of €18,000 at the closing date.

X - Revenues

Breakdown by region:

France	6,493
EU	2,666
Non-EU	86
Total	**9,245**

Breakdown by business line:

	Total	Group share
Provision of services	9,245	9,228
Total	**9,245**	**9,228**

Revenues are only generated internally within the Group. The Company earns revenues from services provided to its French and foreign subsidiaries. A new agreement was signed with the French subsidiaries in 2021, covering the following matters:

- Fees are calculated on the basis of a declining scale applied to monthly revenues, excluding tax and intercompany sales, generated outside the scope of the commission agreement;
- At year-end, an additional fee amount is charged to the French companies if the contractual fee fails to cover all GROUPE SFPI cross-chargeable operating expenses;

- If GROUPE SFPI SA's operating earnings are positive, it refunds the French divisional subsidiaries the portion of fees paid exceeding €50,000 by means of a credit note. This refund is distributed among the divisional subsidiaries in proportion to the amount of annual fees they have paid to GROUPE SFPI;
- GROUPE SFPI invoices the divisional holding companies, which in turn invoice their own subsidiaries.

In 2024, GROUPE SFPI invoiced a total of €6,443,000 under this new agreement. Furthermore, GROUPE SFPI invoiced the French subsidiaries €411,000 under the car fleet insurance policy, for which the balance corresponds to expenses incurred on behalf of the subsidiaries.

XI - Net financial income

Dividends	17,108
Income from investments	1,874
Capital gain on securities	13
Interest expense	(541)
Impairment of current account receivables	(8,972)
Reversal of impairment of receivables from equity investments	2,902
Reversal of impairment of treasury shares	457
Total	**12,842**

Following the valuation of the shares held under the liquidity contract at €2.12 on the last trading day, GROUPE SFPI recorded a €13,000 gain over the year.

XII - Net non-recurring income/(expenses)

	Expenses	Charges	Income	Reversals	Net
Equity investments	-	-	-	-	-
Treasury shares	-	-	-	-	-
Merger expenses	-	-	-	-	-
Sale of non-current assets	(52)	-	1	45	(6)
Social security and tax disputes	(46)	-	-	-	(46)
Other items	(5)	-	-	-	(5)
Total	**(103)**	**-**	**1**	**45**	**(57)**

This non-recurring expense is mainly due to a €40,000 penalty for late payment of a tax consolidation adjustment relating to a subsidiary.

XIII - Other information

Transactions with related companies recognised in the income statement involved the following amounts:

Provision of services	6,443
Cross-charging of expenses	2,785
Other income Rent	112
Operating income	**9,340**
External charges	(1,936)
Operating expenses	**(1,936)**
SCI earnings	759
Dividends	17,098
Financial income	4,309
Financial expenses	(8,991)
Non-recurring income	1
Non-recurring expenses	(5)

XIV - Calculation of income tax

	Gross	Adjustment	Base at +25%	Income tax
Net operating income/(loss)	(667)	21	(646)	(162)
Joint operations	759	(20)	739	185
Net financial income/(expense)	12,842	(8,516)	4,326	1,082
Net non-recurring income/(expenses)	(57)	52	(5)	(1)
Additional contribution of 3.3%	-	-	-	11
Tax credits	-	-	-	-
Dom GmbH tax				3
Tax group	-	-	-	255
Total income tax	**-**	**-**	**-**	**1,373**

The tax base of net financial income includes a €171,000 portion of costs and expenses on dividends, €1,874,000 in financial income and a €2,342,000 non-tax deductible capital loss recorded on treasury shares cancelled via the capital reduction.

The tax consolidation scheme gives rise to an additional tax charge, as the additional 3.3% contribution calculated on the tax consolidation is greater than the 4% saving on the portion of costs and expenses on dividends received.

Increases and reductions in future tax liability

The permanently non-deductible expenses recorded during the financial year amounted to €11,388,000.

XVI - Off-balance sheet commitments

The retirement benefit obligation amounted to €71,000 at 31 December 2024.

XVII - Advances and compensation awarded to directors

Pursuant to Article L. 225-43 of the French Commercial Code, no advance or loan has been awarded to the Company's directors.

XVIII - Statutory auditors' fees

Statutory auditors' fees amounted to €193,000.

XIX - Average headcount

	Employees	External personnel	Secondment	TOTAL
Managers	8	-	-	8
Employees	3	-	-	3
Total	**11**	**-**	**-**	**11**

At 31 December 2024, the Company had eleven employees.

XX - Material events occurring between the balance sheet date and the date of the management report

During the first quarter of 2025, the Munich Arbitration Tribunal dismissed the claim brought by GROUPE SFPI against the seller of the WO&WO Group.

Parent company financial statements

TABLE OF SUBSIDIARIES AND AFFILIATES - ARTICLE L. 233-1 OF THE FRENCH COMMERCIAL CODE (€000)

Company	**Share capital** ***Number of shares***	**Equity excluding share capital**	**Portion of capital held (%)** ***Number of shares***	**Gross book value of shareholding**	**O/w non paid-up capital**	**Provisions**	**Loans and advances granted and not repaid**	**Loans and advances received and not repaid**	**Net dividends received in 2024**	**Net income/(loss) for last FY ended**	**Revenues from last FY ended**
Consolidated equity investments											
NEU-JKF SA	6,285 *419,036*	24,534	99.97% *418,940*	20,652		-	-	-	-	2,694	845
DOM SECURITY SAS	73,127 *7,312,748*	18,456	100.00% *7,312,748*	76,727		-	-	-	10,969	12,345	5,359
INACTIV SAS	188 *12,500*	53	99.99% *12,497*	253		-	-	-	-	8	-
MMD SAS	1,798 *119,853*	12,870	100.00% *119,847*	6,256		-	-	-	5,993	6,079	782
MAC SAS	4,109 *4,325*	27,813	99.88% *4,320*	24,282		-	6,086	-	-	(4,213)	2,269
VIRO TRONIC	1,500 1,500	6,123	100% 1,500	6,923			-	1,100	-	1,079	256
DATAGROUPE SA	45 *3,000*	593	95.37% *2,861*	42		-	-	-	137	203	1,320
SCI NEU	10 *500*	(1)	99.80% *499*	10		-	-	3	-	-	-
SCI LA CHAPELLE D'ARMENTIERES	10 *500*	102	99.80% *499*	10		-	1,276	-	-	102	312
SCI GEORGE NUTTIN	10 *500*	175	99.80% *499*	10		-	766	-	-	175	294
SCI VR des 2 VALLEES	10 *500*	93	99.80% *499*	10		-	777	-	-	93	221
SCI ALU des 2 VALLEES	10 *500*	17	99.80% *499*	10		-	771	-	-	17	36
SCI STERIMMO	10 *500*	29	99.80% *499*	10		-	381	-	-	29	149
SCI LUZECH	10 *500*	101	99.80% *499*	10		-	538	-	-	101	169
SCI MANCHESTER	10 *500*	14	99.80% *499*	10			210	-	-	14	67
SCI CIPRIANI	10 500	54	99.80% 499	10			252	-	-	54	101
SCI DUBOIS	1 1,000	84	99.90% 999	1,028			1,507	-	-	84	290
SCI DOM	10 1,000	265	99.90% 999	10			1,978	-	-	265	579
Other investments Miscellaneous		NM	NM	41			-	-	-	NM	NM

NM: non-material

CONSOLIDATED FINANCIAL STATEMENTS - FY 2024

Balance sheet

€000	Note	31/12/2024	31/12/2023
Goodwill	1	49 784	50 644
Intangible assets	2	2 178	2 664
Property, plant and equipment	3	89 442	101 506
Right-of-use assets	4	18 856	20 605
Investments in associates	5	482	442
Other non-current financial assets	6	6 485	6 743
Deferred tax assets	7	20 537	17 812
Total non-current assets		187 764	200 416
Inventories and work in progress	8	109 177	127 830
Trade receivables	9	100 023	106 678
Other current assets	10	21 834	21 507
Cash and cash equivalents	11	145 884	143 810
Assets held for sale		1 429	1 827
Total current assets		378 347	401 652
Total assets		**566 111**	**602 068**

€000	Note	31/12/2024	31/12/2023
Share capital		84 917	89 386
Consolidated reserves / Group share		162 664	158 030
Net income / Group share		14 552	1 178
Shareholders' equity / Group share	12	262 133	248 594
Minority interests		162	-675
Total consolidated shareholders' equity	12	262 295	247 919
Non-current provisions	13-14	53 918	55 280
Non-current borrowings	15	46 433	68 090
Non-current lease liabilities	4	13 127	13 608
Deferred tax liabilities	7	6 493	9 074
Total non-current liabilities		119 971	146 052
Current provisions	13	10 445	11 456
Current borrowings	15	23 102	30 392
Current lease liabilities	4	5 717	5 348
Trade payables	16	57 035	61 024
Current tax liabilities	16	8 016	5 351
Other current liabilities	16	79 530	94 526
Total current liabilities		183 845	208 097
Total equity and liabilities		**566 111**	**602 068**

Income statement

€000	Note	2024	2023
Net revenues	18	665,804	688,833
Change in inventories		(9,164)	(2,160)
Purchases consumed including subcontracting		(261,914)	(293,513)
Gross margin	18	394,726	393,160
as % of production		1	1
as % of revenues		1	1
Other operating income and grants		4,889	4,449
Net provision (charges)/reversals		(1,425)	(3,310)
External charges		(111,854)	(108,812)
Taxes and duties		(4,948)	(4,618)
Staff costs		(222,973)	(223,844)
Depreciation		(25,978)	(23,865)
Other expenses		(2,701)	(4,663)
RECURRING OPERATING INCOME	18	29,736	28,497
as % of revenues		0	0
Restructuring costs		0	0
Other non-recurring income and expenses		(758)	588
Change in impairment of goodwill and non-current assets	1,2,3	(10,437)	(20,230)
NET OPERATING INCOME		18,541	8,855
as % of revenues		0	0
Cash and cash equivalents		3,773	2,165
Gross cost of debt		(1,562)	(1,485)
Net cost of debt	19	2,211	680
Other financial income and expenses	19	(96)	(404)
EARNINGS BEFORE TAX		20,656	9,131
Income tax	20	(5,982)	(8,551)
Share of earnings of associates		67	288
NET INCOME OF CONSOLIDATED COMPANIES		**14,741**	**868**
as % of revenues		0	0
- Group share		14,552	1,178
- Minority interests		189	(310)
Basic and diluted net earnings per share (excl. treasury shares) - consolidation scope (€)	21	0	0

Statement of net income and gains and losses recognised directly in equity

€000	Note	2024	2023
Net income for the year		14,741	868
Items subsequently reclassified to profit or loss:			
Translation differences arising from foreign subsidiaries' financial statements		(138)	885
Financial instruments, revaluation surplus		0	0
Related tax		0	0
Items not subsequently reclassified to profit or loss:			
Financial instruments		(963)	185
Actuarial gains and losses on retirement benefit obligations	14	2,685	2,410
Related tax	20	(909)	(749)
Share of earnings of associates recognised directly in equity		0	0
Total gains and losses recognised directly in equity		675	2,731
Net income and gains and losses recognised directly in equity		15,416	3,599
Group share		15,230	3,887
Minority interests		186	(288)

Statement of cash flows

€000	Note	2024	2023
Consolidated net income		**14,741**	**868**
Elimination of non-cash items:			
- Depreciation and amortisation of operational assets		19,270	17,176
- Depreciation and amortisation of operating and finance leases		6,708	6,689
- Change in operating, financial and non-current provisions		347	1,228
- Change in provisions for goodwill impairment		10,437	20,230
- Gains or losses on asset disposals		(156)	(479)
+/- Share of earnings of associates		(67)	(288)
Gross operating cash flow after net cost of debt and tax		*51,280*	*45,424*
+ Net cost of debt		(2,211)	(680)
+/- Tax charge	20	5,982	8,551
Gross operating cash flow before net cost of debt and tax		*55,051*	*53,295*
Change in working capital:			
- Change in inventories and work in progress	8	18,568	17,787
- Change in trade receivables, advances and down payments and deferred		(5,957)	7,772
- Change in trade payables and prepaid expenses		(3,763)	(9,047)
- Change in tax receivables and payables		772	2,563
- Change in other receivables and payables		(1,577)	1,201
- Taxes paid	20	(12,158)	(10,142)
Net cash flow from operating activities		**50,936**	**63,429**
Disposal of non-current assets		372	323
Disposal of consolidated securities		0	2,298
Purchase of consolidated securities, net of cash acquired		(162)	(7,016)
Purchase of intangible assets and PP&E	2-3	(15,341)	(26,900)
Purchase of financial assets		(21)	(396)
Net cash flow from investing activities		**(15,152)**	**(31,691)**
Increase in borrowings from credit institutions		2,372	15,128
Increase in other borrowings		364	283
Operating and finance lease payments		(6,669)	(6,485)
Repayment of borrowings from credit institutions	15	(22,961)	(22,267)
Repayment of other borrowings		(354)	(489)
Net cost of debt		2,211	680
Purchase of GROUPE SFPI SA shares		0	0
Dividends paid by GROUPE SFPI SA		(2,763)	(4,606)
Dividends paid to minority shareholders of subsidiaries		(91)	(134)
Net cash flow from financing activities		**(27,891)**	**(17,890)**
Impact of changes in exchange rates		82	345
Recorded change in cash and cash equivalents since the previous balance sheet date		**7,975**	**14,193**
Closing cash and cash equivalents consists of the following:			
Cash and cash equivalents	11	145,884	143,810
Overdrafts and short-term loans	15	(740)	(6,641)
Net cash and cash equivalents		*145,144*	*137,169*

Statement of changes in shareholders' equity

€000	Share capital	Treasury shares	Consolidated reserves and earnings	Gains and losses recognised directly in equity	Shareholders' equity - Group share	Shareholders' equity - minority interests	Total shareholders' equity
Balance at 01-01-2023	89,386	(19,172)	189,294	(10,578)	248,930	140	249,070
Dividends paid	0	0	(4,606)	0	(4,606)	(134)	(4,740)
Capital transactions	0	0	0	0	0	0	0
Treasury share transactions	0	0	0	0	0	0	0
Change in consolidation scope	0	0	383	0	383	(393)	(10)
Net income for the year	0	0	1,178	0	1,178	(310)	868
Gains and losses recognised directly in equity	0	0	0	2,709	2,709	22	2,731
Net income and gains and losses recognised directly in equity	*0*	*0*	*1,178*	*2,709*	*3,887*	*(288)*	*3,599*
Balance at 31-12-2023	89,386	(19,172)	186,249	(7,869)	248,594	(675)	247,919
Dividends paid	0	0	(2,763)	0	(2,763)	(91)	(2,854)
Capital transactions	(4,469)	0	0	0	(4,469)	0	(4,469)
Treasury share transactions	0	12,175	(7,706)	0	4,469	0	4,469
Change in consolidation scope	0	0	1,072	0	1,072	742	1,814
Net income for the year	0	0	14,552	0	14,552	189	14,741
Gains and losses recognised directly in equity	0	0	0	678	678	(3)	675
Net income and gains and losses recognised directly in equity	*0*	*0*	*14,552*	*678*	*15,230*	*186*	*15,416*
Balance at 31-12-2024	84,917	(6,997)	191,404	(7,191)	262,133	162	262,295

Notes

INTRODUCTION

On 16 April 2025, the Board of Directors of the public limited company (“société anonyme”) GROUPE SFPI approved the accounts and authorised the publication of the GROUPE SFPI consolidated financial statements for the year ended 31 December 2024.
The consolidated financial statements are drawn up in euros. Unless otherwise specified, amounts are stated in thousands of euros

HIGHLIGHTS

On 18 April 2024, the Board of Directors of GROUPE SFPI SA decided to reduce the share capital of GROUPE SFPI SA by cancelling 4,968,895 treasury shares. Following this decision, the share capital now consists of 94,352,007 shares with a par value of €0.90 each.

LIST OF CONSOLIDATED COMPANIES -

F.C. - FULL CONSOLIDATION; E.M. - EQUITY METHOD

Name	Country	% interest		Siren no.	Activity	Conso. method
		31/12/2024	31/12/2023			
GROUPE SFPI	**France**	**Parent company**		**393,588,595**	**Holding**	**F.C.**
DOM Security	France	100.00	100.00	485,054,860	**Division holding company**	F.C.
Dény Security	France	99,76	99,76	552,105,603	Locking systems	F.C.
Dom-Metalux	France	99.96	99.96	572,020,394	Locking systems	F.C.
Picard Serrures	France	99.99	99.99	341,148,823	Locking systems	F.C.
Dom Ronis	France	99.99	99.99	345,004,147	Locking systems	F.C.
DOM-UK	UK	100.00	100.00	/	Locking systems	F.C.
DOM-CR	Italy	100.00	100.00	5988590013	Locking systems	F.C.
Elzett Sopron	Hungary	0,00	50.00	/	Galvanisation	E.M.
Dom-Elzett	Hungary	100.00	100.00	11404006	Locking systems	F.C.
Dom Polska	Poland	100.00	100.00	5730003798	Locking systems	F.C.
Dom Czech Spol	Czech Rep.	100.00	100.00	/	Locking systems	F.C.
Dom-Titan	Slovenia	99,43	99,43	34816712	Locking systems	F.C.
Titan-Zagreb	Croatia	30.00	30.00	/	Locking systems	E.M.
Dom-Titan Okovi	Serbia	100.00	100.00	/	Locking systems	F.C.
Dom TSS	France	100.00	100.00	348,541,798	Locking systems	F.C.
Dom Schweig	Switzerland	100.00	100.00	/	Locking systems	F.C.
Dom Sicherheitstechnik	Germany	100.00	100.00	/	Locking systems	F.C.
Secu Beteiligungs	Germany	100.00	100.00	/	Locking systems	F.C.
Dom Romania	Romania	100.00	100.00	/	Locking systems	F.C.
Dom-MCM	Spain	100.00	100.00		Locking systems	F.C.
Omnitech Security	France	100.00	100.00	482,646,015	Security systems	F.C.
Invissys	France	95,00	95,00	802,367,458	Security systems	F.C.
Dom Industry Services	Austria	66,70	66,70		Locking systems	F.C.
Eliot et Cie	France	100,00	100,00	692 027 899	Locking systems	F.C.
Antipanic Spa	Italy	100,00	100,00		Locking systems	F.C.
Hoberg	Belgium	100.00	100.00		Locking systems	F.C.
Tapkey	Austria	100,00	60,00		Locking systems	F.C.
Viro	Italy	100,00	100,00		Locking systems	F.C.
Viro Tronic	Italy	100,00	100,00		Real estate	F.C.
Nuova Ario	Romania	0,00	98,93		Locking systems	F.C.
Euro Locks	South Africa	30,10	30,10		Locking systems	E.M.

Name	Country	% interest		Siren no.	Activity	Conso. method
		31/12/2024	31/12/2023			
NEU-JKF	**France**	**99.98**	**99.98**	**454,500,315**	**Division holding company**	**F.C.**
NEU-JKF Delta Neu	France	99.99	99.99	301,468,146	Air treatment	F.C.
Delta Neu Nederland	Netherlands	100.00	100.00		Air treatment	F.C.
Neu-JKF Wood Industry	France	99.96	99.96	378,197,875	Air treatment	F.C.
Delta Neu Limited	UK	100.00	100.00		Air treatment	F.C.
NEU-JKF automation	France	99,88	99,88	329,529,614	Air treatment	F.C.
NEU-JKF Benelux	Belgium	100.00	100.00		Air treatment	F.C.
La Foncière Neu	France	100.00	100.00	433,336,138	Real estate	F.C.
NEU-JKF Process	France	100.00	100.00	479,988,453	Air treatment	F.C.
NEU-JKF Fevi	France	100.00	100.00	410,582,134	Air treatment	F.C.
Fevi Ventilatoren	Germany	100.00	100.00		Air treatment	F.C.
LCA Trading	HK	100.00	100.00		Air treatment	F.C.
NEU Shangai Air Technology	China	100.00	100.00		Air treatment	F.C.
JKF Industri A/S	Denmark	98,58	98,16		Air treatment	F.C.
JKF Polska Sp	Poland	100.00	100.00		Air treatment	F.C.
NEU JKF Asia Sdn	Malaysia	100.00	100.00		Air treatment	F.C.
NEU-JKF International	France	100.00	100.00	834,040,537	Air treatment	F.C.
PT NEU-JKF Indonesia	Indonesia	67.00	67.00		Air treatment	F.C.
MMD	**France**	**99.99**	**99.99**	**379,575,434**	**Division holding company**	**F.C.**
Financière Barriquand	France	97.84	97.84	349,967,836	Holding	F.C.
Barriquand	France	99.84	99.84	405,782,590	Holding	F.C.
Steriflow	France	100.00	100.00	352,960,702	Sterilisers	F.C.
Barriquand Plate Exchangers (formerly Barriquand	France	99.99	99.99	352,960,777	Exchangers	F.C.
Barriquand Shell and Tubes (formerly Aset)	France	98.98	98.98	969,508,217	Exchangers	F.C.
Barriquand Heat Exchangers (formerly Barriquand Technologies Thermiques)	France	100.00	100.00	479,868,853	Sales	F.C.
Steriflow Service Maroc	Morocco	0	75.00		Sterilisers	F.C.
Flopam Do Brasil	Brazil	99.50	99.50		Sales	F.C.
Cipriani Phe	Italy	100.00	100.00		Sterilisers	F.C.

Name	Country	% interest		Siren no.	Activity	Conso. method
		31/12/2024	31/12/2023			
MAC	**France**	**99.88**	**99.88**	**327,997,714**	**Division holding company**	**F.C.**
France Fermetures	France	100.00	100.00	329,403,422	Doors	F.C.
Franciaflex	France	100.00	100.00	433,802,147	Doors	F.C.
Société Métallurgique du Val d'Orne (SMVO)	France	100.00	100.00	712,004,076	Foundry	F.C.
Baie Ouest	France	100.00	100.00	383,336,260	Doors	F.C.
Storistes de France	France	96.00	96.00	352,122,675	Network operator	F.C.
Boflex	Belgium	100.00	100.00	436,158,718	Doors	F.C.
Faber France	France	100.00	100.00	662,025,345	Doors	F.C.
Well'Com	France	100.00	100.00	749,811,220	Doors	F.C.
SIPA Menuiseries	France	100.00	100.00	402,295,174	Doors	F.C.
SIPOSE	France	100.00	100.00	423,015,270	Doors	F.C.
M.A.A.	France	100.00	100.00	917,629,578	Holding	F.C.
WO&WO Sonnenlichtdesign GmbH & Co KG	Austria	100.00	100.00		Doors	F.C.
WO&WO Swiss GmbH	Switzerland	100.00	100.00		Doors	F.C.
WO&WO Stinici Technika	Czech Republic	100.00	100.00		Doors	F.C.
WO&WO Sonnenlichtdesign GmbH	Germany	100.00	100.00		Doors	F.C.
WO&WO France	France	100.00	100.00	440,235,208	Doors	F.C.
WO&WO Holding GmbH	Germany	100.00	100.00		Holding	F.C.
WO&WO Sonnenlichtdesign GmbH	Austria	100.00	100.00		Doors	F.C.
Other companies						
Inactiv'	France	99.97	99.97	382,591,949	Partnership Eastern Europe	F.C.
Datagroupe	France	95.33	95.33	347,812,752	Services	F.C.
France Investissement	Bulgaria	94.68	94.68		Trade consulting Eastern Europe	F.C.
SCI DOM	France	100.00	100.00	817,484,405	Real estate	F.C.
SCI NEU	France	100.00	100.00	789,092,145	Real estate	F.C.
SCI La Chapelle d'Armentières	France	100.00	100.00	789,092,384	Real estate	F.C.
SCI STERIMMO	France	100.00	100.00	752,815,001	Real estate	F.C.
SCI Avenue Georges Nuttin	France	100.00	100.00	751,978,172	Real estate	F.C.
SCI VR des Deux Vallées	France	100.00	100.00	752,031,914	Real estate	F.C.
SCI ALU des Deux Vallées	France	100.00	100.00	752,053,595	Real estate	F.C.
SCI Luzech	France	100.00	100.00	812,465,805	Real estate	F.C.
SCI Manchester	France	100.00	100.00	817,464,340	Real estate	F.C.
Immobilière Dubois	France	100.00	100.00	520,477,613	Real estate	F.C.
SCI Cipriani	France	100.00	100.00	851,430,736	Real estate	F.C.

ACCOUNTING POLICIES, VALUATION METHODS AND IFRS OPTIONS ADOPTED

1. ACCOUNTING STANDARDS

The consolidated financial statements cover the 12-month periods ended 31 December 2024 and 2023.

The SFPI Group consolidated financial statements for the year ended 31 December 2024 have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted within the European Union as at 31 December 2024.

These include IAS and IFRS international accounting standards and SIC and IFRIC interpretations of mandatory application as at 31 December 2024.

The IFRS adopted by the European Union as at 31 December 2024 may be consulted in the section entitled "IAS/IFRS Standards and Interpretations" on the following website:
https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en#ifrs-financial-statements.

The accounting principles applied in the preparation of the 2024 consolidated financial statements are the same as those applied in the preparation of the consolidated financial statements for the year ended 31 December 2023, except for new standards, amendments and interpretations applicable from 1 January 2024.

IFRS amendments published by the IASB and applicable from 1 January 2024 had no impact on the financial statements.

The Group did not apply in advance any standards, amendments or interpretations published by the IASB which were not mandatory as of 1 January 2024.

Accounting policies, errors and estimates
Accounting policies are changed only if required by a standard or interpretation or if the change leads to more reliable and appropriate reporting. Changes in accounting policies are recognised retrospectively, unless a given standard or interpretation provides for transitional measures. The financial statements impacted by a change of accounting policy are restated in respect of all financial years presented, as if the new policy had been applied to all of these years. Errors identified are also corrected retrospectively.

The inherent uncertainty regarding business operations requires the use of estimates in the preparation of the financial statements. Estimates are based on judgements designed to provide a reasonable assessment of the latest available reliable information. Estimates are revised in light of changes in circumstances, new information available and experience. Changes in estimates are recognised prospectively: they impact the year in which they are made and subsequent years.

The preparation of the financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities, income and expenses for the period and to take into account any contingencies existing at the balance sheet date.

Depending on changes in the assumptions in question or in economic conditions compared to those prevailing at the balance sheet date, the amounts that appear in the Group's future financial statements may differ significantly from current estimates.

2. CONSOLIDATION SCOPE AND METHODS

The Group consolidates all controlled companies and uses the equity method to account for companies over which it exercises significant influence. The balance sheet date for all companies is 31 December.

3. CHANGE OF METHOD

No change of method was applied to the year ended.

4. CHANGE OF PRESENTATION

No change of presentation was applied to the year ended.

5. TRANSLATION OF FOREIGN SUBSIDIARIES' FINANCIAL STATEMENTS

Balance sheet items are translated by applying the exchange rate prevailing on the balance sheet date.
Income and expenses shown in the income statement are translated at the average exchange rate for the year.
Differences arising from this translation method are recognised directly in the statement of comprehensive income and are shown under "Translation differences" on the balance sheet.

The following exchange rates were applied:

	2024 closing rate	2024 average rate	2023 closing rate	2023 average rate
CHF (Switzerland)	0.94	0.95	0.93	0.97
GBP (UK)	0.83	0.85	0.87	0.87
HUF (Hungary)	411.35	395.97	382.80	382.14
PLN (Poland)	4.28	4.31	4.34	4.54
RON (Romania)	4.97	4.98	4.98	4.95
RSD (Serbia)	117.00	117.11	117.27	117.33
CZK (Czech Republic)	25.19	25.12	24.72	23.98
BRL (Brazil)	6.43	5.85	5.36	5.41
MAD (Morocco)	10.49	10.77	10.91	10.98
CNY (China)	7.58	7.78	7.85	7.66
HKD (Hong Kong)	8.07	8.45	8.63	8.47
USD (USA)	1.04	1.08	1.11	1.08
DKK (Denmark)	7.46	7.46	7.45	7.45
SGD (Singapore)	1.42	1.45	1.46	1.45
IDR (Indonesia)	16,820.88	17,182.61	17,079.71	16,485.40
ZAR (South Africa)	19.62	19.87	20.35	19.89
MYR (Malaysia)	4.65	4.94	5.08	4.92

6. Intangible assets

Intangible assets mainly consist of measured development costs, patents and software. They are recognised at acquisition or production cost less accumulated amortisation and impairment.

The main amortisation periods are as follows:

- Software — 1-3 years
- Patents — duration of legal protection
- Development costs — 3 years from market launch
- Other intangible assets — 1-5 years

Development costs are only capitalised if they represent a material investment. The main criteria for capitalisation are whether the project is technically feasible, the market has been identified and profitability can be calculated with reasonable reliability. Prior year development costs are never capitalised in subsequent years.

7. Goodwill

Business combinations are recognised in accordance with IFRS 3:

- Acquisition costs are expensed;
- IFRS 3 allows an accounting policy choice, available on a transaction by transaction basis, to measure non-controlling interests (minority interests) at fair value, including the proportionate share of goodwill;
- Changes in the percentage of interest in subsidiaries that do not result in a change of control are recognised directly in shareholders' equity, without giving rise to additional goodwill;
- In the case of business combinations achieved in stages (step acquisitions), the acquirer remeasures any previously held interest at fair value on the date control is obtained and recognises the resulting gain or loss, not in shareholders' equity, but directly in profit or loss for the year.

Goodwill is allocated to the acquiree's identifiable assets, liabilities and contingent liabilities at fair value within 12 months following the acquisition date. Costs to sell are deducted from the value of assets held for sale.

Goodwill is measured as the difference between the cost of the business combination and the proportionate share of shareholders' equity received by the acquirer after appropriation of earnings.

Goodwill is not amortised. It is tested for impairment at least once a year and whenever there is an indication of impairment an where appropriate, an irreversible impairment loss is recognised.

8. Property, plant and equipment

Property, plant and equipment is recognised at acquisition or production cost less accumulated depreciation and impairment, according to the standard method.

The amount to be depreciated is calculated after deduction of a residual value, which is generally zero as the amount in question is non-material.

Generally speaking, depreciation is calculated on a straight-line basis over the useful life of the asset. Generally applied depreciation periods are as follows:

• Buildings	20-25 years
• Furniture, office fittings and equipment	3-10 years
• Production plant and equipment	3-8 years
• Used items	2-3 years

Surface treatment facilities do not carry a legal obligation to dismantle requiring recognition of a depreciable asset.

9. Right-of-use assets - IFRS 16

The Group recognises a lease where the economic benefits attached to the use of an identified asset are substantially transferred to the Group and where the Group has the right to use the asset.

The Group applies both exemptions provided for by the standard, namely in respect of leases with a residual term of no more than 12 months and leases of underlying assets with a value of $5,000 or less when new. Lease payments under these leases continue to be recognised on the income statement under external expenses under operating income.

In the case of SFPI Group, most leases falling within the scope of IFRS 16 concern buildings, office premises and vehicles.

The value of the asset and corresponding lease liability equals the present value of future lease payments. Lease payments make allowance for fixed rent, or variable rent pegged to an index or rate, where this is known at the lease commencement date.

The lease term is defined individually for each lease and corresponds to the non-cancellable period of the lease, including periods covered by extension and termination options that the Group is reasonably certain to exercise or not. The Group takes all economic aspects of the lease into account, including economic incentives for the lessor or lessee not to terminate the lease.

Discount rates correspond to the weighted average interest rate applicable to borrowings contracted during the same year, adjusted by a country risk coefficient.

Right-of-use assets pertaining to leases are depreciated straight line over the term used to calculate lease liabilities. Depreciation is calculated is on a straight-line basis. Deferred taxes are recognised under the impact of these entries in the income statement.

Assets acquired under finance leases are capitalised with a matching entry under financial liabilities calculated on the basis of the lease interest rates. These assets are depreciated over the following periods:

• Buildings	20 years
• Production equipment	3-8 years

Presentation:
On the balance sheet, lease liabilities are separated into non-current (due in over 1 year) and current (due in less than 1 year).
On the income statement, depreciation charges are recognised under depreciation, amortisation and provisions under recurring operating income. Interest payments on leases are included under financial expense.

10. Impairment losses

Goodwill, indefinite life intangible assets and property, plant and equipment are tested for impairment whenever there is an indication of impairment and, in the case of goodwill and indefinite life intangible assets, at least once a year. Impairment testing is conducted on each cash-generating unit (CGU). CGUs correspond to SFPI Group subsidiaries.

The carrying amount of an asset or CGU is compared to the recoverable amount, which is the higher of an asset's fair value less costs of disposal (net selling price or market value) and its value in use.

Value in use is measured using the discounted cash flow (DCF) method.

The discount rate equals the weighted average cost of permanent capital based on the following assumptions:

- 40% fixed debt bearing interest at the French TEC 10-year Treasury constant maturity rate plus one percentage point, less amounts deductible for tax purposes;

- 60% equity generating interest at the risk-free rate (10-year TEC) plus a published average risk premium augmented by a company beta risk coefficient ranging from 1.3 to 2.5.

Future cash flows are calculated on the basis of the following year's budget multiplied by a probability coefficient based on the ratio between actual and budgeted operating earnings for the previous years. In line with this principle, a so-called "historic" risk premium is applied as opposed to a "prospective" risk premium.

In the absence of specific forecasts, these cash flows are multiplied by inflation (1.1%) for each of the following four years. The terminal value for the fifth year is obtained by dividing cash flow by the weighted average cost of permanent capital without deduction for inflation to reflect the fact that earnings will be reduced by inflation each year.

Calculated in this manner, value in use should cover the amount of non-current assets including goodwill.

If this is not the case, an irreversible impairment loss is first recognised against goodwill. Thereafter, except for land and buildings whose fair market value is higher than the carrying amount, a reversible impairment loss not exceeding the carrying amount is recognised against the other non-current assets.

11. Financial assets and liabilities

The measurement and recognition of financial assets and liabilities are defined by IAS 9 "Financial Instruments: Recognition and Measurement".

Financial assets

Financial assets are initially measured at fair value plus transaction costs. In the case of financial assets measured at fair value through profit or loss, transactions costs are excluded from the balance sheet entry value.

The IFRS 9 approach to classifying and measuring financial assets reflects the economic model according to which they are managed, as well as the related contractual cash flows.

Trade receivables, receivables from non-fully consolidated equity investments, financial advances and security deposits are recognised at amortised cost (financial assets where the related cash flows solely represent principal and interest payments). Income and expenses related to loans and receivables consist of interest income and impairment losses (see section 14 below).

Financial liabilities

IFRS 9 distinguishes between various categories of financial liabilities subject to specific accounting treatment:

- Financial liabilities measured at fair value through other comprehensive income (FVOCI) (see Note 15);
- Other financial liabilities not held for trading, which are measured at amortised cost. Borrowings are initially measured at the fair value of the amounts received less transaction costs; they are subsequently measured at amortised cost at the effective interest rate.

Income and expenses related to financial liabilities mainly consist of interest payments.

12. Cash and cash equivalents

Cash and cash equivalents include cash at hand, cash in bank and cash equivalents. Cash equivalents are highly liquid investments with terms not exceeding three months, indexed to money-market rates and whose amounts are either known or subject to minimal risk of change in value. In the statement of cash flows, cash and cash equivalents include the "Current bank overdrafts" item shown under liabilities.

13. INVENTORIES

Goods and raw materials are measured using the first-in first-out (FIFO) method or, otherwise, at the last purchase cost which, given the fast rotation of these inventories, gives a value close to the FIFO value.

Finished goods and work in progress are measured at production cost.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Furthermore, probable use of inventories is calculated on the basis of the rotation rate of items created since more than one year ago.

If the probable net realisable value is lower than cost, a provision for impairment is recorded.

Impairment is calculated depending on the rate of rotation, as follows:

- Rotation exceeding 4 years of consumption: full write-off;
- Rotation exceeding 3 years of consumption: 75% write-down;
- Rotation exceeding 2 years of consumption: 50% write-down;
- Rotation exceeding 1 year of consumption: 25% write-down;
- No write-downs are recorded for new products less than 12 months old.

The provision amount calculated accordingly is adjusted depending on the probable use of the product in order to arrive at the net realisable value.

14. RECEIVABLES

Receivables are recognised at amortised cost (financial assets where the related cash flows solely represent principal and interest payments). An impairment loss is recorded where the recoverable value falls below the carrying amount, in accordance with the expected loss model prescribed by IFRS 9. Analysis of credit risk is supplemented by a statistical provision calculation method covering all receivables, including non-overdue and 30 days overdue receivables.

Trade receivables are earmarked for provisions on the basis of their age, as follows:

- Provisions are recorded for the full amount of receivables more than a year overdue that are not covered by credit insurance;
- Provisions are recorded for at least 50% of the amount of receivables more than 6 months overdue that are not covered by credit insurance;
- Provisions are recorded for at least 25% of the amount of receivables more than 3 months overdue that are not covered by credit insurance;
- Provisions are recorded for the full amount of receivables covered by credit insurance as soon as the deadline for submission to the insurance company expires;
- Provisions are recorded for the non-insured amount in the case of receivables covered by credit insurance for which a claim has been filed with the insurer.

The provision amount calculated accordingly is adjusted depending on the probability of collecting the outstanding customer debt per individual line.

15. CURRENT AND NON-CURRENT PROVISIONS

A provision is recorded where a legal or constructive obligation towards a third party exists at the balance sheet date, where it is probable that this will result in an outflow of resources to such third party without consideration at least equivalent in terms of economic benefits and where the amount of the obligation can be reliably estimated.

Provisions for guarantees are calculated on the statistical basis of the costs of guarantees assumed during the year, multiplied by the remaining amount of revenues to be guaranteed and divided by the amount of revenues for which the guarantees have expired.

Where there is an obligation to replace a product, the provision is calculated on a statistical basis according to specific estimates for the related product category.

16. RETIREMENT BENEFITS AND LONG-SERVICE AWARDS

Retirement benefits and long-service awards are qualified as defined benefit plans. They are recognised under non-current provisions, except for the portion to be paid within 12 months following the balance sheet date, which is recorded under current provisions. They are measured using a prospective actuarial method that allocates benefits in proportion to years of service (projected unit credit method).

Since 2023, following the vote on pension reform in France, the Group has adopted the assumption that, in its French companies, employees are able to retire at their own initiative at the age of 64.

Top-up pensions for DOM Germany staff are measured by an independent actuary using the same method. Similarly, in Austria, retirement bonuses and long-service awards are valued by an external actuary.

The provision makes allowance for life expectancy and presence in the company on the dates of payment-related triggering events.

IAS 19 prescribes application of the yield on AA-class corporate bonds over periods reflecting the payment schedule as the discount rate. Accordingly, the discount rate applied in 2024 ranged from 3.2% to 3.6% for eurozone companies (3.1% to 3.3% in 2023) and from 4.2% to 5.6% for other companies (4.7% to 5.7% in 2023). Likewise, allowance was made for inflation ranging from 2.0% in the eurozone in 2024 (2.0% in 2023) to 6% elsewhere and a country-specific wage growth rate due to promotion excluding inflation of 1% in the eurozone and from 1.8% to 4.7% elsewhere (0.5%-1% in the eurozone and 2.8%-5.4% elsewhere in 2023).

Actuarial gains and losses arising from changes in assumptions regarding retirement benefit obligations and experience adjustments are recognised directly in comprehensive income and presented under balance sheet reserves.

17. TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS

Income and expenses denominated in foreign currencies are recognised at their equivalent euro value on the transaction date. Foreign currency receivables and payables are stated on the balance sheet at their equivalent euro value at the year-end closing rate.
Goodwill generated on initial recognition of a business combination is recognised in the foreign currency and subsequently translated at the closing rate.

18. CORPORATE INCOME TAX

The amount of tax effectively owed at the balance sheet date is adjusted for deferred tax calculated using the balance sheet method, i.e. based on temporary differences between the carrying amounts derived from the consolidated financial statements and the corresponding tax bases.

Net deferred tax assets, including tax loss carryforwards, after deduction of deferred tax liabilities are recognised where it is probable that the relevant tax entity will generate future profits.

French CVAE business value added tax, which meets the IAS 12.2 definition of an income tax ("taxes based on taxable profits"), is included under "Income tax".

19. REVENUES

Group revenues are recognised upon transfer of control over the goods and services promised to customers, which generally corresponds to delivery. This fundamental principle is presented in IFRS 15 in the form of a five-step model. The five steps are: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; (v) recognise revenue when (or as) the Group satisfies a performance obligation.

20. DISTINCTION BETWEEN RECURRING AND NET OPERATING INCOME

Recurring operating income is generated by the operations in which the Company is involved as part of its business affairs, as well as by activities that it performs on an ancillary basis as an extension of its normal business activities.
Restructuring costs are shown on a separate line, as are other material non-recurring income and expenses and asset disposals.
Likewise, the result of comparing the net book values of companies' assets to their recoverable value is recognised separately under "Change in impairment of goodwill and non-current assets", which includes irreversible impairment of goodwill and changes in impairment losses recorded on other non-current assets.

21. OPERATING SEGMENTS

The Group's business activities are divided into a number of divisions:

- DOM Security: locking solutions, security cylinders, access solutions
- NEU-JKF: air-based ventilation systems and solutions, dust extraction and pneumatic conveying
- MMD: heat exchangers and sterilisers
- MAC/WO&WO: shutters, windows, blinds, doors, garage doors, industrial doors
- Other businesses: holding companies

The real estate holding companies (SCI) owned by GROUPE SFPI SA are presented under the operating segments whose property they hold.

The chief operating decision maker analyses operating segment reporting in order to prepare an analysis of Group performance and allocate resources to operations.

22. STATEMENT OF CASH FLOWS

The cash flow statement shows cash flows from operating, investing and financing activities restated for all internal Group transactions.

23. CHANGES IN CONSOLIDATION

Elzett Sopron was sold at the end of 2024, with the Group having previously held a 50% stake.
Nuova Aria and Stériflow Maroc were liquidated.
During the financial year, the Group bought the remaining minority interests in Tapkey (40%).

NOTE 1 - GOODWILL

The following amounts of goodwill were assigned to each cash-generating unit (CGU) at 31 December 2024:

	Gross value 31-12-2024	Impairment 31-12-2024	Net value 31-12-2024	Net value 31-12-2023
DOM SECURITY	96,561	-51,611	44,950	45,810
- DÉNY Security DÉNY	*27,814*	*-10,796*	*17,018*	*17,018*
DOM + TAPKEY Group	*11,418*	*-333*	*11,085*	*11,085*
HOBERG	*5,605*	*-860*	*4,745*	*5,605*
PICARD SERRURES	*7,525*	*-2,588*	*4,937*	*4,937*
ANTIPANIC SRL	*5,081*	*-1,859*	*3,222*	*3,222*
OMNITECH Security	*2,696*	*0*	*2,696*	*2,696*
Dom Participations - Beugnot	*1,248*	*0*	*1,248*	*1,248*
ELIOT et Cie	*103*	*-103*	*0*	*0*
MMD	4,834	0	4,834	4,834
Cipriani Phe	*4,834*		*4,834*	*4,834*
NEU-JKF	11,552	-11,552	0	0
MAC	18,923	-18,923	0	0
WO&WO	*18,923*	*-18,923*	*0*	*0*
Goodwill	**131,870**	**-82,086**	**49,784**	**50,644**

As a result of impairment testing prompted by indications of impairment, DOM division goodwill was written down by €860,000, compared to a €18.9 million write-down of MAC division goodwill in 2023.

The following discount rates were used for the main CGUs:

Weighted average cost of capital (WACC before tax) used to calculate impairment		
	2024	**2023**
DOM		
Dény Security	*8.43%*	*8.01%*
Dom GmbH	*8.54%*	*7.94%*
Dom Security - Beugnot	*9.03%*	*8.42%*
Picard Serrures	*8.61%*	*8.24%*
OMNITECH Security	*8.78%*	*8.42%*
Dom UK	*8.92%*	*8.30%*
Dom Titan	*11.05%*	*10.39%*
Antipanic	*9.81%*	*9.22%*
Hoberg	*8.61%*	*8.01%*
NEU-JKF		
Fevi SAS / Neu Fevi	*13.60%*	*13.00%*
MAC		
WO&WO Group	*10.91%*	*10.24%*
Franciaflex	*10.80%*	*10.21%*
MMD		
Cipriani	*9.40%*	*8.84%*

2024 discount rates were impacted by the increase in the risk-free interest rate.

<u>Sensitivity to assumptions:</u>

	Impact on the value of asset impairment	
€000	**Goodwill**	**Other non-current assets**
5% EBIT increase over the entire plan term	280	40
5% EBIT decrease over the entire plan term	(290)	(550)
0.5 pp increase in discount rate	(340)	(490)
0.5 pp reduction in discount rate	(370)	70

NOTE 2 - INTANGIBLE ASSETS

Intangible assets break down as follows:

	31-12-2024			31-12-2023		
	Gross	**Amortisation & impairment**	**Net**	**Gross**	**Amortisation & impairment**	**Net**
Research and development expenditure	962	(956)	6	1,307	(1,293)	14
Patents, licences & trademarks	35,536	(33,846)	1,690	35,141	(32,991)	2,150
Other non-current assets	6,215	(5,964)	251	6,295	(5,966)	329
Advances and WIP	231		231	171		171
Intangible assets	**42,944**	**(40,766)**	**2,178**	**42,914**	**(40,250)**	**2,664**

Changes in net intangible assets are as follows:

	R&D expenditure	Patents, licences & trademarks	Other items	Advances and WIP	Total
1 January 2023	**70**	**2,474**	**1**	**46**	**2,591**
Change in consolidation		69		135	204
Capital expenditure		755	57	90	902
Disposals during the year		(46)	(98)		(144)
Amortisation	(56)	(1,124)	219		(961)
Impairment (charges)/reversals		42	129		171
Foreign exchange gains/(losses)			1		1
Reclassification		(20)	20	(100)	(100)
31 December 2023	**14**	**2,150**	**329**	**171**	**2,664**
Change in consolidation					0
Capital expenditure		466	81	95	642
Disposals during the year			(109)		(109)
Amortisation	(8)	(890)	(1)		(899)
Impairment (charges)/reversals		(539)	(30)		(569)
Foreign exchange gains/(losses)					0
Reclassification		503	(19)	(35)	449
31 December 2024	**6**	**1,690**	**251**	**231**	**2,178**

€8.7 million of research costs and €3.0 million of development costs were recognised under expenses for 2024.

Capital expenditure was mainly incurred in the DOM Security division (€390,000) and MAC division (€219,000).

In 2024, the changes in impairment recognised in the income statement relate to the DOM Security division (€28,000) and the MAC division (€541,000).

Net property, plant and equipment per division breaks down as follows:

	31-12-2024	31-12-2023
DOM Security	992	1,198
NEU-JKF	58	53
MMD	1,018	1,170
MAC	99	217
Other businesses	11	26
Net intangible assets	**2,178**	**2,664**

Net property, plant and equipment per region breaks down as follows:

	31-12-2024	31-12-2023
France	1,373	1,682
Overseas	805	982
Net intangible assets	**2,178**	**2,664**

Note 3 - Property, plant and equipment

Property, plant and equipment breaks down as follows:

	31-12-2024			31-12-2023		
	Gross	Depreciation	Net	Gross	Depreciation	Net
Land and development	19,912	(2,101)	17,811	19,482	(2,084)	17,398
Buildings	139,921	(98,311)	41,610	133,312	(93,280)	40,032
Plant and equipment	281,359	(258,723)	22,636	271,428	(243,618)	27,810
Other non-current assets	47,615	(41,130)	6,485	46,717	(39,337)	7,380
Advances and WIP	1,146	(246)	900	10,128	(1,242)	8,886
Property, plant and equipment	**489,953**	**(400,511)**	**89,442**	**481,067**	**(379,561)**	**101,506**

	Land and development	Buildings	Industrial plant & equipment	Other items	Advances and WIP	Total
1 January 2023	**15,542**	**32,507**	**24,813**	**7,097**	**7,680**	**87,639**
Change in consolidation		1,496	3,639	85	15	5,235
Capital expenditure	2,453	4,967	8,213	3,313	7,052	25,998
Disposals during the year	(1)		(298)	(67)	(14)	(380)
Depreciation	(3)	(3,935)	(9,203)	(2,969)	(16)	(16,126)
Impairment (charges)/reversals			(1,078)	(255)	(144)	(1,477)
Foreign exchange gains/(losses)	(26)	121	21	54	(2)	168
IFRS 5 reclassification	(566)	(583)				(1,149)
Reclassification (including IFRS 5)	(1)	5,459	1,703	122	(5,685)	
31 December 2023	**17,398**	**40,032**	**27,810**	**7,380**	**8,886**	**101,506**
Change in consolidation						0
Capital expenditure	119	1,818	9,796	2,444	523	14,700
Disposals during the year			(237)	(55)	78	(214)
Depreciation	(44)	(4,552)	(10,658)	(3,108)	(17)	(18,379)
Impairment (charges)/reversals		1	(9,391)	(624)	1,002	(9,012)
Foreign exchange gains/(losses)	77	4	7	10		98
IFRS 5 reclassification	(211)	(69)				(280)
Reclassification	472	4,376	5,309	438	(9,572)	1,023
31 December 2024	**17,811**	**41,610**	**22,636**	**6,485**	**900**	**89,442**

In 2024, the changes in impairment recognised in the income statement relate to the DOM Security division (€5,621,000) and the MAC division (€3,391,000).

Net property, plant and equipment per division breaks down as follows:

	31-12-2024	31-12-2023
DOM Security	37,099	42,588
NEU-JKF	16,599	18,773
MMD	9,131	8,532
MAC	26,437	31,463
Other businesses	176	150
Net property, plant and equipment	**89,442**	**101,506**

Capital expenditure breaks down as follows:

	31-12-2024	31-12-2023
DOM Security	7,431	12,447
NEU-JKF	1,004	2,628
MMD	2,322	1,817
MAC	3,841	9,024
Other businesses	102	81
Purchase of property, plant and equipment	**14,700**	**25,997**

Net property, plant and equipment per region breaks down as follows:

	31-12-2024	31-12-2023
France	45,770	48,441
Overseas	43,672	53,065
Net property, plant and equipment	**89,442**	**101,506**

NOTE 4 - RIGHT-OF-USE ASSETS

Right-of-use assets break down as follows:

	Real estate lease	Plant and equipment	Office equipment and hardware	Vehicles and transport equipment	Total
Right-of-use assets at 31-12-2023	**15,725**	**124**	**559**	**4,197**	**20,605**
o/w finance leases	*1,619*				*1,619*
First-time consolidation					0
New leases signed during the period	192	44	157	3,499	3,892
o/w finance leases					*0*
Lease amendments and termination	496	11	6	554	1,067
o/w finance leases	*(1,548)*				*(1,548)*
Depreciation for the period	(3,282)	(93)	(317)	(3,016)	(6,708)
o/w finance leases	*(15)*				*(15)*
Right-of-use assets at 31-12-2024	**13,131**	**86**	**405**	**5,234**	**18,856**
o/w finance leases	*56*	*0*	*0*	*0*	*56*

In application of IFRS 16, finance lease liabilities have been reclassified as lease liabilities.

	Liabilities 01-01-2024	New liabilities	Repayment	Change in consolidation	Total 31-12-2024	o/w due in <1yr
Lease liabilities	18,956	6,557	(6,669)		18,844	5,717
o/w finance leases	*0*				*0*	0

	DOM Security	NEU-JKF	MAC	MMD	SFPI & Others	Total 31-12-2024
Due in < 1 yr - operating leases	1,209	707	2,998	70	733	5,717
Due in > 1 yr - operating leases	1,410	940	9,238	100	1,439	13,127
Total	**2,619**	**1,647**	**12,236**	**170**	**2,172**	**18,844**
Restated rent	1,608	1,086	3,104	89	710	6,597
Depreciation recognised	1,592	1,038	3,245	82	751	6,708
Interest	45	29	(93)	6	(32)	(45)

NOTE 5 - INVESTMENTS IN ASSOCIATES

At 31 December 2024, these consisted of Titan Zagreb (€150,000) and Euro Locks (€332,000) in the DOM division.

Elzett-Fek was sold during the financial year.

These companies' key financial figures are as follows, after consolidation adjustments allowing for a 100% equity interest:

	TITAN ZAGREB		EURO LOCKS	
	2024	2023	2024	2023
Total assets	1,419	1,413	1,301	1,182
Shareholders' equity	500	535	1,104	935
Revenues	1,968	1,792	1,155	1,303
Net income	111	110	132	141

Note 6 - Non-current financial assets

Assets maturing in over 1 year	31-12-2024	31-12-2023
Other financial investments	22	58
Loans, deposits and other long-term investments	6,463	6,685
Non-current financial assets	**6,485**	**6,743**

Note 7 - Deferred tax

Deferred tax assets arise from:

	31-12-2024	31-12-2023
- temporarily non-deductible expenses	5,053	3,979
- provisions related to asset impairment testing	4,203	1,978
- tax loss carryforwards	1,072	1,442
- the following consolidation adjustments:		
Finance leases	(97)	(199)
Internal margins	792	908
Pensions and retirement benefits	8,063	8,492
Adjustment of foreign company depreciation/amortisation rates and provision policies to Group standards	1,438	1,203
Other items	13	9
Deferred tax assets	**20,537**	**17,812**

At 31 December 2024, deferred tax liabilities amounted to €6,493,000. They mainly relate to the revaluation of intangible assets and property, plant and equipment in the various divisions, namely €2,485,000 for DOM Security, €2,426,000 for NEU-JKF, €529,000 for MMD and €435,000 for MAC. As a result of the depreciation and amortisation of these revaluations, deferred tax liabilities decreased by €2,581,000 compared to 2023.

Deferred tax liabilities also include €618,000 for the impact of the GROUPE SFPI SA social security provision on treasury shares.

Deferred tax related to tax loss carryforwards not recognised due to the uncertainty of profitability amounted to €4.8 million at 31 December 2024.

Note 8 - Inventories

Inventories break down as follows:

	31-12-2024			31-12-2023		
	Gross	Impairment	Net	Gross	Impairment	Net
Raw materials	81,839	(19,057)	62,782	86,879	(19,255)	67,624
Work in progress (goods and services)	23,082	(4,479)	18,603	31,326	(4,247)	27,079
Semi-finished and finished goods	19,269	(2,507)	16,762	20,254	(2,480)	17,774
Trade goods	16,524	(5,494)	11,030	20,097	(4,744)	15,353
Inventories	**140,714**	**(31,537)**	**109,177**	**158,556**	**(30,726)**	**127,830**

Note 9 - Trade receivables

Trade receivables:

	31-12-2024	31-12-2023
Gross	106,479	113,108
Impairment	(6,456)	(6,430)
Net	**100,023**	**106,678**

WO&WO is the only CGU to use factoring. The amount financed totalled €478,000 at year-end.

Reversals of impairment provisions on trade receivables were offset by impairment charges on bad debt totalling €503,000.

	< 1 month overdue	1-3 months overdue	3-6 months overdue	6-12 months overdue	> 12 months overdue	Total
Overdue, not covered by provisions	13,377	4,469	1,273	500		19,619
Overdue, covered by provisions	385	307	932	620	5,216	7,460
Total	**13,762**	**4,776**	**2,205**	**1,120**	**5,216**	**27,079**

NOTE 10 - OTHER CURRENT ASSETS

	31-12-2024	31-12-2023
Tax receivables	5,585	3,714
Other operating receivables	12,262	13,539
Prepaid expenses	3,987	4,254
Other current assets	**21,834**	**21,507**

Other operating receivables mainly include VAT receivables totalling €8.9 million.

NOTE 11 - CASH AND CASH EQUIVALENTS

Net cash and cash equivalents break down as follows:

	31-12-2024	31-12-2023
Cash equivalents	111,256	96,245
Cash	34,628	47,565
Cash and cash equivalents	**145,884**	**143,810**

Cash equivalents almost entirely consist of time deposits issued by top-tier banks repayable at any time.

NOTE 12 - SHAREHOLDERS' EQUITY AND MINORITY INTERESTS

On 18 April 2024, the Board of Directors decided to reduce the share capital of GROUPE SFPI SA by cancelling 4,965,895 treasury shares.
Following this decision, the share capital now consists of 94,352,007 shares with a par value of €0.90 each.
The Company did not buy back any treasury shares in 2024. At 31 December 2024, the Company held 2,146,576 treasury shares representing 2.3% of the share capital.

NOTE 13 - NON-CURRENT AND CURRENT PROVISIONS

Non-current provisions break down as follows:

	31-12-2024	31-12-2023
Retirement benefits and long-service awards - Non-current portion	52,370	53,740
Representatives' entitlements in Germany	1,548	1,540
Non-current provisions	**53,918**	**55,280**

Current provisions break down as follows:

	31-12-2023	Change in consolidatio	Charges	Reversals (not used)	Reversals (used)	31-12-2024
Trade litigation	1,936		1,123	(252)	(863)	1,944
Tax litigation	152		807		(153)	806
Social security litigation	690		465	(343)	(217)	595
Other contingencies and charges	1,122		79	(889)	(62)	250
Litigation and provisions for other	241		77	(11)	(79)	228
Provisions for restructuring	336		27		(156)	207
Provisions for guarantees	4,386		4,059		(4,386)	4,059
Retirement benefits and long-service awards - Current portion	2,593		2,356	(471)	(2,122)	2,356
Current provisions	**11,456**	**0**	**8,993**	**(1,966)**	**(8,038)**	**10,445**

Note 14 - Provisions for retirement benefits and long-service awards (IAS 19)

Changes in provisions for retirement benefits and long-service awards break down as follows:

	31-12-2024	31-12-2023
Retirement benefits and long-service awards b/fwd	**56,332**	**55,936**
Items recognised in the income statement	***1,079***	***1,934***
Cost of services provided during the year	1,403	2,134
Financial costs	1,718	1,823
Benefits paid	(2,042)	(2,032)
Provision reversals	0	
Cost of past services	0	9
Items recognised in other comprehensive income	***(2,685)***	***(2,410)***
Actuarial gains and losses before tax	(2,685)	(2,410)
Changes in consolidation	***0***	***872***
Retirement benefits and long-service awards c/fwd	**54,726**	**56,332**

The benefits break down as follows: €3,584,000 in long-service awards, €20,589,000 in retirement benefits and €30,553,000 in retirement benefits for Germany alone.

Actuarial gains and losses break down as follows:

	31-12-2024	31-12-2023
Gains and losses on actuarial assumptions	(2,681)	(1,826)
Gains and losses arising from experience adjustments	(4)	(584)
Actuarial gains/(losses)	**(2,685)**	**(2,410)**

Sensitivity to actuarial assumptions:

	Impact of retirement benefits and long-service awards	
	Gross	**Net**
0.3 pp increase in discount rate	(1,310)	(943)
0.3 pp reduction in discount rate	2,625	1,829
0.3 pp increase in inflation or promotion rate	2,353	1,643
0.3 pp reduction in inflation or promotion rate	(1,011)	(734)

These amounts would have been recorded in other comprehensive income in accordance with Group accounting policies.

Note 15 - Loans and borrowings

Loans and borrowings are liabilities recognised at amortised cost.

As at 31 December 2024, they break down as follows by maturity and category:

Loans and borrowings	**Total at 31-12-2024**				**Total 31-12-2023**
	< 1 year	**1-5 years**	**> 5 years**	**Total**	
Loans and borrowings	20,956	40,673	3,969	65,598	86,159
Short-term bank loans and overdrafts	741			741	6,641
Due to credit institutions	21,697	40,673	3,969	66,339	92,800
Other financial liabilities	1,350	1,158		2,508	5,037
Employee profit-sharing	55	633		688	645
Due to other organisations	1,405	1,791	0	3,196	5,682
Loans and borrowings	**23,102**	**42,464**	**3,969**	**69,535**	**98,482**
Current and non-current	23,102	46,433			

Other financial liabilities mainly consist of call options on minority interests.

Liquidity risk:

The foregoing loans and borrowings should be compared against cash and cash equivalents, which amounted to €145,884,000 at 31 December 2024 versus €143,810,000 at 31 December 2023.

Net cash and cash equivalents changed as follows:

	31-12-2024	31-12-2023
Cash and cash equivalents	145,884	143,810
Borrowings from credit institutions	(66,339)	(92,801)
Net cash and cash equivalents held at credit institutions	79,545	51,009
Borrowings from other third parties	(3,196)	(5,682)
Net cash surplus	**76,349**	**45,327**

There are no loans and borrowings denominated in non-EU currencies.

	DOM Security	NEU-JKF	MAC	MMD	SFPI & Others	Total 31-12-2024
Borrowings due in < 1 yr	6,059	3,441	5,843	1,415	6,344	23,102
Borrowings due in 1-5 yrs	11,673	7,939	6,686	1,464	14,702	42,464
Borrowings due in > 5 yrs	1,543		305	21	2,100	3,969
Loans and borrowings	**19,275**	**11,380**	**12,834**	**2,900**	**23,146**	**69,535**
Cash and cash equivalents	45,090	25,781	22,832	31,849	20,332	145,884
2024 net cash surplus	**25,815**	**14,401**	**9,998**	**28,949**	**(2,814)**	**76,349**
2023 net cash surplus	22,109	3,572	11,661	25,191	(17,206)	45,327

Interest rate risk:

SFPI Group only uses interest rate hedging instruments where required pursuant to the loan agreement. At 31 December 2024, the Group no longer had any instruments (interest rate cap and swap agreements), apart from a tunnel for a €5.5 million loan framing the 3-month EURIBOR between 2.5% and 6%. Floating-rate loans totalled €18.5 million, well below the €111.3 million in interest-bearing cash and cash equivalents.

The average loan interest rate in 2024 was 1.91% versus 1.36% in 2023. Floating-rate loans represented 28% of total borrowings.

Security interests:

The following amounts of loans and borrowings are secured by pledges:

	31-12-2024	31-12-2023
Borrowings secured by pledges - current portion	2,749	4,992
Borrowings secured by pledges - non-current portion	8,080	11,056

All mortgage charge commitments are considered as pledges.

Note 16 - Trade payables and other current liabilities

Trade payables and other current liabilities are liabilities recognised at amortised cost.

They break down as follows by type:

	31-12-2024	31-12-2023
Trade payables	**57,035**	**61,024**
Current tax liabilities	**8,016**	**5,351**
Social security and tax payables	47,457	49,953
Other payables	8,684	9,114
Advances and down payments received on orders	21,675	33,396
Deferred income	1,714	2,063
Other current liabilities	**79,530**	**94,526**

Other current liabilities mature in less than a year, including advances and down payments received on orders and deferred income, where maturities may vary depending on contractual terms.

NOTE 17 - OFF-BALANCE SHEET COMMITMENTS

	DOM Security	NEU-JKF	MAC	MMD	SFPI & Others	Total 31-12-2024	Total 31-12-2023
Guarantees given		3,646		7,148		10,794	9,581
Guarantees received	304		605			909	1,232

The Company has received a number of liability guarantees in connection with acquisitions.

NOTE 18 - REVENUES, GROSS MARGIN, OPERATING INCOME

Revenues by operating segment break down as follows:

	2024		2023		Change	
	€000	%	€000	%	€000	%
DOM Security	235,154	35.32%	231,917	33.67%	3,237	1.40%
NEU-JKF	133,754	20.09%	136,379	19.80%	(2,625)	-1.92%
MMD	76,409	11.48%	70,281	10.20%	6,128	8.72%
MAC	220,462	33.11%	250,199	36.32%	(29,737)	-11.89%
Other businesses	25	0.00%	57	0.01%	(32)	-56.14%
Net revenues	**665,804**	**100.00%**	**688,833**	**100.00%**	**-23,029**	**-3.34%**

Revenues by region break down as follows:

	2024		2023	
	France	Overseas	France	Overseas
DOM Security	82,802	152,352	88,557	143,360
NEU-JKF	57,846	75,908	55,605	80,774
MMD	31,972	44,437	26,938	43,343
MAC	177,829	42,633	205,995	44,204
Other businesses	25		57	
Net revenues	**350,474**	**315,330**	**377,152**	**311,681**

Income statements per division:

2024	DOM Security	NEU-JKF	MMD	MAC	Others & adjustments (2)	Total
Revenues	235,215	133,904	76,409	220,469	(193)	665,804
Gross margin	161,653	66,465	43,556	123,194	(142)	394,726
as % of production (1)	68.9%	50.8%	61.3%	55.9%		60.1%
as % of revenues	68.7%	49.6%	57.0%	55.9%		59.3%
EBIT	20,776	7,387	12,327	(9,889)	(865)	29,736
Net operating income	14,676	7,387	12,297	(14,954)	(865)	18,541
Net financial income/(expense)	732	99	902	(1,098)	1,480	2,115
Income tax	(3,128)	(1,458)	(3,509)	2,595	(482)	(5,982)
Net income of consolidated companies	**12,347**	**6,029**	**9,689**	**(13,457)**	**133**	**14,741**

(1) Percentage of production = Gross margin / (Net revenues + Change in inventories)
(2) 'Others & adjustments' include:
- Group holding operations;
- inter-segment eliminations.

2023	DOM Security	NEU-JKF	MMD	MAC	Others & adjustments (2)	Total
Revenues	231,972	136,645	70,281	250,214	(279)	688,833
Gross margin	156,634	67,422	40,884	128,384	(164)	393,160
as % of production (1)	68.1%	49.7%	56.0%	51.7%		57.3%
as % of revenues	67.5%	49.3%	58.2%	51.3%		57.1%
EBIT	16,428	7,573	12,040	(7,246)	(298)	28,497
Net operating income	15,779	7,851	12,040	(26,517)	(298)	8,855
Net financial income/(expense)	306	(360)	507	(671)	494	276
Income tax	(4,732)	(1,589)	(3,141)	557	354	(8,551)
Net income of consolidated companies	**11,413**	**6,129**	**9,405**	**(26,632)**	**553**	**868**

(1) Percentage of production = Gross margin / (Net revenues + Change in inventories)

(2) 'Others & adjustments' include:

- Group holding operations;
- inter-segment eliminations.

Breakdown of assets and liabilities

The following table shows a breakdown of total assets (net value) and liabilities by division:

	Total assets (net value)		Total non-current liabilities		Total current liabilities	
	2024	31-12-2023	2024	31-12-2023	2024	31-12-2023
DOM Security	250,028	258,931	56,152	66,349	62,253	62,096
NEU-JKF	91,035	98,717	14,039	17,588	42,156	51,567
MMD	74,133	79,692	4,900	5,955	22,632	30,101
MAC	135,607	152,616	25,669	29,405	42,126	48,130
Other businesses	15,308	12,112	19,211	26,755	14,678	16,203
Total	**566,111**	**602,068**	**119,971**	**146,052**	**183,845**	**208,097**

Note 19 - Net financial income/(expense)

Net financial income/(expense) breaks down as follows:

	2024	2023
Cash and cash equivalents	3,773	2,165
Interest and similar expenses	(1,562)	(1,485)
Net cost of debt	**2,211**	**680**
Currency gains	632	826
Other financial income	1,124	650
Interest on operating & finance leases	45	51
Currency losses	(690)	(1,011)
Other financial expenses	(1,207)	(920)
Net financial income/(expense)	**2,115**	**276**

Note 20 - Tax

Income tax breaks down as follows:

	2024	2023
CVAE	(538)	(657)
Income tax - France	(5,664)	(4,203)
Income tax - overseas	(5,955)	(5,282)
Net deferred tax	6,175	1,591
Income tax	**(5,982)**	**(8,551)**

Changes in the deferred tax account are analysed as follows:

	Assets	Liabilities	Balance
Deferred tax at 31-12-2023	**17,812**	**9,074**	**8,738**
Change over the period			
change in income statement	*3,630*	*(2,585)*	*6,215*
change in items of other comprehensive income	*(905)*	*4*	*(909)*
change in consolidation			*0*
Deferred tax at 31-12-2024	**20,537**	**6,493**	**14,044**

The difference between the tax charge and taxes paid in the consolidated statement of cash flows is mainly due to the change in deferred taxes.

Corporate income tax breaks down as follows:

	2024	2023
Earnings before tax	20,723	9,419
CVAE (included in income tax)	(538)	(657)
Tax credit (included under grants)	(1,987)	(632)
Goodwill impairment	860	18,922
Taxable income	19,058	27,052
Theoretical tax charge (25% rate applicable to consolidating parent company)	**4,765**	**6,763**
CVAE	538	657
Tax rate differences	439	122
Impact of unrecognised tax losses	818	1,725
Impact of permanent differences	454	(79)
Impact of prior year adjustments	(1,032)	(567)
Other (tax presented net under 'Non-recurring income')		(70)
Effective tax charge	**5,982**	**8,551**
%	**0**	**0**

Foreign tax rates range between 9% in Hungary and 24% in Spain among countries with a lower rate than France, with only the Netherlands (25.8%), Italy (27.9%) and Germany (31.93%) having a higher rate.

Note 21 - Earnings per share

	2024	2023
Number of shares outstanding	94,352,007	99,317,902
Treasury shares	2,146,576	7,112,471
Number of shares outstanding	92,205,431	92,205,431
Earnings per share (basic and diluted) (€)	**0.16**	**0.01**

Earnings per share is calculated by dividing net income Group share by the weighted average number of ordinary shares outstanding, excluding treasury shares.

The General Meeting held on 18 June 2024 authorised the Board of Directors to allocate existing or future bonus shares to certain employees and/or corporate officers of the Company and its subsidiaries. On 25 September 2024, the Board of Directors approved the terms and conditions of the 2024 Plan Rules on the allocation of bonus performance shares, which provide for the allocation of 110,000 shares after a three-year vesting period.

NOTE 22 - HEADCOUNT

Year-end headcount breaks down as follows:

	France		Overseas		Total	
	31-12-2024	31-12-2023	31-12-2024	31-12-2023	31-12-2024	31-12-2023
DOM Security	565	574	1,140	1,119	1,705	1,693
NEU-JKF	316	317	352	365	668	682
MMD	242	235	43	47	285	282
MAC	1,078	1,132	264	270	1,342	1,402
Other businesses	11	9			11	9
Headcount	**2,212**	**2,267**	**1,799**	**1,801**	**4,011**	**4,068**

Average SFPI Group headcount for the year amounted to 3,971 FTE employees compared to 3,981 the previous year.

NOTE 23 - INFORMATION ON RELATED PARTIES

A list of the Group's main subsidiaries and associates is given before the section entitled "*Accounting policies, valuation methods and IFRS options adopted*".

Transactions between parent and subsidiaries and among subsidiaries are eliminated in the consolidated financial statements and are not presented in these notes.

Transactions and balances with related parties and associates are shown below:

	Income		Expenses		Receivables		Payables	
	2024	2023	2024	2023	2024	2023	2024	2023
Controlling related parties	41	35	1,009	650	3	19	3	75
Associates (equity accounted)	1,393	1,139	0	233	349	298	0	14
Other related parties	0	0	767	1,538	0		0	280
Total	**1,434**	**1,174**	**1,776**	**2,421**	**352**	**317**	**3**	**369**

Key management personnel as defined by IAS 24 receive short-term compensation in the following amounts:

	2024	2023
Short-term compensation excluding employer social security charges	669	649
Employer social security charges	285	271

NOTE 24 - PROPOSED DIVIDENDS

A dividend of €0.08 per share will be proposed for approval by the General Meeting of shareholders on 20 June 2025.

NOTE 25 - STATUTORY AUDITORS' FEES

2024	EY	Grant Thornton
Financial statement certification	263	350
Other services	12	

NOTE 26 - CONTINGENT LIABILITIES

An obligation constitutes a contingent liability if the amount cannot be measured reliably or if payment is not probable. Contingent liabilities are commitments on the part of the Group and are not recognised on the balance sheet unless they have been identified in relation to an acquisition. In such case, they are included among recognised identifiable items.

There were no material contingent liabilities as at 31 December 2024.

NOTE 27 - POST BALANCE SHEET EVENTS

In January 2025, the Munich Arbitration Tribunal dismissed the claim brought by GROUPE SFPI against the seller of the WO&WO Group.

As at 16 April 2025, the date of the approval of the financial statements by the Board of Directors, no other significant events had occurred since the balance sheet date on 31 December 2024.

STATUTORY AUDITORS' REPORT

on the parent company financial statements for the year ended 31 December 2024

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To the General Meeting of GROUPE SFPI,

Opinion

In accordance with the engagement entrusted to us by your General Meeting, we have audited the company financial statements of GROUPE SFPI for the year ended 31 December 2024, which are appended to this report.

We hereby certify that, in accordance with French accounting rules and principles, the parent company financial statements give a true and fair view of the results of the Company's operations for the financial year ended and the Company's financial position, assets and liabilities at the end of said financial year.

The opinion expressed above is consistent with the terms of our report to the Audit Committee.-

Bases of opinion

Terms of reference

We conducted our audit in accordance with professional standards applicable in France. We consider that the evidence that we have gathered is sufficient and appropriate to form the basis for our opinion.

Our responsibilities in accordance with these standards are set out in the section of this report entitled "Statutory auditors' responsibilities regarding the audit of the company financial statements".

Independence

We have performed our audit in compliance with the rules of independence provided for by the French Commercial Code and the French Code of Ethics for statutory auditors for the period running from 1 January 2024 to the date of issue of our report. In particular, we have not provided services prohibited under Article 5, paragraph 1, of Regulation (EU) No. 537/2014.

Justification of our assessments - Key audit matters

Pursuant to the provisions of Articles L. 821-53 and R. 821-180 of the French Commercial Code on the justification of our assessments, we draw your attention to the key audit matters relating to the risk of material misstatements which, in our professional judgement, have been the most significant for the audit of the parent company financial statements and to our responses with regard to these risks.

These assessments were made as part of our audit of the company financial statements, taken as a whole, and therefore contributed to the formation of the opinion expressed herein.- We express no opinion on individual items comprising these company financial statements taken in isolation.

Valuation of equity investments

(Paragraph entitled "Long-term investments" in the section entitled "Accounting principles and policies", Note II - "Intangible assets - property, plant and equipment - long-term investments" in the notes to the parent company financial statements and the table of subsidiaries and affiliates)

Risk identified	Our response
As at 31 December 2024, equity investments are carried on the balance sheet at a net book value of €136.3 million compared to a balance sheet total of €188 million. They are initially recognised at cost and subsequently written down to their value in use, as calculated at each balance sheet date, where this is lower than the carrying amount. Value in use is estimated by management on the basis of historical data (proportionate share of shareholders' equity at the balance sheet date) or forward-looking information, as appropriate. Estimating value in use requires management to exercise judgement in selecting the information to be taken into account for each equity investment. Given the materiality of equity investments in the company financial statements and the judgements and assumptions required to estimate their value in use, we consider the valuation of equity investments to be a key audit matter.	In order to assess the reasonableness of the estimate of the value in use of equity investments, based on the information provided to us, our work assisted by our valuation experts consisted mainly in: ► for valuations based on share of net assets, comparing the accounting information with the financial statements of the entities concerned; ► for valuations based on forecast data: ► obtaining an understanding of the valuation method adopted by management; ► assessing the integrity of the impairment test model used and the appropriateness of any changes made to the previous year's model; ► conducting interviews with management to identify the main judgements, estimates and assumptions used in the impairment test model and obtaining explanations to corroborate these judgements, estimates and assumptions; ► corroborating key data in the impairment test model with historical data and the data presented by the Chairman to the Board of Directors; ► assessing the appropriateness of the information presented in the notes to the company financial statements.

Specific testing

In accordance with professional standards applicable in France, we also carried out the specific testing required by statutory and regulatory provisions.

Information provided in the management report and in the other documents sent to shareholders regarding the Company's financial position and financial statements

We have no matters to report regarding the fair presentation of the information provided in the Board of Directors' management report and in the other documents sent to shareholders regarding the Company's financial position and financial statements or on the consistency of this information with the company financial statements.

We hereby certify the fair presentation of the information regarding outstanding payments referred to in Article D. 441-6 of the French Commercial Code and the consistency of such information with the company financial statements.

Information on corporate governance

We hereby certify that the corporate governance section of the Board of Directors' management report contains the information required under Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

We have checked the consistency of the information provided, in accordance with Article L. 22-10-9 of the French Commercial Code, on the remuneration and benefits paid or awarded to corporate officers and on the commitments granted in their favour with the financial statements or with the underlying data used to prepare the financial statements and, where appropriate, with the information gathered by your Company from companies controlled by it which are included in the consolidation scope. We hereby certify the accuracy and fair presentation of this information on the basis of this work.

Regarding information concerning factors that your Company has considered liable to have an impact in the event of a public tender or exchange offer, which is provided in application of Article L. 22-10-11 of the French Commercial Code, we have verified the consistency of such information with the documents from which it was derived and which were forwarded to us. On the basis of our work, we have no matters to report regarding this information.

Other information

As required by law, we verified that the management report sent to you contains the requisite disclosures on the identity of holders of equity interests and voting rights.

Other verifications and disclosures required by statutory and regulatory provisions

Presentation format of the company financial statements to be included in the annual financial report

In accordance with the professional standards applicable to the statutory auditor's work relating to the parent company and consolidated financial statements presented in accordance with the European single electronic reporting format, we have also verified compliance with this format as defined by European Delegated Regulation No. 2019/815 of 17 December 2018 in the presentation of the company financial statements to be included in the annual financial report referred to in Article L. 451-1-2 (I) of the French Monetary and Financial Code, prepared under the responsibility of the Chairman and Chief Executive Officer.

Based on our work, we conclude that the presentation of the company financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to verify that the financial statements actually included by your Company in the annual financial report filed with the AMF correspond to those on which we have performed our work.

Appointment of statutory auditors

We were appointed statutory auditors of GROUPE SFPI by your General Meeting on 18 June 2021.

As at 31 December 2024, our firms were in the fourth consecutive year of their engagement.

Responsibilities of management and persons involved in corporate governance with regard to the company financial statements

It is management's responsibility to prepare company financial statements presenting a true and fair view in accordance with French accounting rules and principles and to establish the internal control procedures it deems necessary for the preparation of company financial statements that are free of material misstatements, whether due to fraud or error.-

In preparing the company financial statements, management is required to assess the Company's ability to continue its operations, to present, in these statements, where applicable, the requisite information with regard to continuity of business and to apply the going concern principle, unless there is the intention to liquidate the Company or discontinue its operations.

It is the responsibility of the Audit Committee to monitor the process for the preparation of financial information and the effectiveness of internal control and risk management systems, and, where applicable, of the internal audit system, as regards the procedures relating to the preparation and processing of accounting and financial information.

The company financial statements have been approved by the Board of Directors.

Statutory auditors' responsibilities regarding the audit of the company financial statements

Audit objective and approach

It is our responsibility to prepare a report on the company financial statements. Our goal is to obtain reasonable assurance that these company financial statements, taken as a whole, are free of material misstatements. Reasonable assurance corresponds to a high level of assurance, without, however, the guarantee that an audit performed in accordance with professional standards enables systematic detection of all material misstatements. Misstatements may result from fraud or error and are deemed material when they may reasonably be expected, when taken either individually or together, to influence economic decisions taken by users of the financial statements on the basis thereof.-

As specified in Article L. 821-55 of the French Commercial Code, our engagement to certify the financial statements does not consist in guaranteeing the viability or quality of your Company's management.

Within the scope of an audit performed in accordance with professional standards applicable in France, the statutory auditor exercises his or her professional judgement throughout the duration of this audit. Furthermore:

- the auditor identifies and assesses the risks that the company financial statements contain material misstatements, whether resulting from fraud or error, defines and implements audit procedures to address these risks, and gathers the elements the auditor deems necessary and appropriate upon which to base the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is more serious than the risk of not detecting a material misstatement resulting from error, since fraud may involve collusion, falsification, deliberate omission, false representations or the circumvention of internal control;-
- the auditor examines the aspects of the internal control system that are relevant to the audit, in order to define the audit procedures appropriate in the circumstances but not for the purpose of expressing an opinion on the efficacy of the internal control system;
- the auditor assesses the appropriateness of the accounting methods adopted and the reasonableness of the accounting estimates made by management, as well as the related information provided in the company financial statements;
- the auditor assesses the appropriateness of management's application of the going concern principle and, according to the information gathered, the existence or absence of material uncertainty regarding events or circumstances liable to jeopardise the Company's ability to continue its operations. This assessment is based on information gathered up until the date of the auditor's report, provided, however, that any subsequent circumstances or events could jeopardise business continuity. If the auditor finds that material uncertainty exists, the auditor draws the attention of the readers of the auditor's report to the information provided in the company financial statements regarding this uncertainty or, if such information is not provided or is irrelevant, issues certification with reservations or refuses to certify;
- the auditor assesses the presentation of the company financial statements, taken as a whole, and assesses whether they reflect the underlying transactions and events in such a way as to give a true and fair view thereof.-

Report to the Audit Committee

We submit a report to the Audit Committee defining the scope of the audit work and the audit programme implemented, as well as the findings based on our work. We also draw the Committee's attention to any material internal control deficiencies we have identified, as regards procedures relating to the preparation and processing of accounting and financial information.

The report submitted to the Audit Committee also contains information on the risks of material misstatements that we deemed to have been the most significant for the audit of the company financial statements and which therefore constitute key audit matters, which we are required to set out herein.

We also submit to the Audit Committee the declaration set out in Article 6 of Regulation (EU) No. 537/2014 confirming our independence, within the meaning of the rules applicable in France as defined in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code and the French Code of Ethics for statutory auditors. If necessary, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Neuilly-sur-Seine and Paris-La Défense, 28 April 2025

The Statutory Auditors

GRANT THORNTON *French member of Grant Thornton International*	ERNST & YOUNG Audit
Arnaud Dekeister	Marie Le Treut

STATUTORY AUDITORS' REPORT

on regulated agreements

GRANT THORNTON

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S.A.S. with share capital of €2,297,184

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To the General Meeting of GROUPE SFPI,

In our capacity as statutory auditors of your Company, we hereby submit our report on regulated agreements.

It is our responsibility to inform you, on the basis of the information provided to us, of the essential terms and conditions of the agreements of which we have been informed or which we have discovered during the course of our audit, as well as the reasons justifying the Company's interest in said agreements and commitments, without having to express an opinion on their usefulness or appropriateness or to seek out the existence of other agreements. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code, to evaluate the interest in entering into these agreements, in order to approve them.

It is also our responsibility to report to you any information specified under Article R. 225-31 of the French Commercial Code relating to the operation, during the year ended, of agreements previously approved by the General Meeting.

We carried out the work we considered necessary pursuant to professional standards of the French National Auditors Association relating to this engagement. This work consisted in verifying that the information provided to us was consistent with the source documents from which it was taken.

Agreements submitted for approval by the General Meeting

We have not been informed of any agreement authorised and entered into during the year ended and requiring to be submitted to the General Meeting for approval pursuant to the provisions of Article L. 225-38 of the French Commercial Code.

Agreements previously authorised by the General Meeting

Pursuant to Article R. 225-30 of the French Commercial Code, we have been notified of the following agreements approved by the General Meeting in prior years that continued to operate during the year ended.

► **With divisional subsidiaries of your Company**

Persons concerned

Henri Morel, Chairman and CEO of your Company and of NEU-JKF SA, a subsidiary of your Company, director of NEU FEVI SA and Chairman of Arc Management, which is a director of your Company and Chairman of Dény Security and Dom-Metalux, divisional subsidiaries of your Company.

Damien Chauveinc, Deputy Managing Director of your Company, Chairman of NEU-JKF SA, a subsidiary of your Company, and Chairman of the Board of Directors of NEU-JFK Fevi SA, a divisional subsidiary of your Company.

Financière Barriquand is the majority shareholder of Barriquand Shell And Tubes, of which MMD is the majority shareholder, which in turn is majority controlled by your Company. MMD is chaired by Arc Management, represented by its CEO, Sophie Morel, a director of your Company.

Nature, purpose and terms

On 15 November 2019 your Company signed an agreement with its direct and indirect subsidiaries, for an indefinite term with effect from 1 January 2019, for the provision of assistance in the following areas: definition, implementation and control of strategy, operational management, administration, finance, accounting and taxation, legal affairs, information technology, corporate policy and CSR, human resources, and management and accounting treatment of dividends.

Fees are calculated on the basis of a declining scale applied to monthly revenues, excluding tax and intercompany sales, generated outside the scope of the commission agreement.

Accordingly, on the 5th of each month, the divisional subsidiaries forward their respective division holding company a statement of their revenues, excluding tax and intercompany sales, generated during the previous month outside the scope of the commission agreement.

The division holding companies such as NEU-JKF calculate the amounts owed to your Company, setting out on their statement the amounts they have invoiced the divisional subsidiaries in respect of the services, adding 1.50% of their revenues as defined above and subtracting any amounts directly invoiced to them by Arc Management for the same services.

At year-end, an additional fee amount may be paid if the contractual fee fails to cover all of your Company's operating expenses.

If your Company's operating earnings are positive, it refunds the divisional subsidiaries the portion of remuneration paid exceeding €50,000 by means of a credit note. This refund is distributed among the divisional subsidiaries in proportion to the amount of annual fees they have paid to your Company.

The income recognised by your Company in respect of this agreement with the divisional subsidiaries for the year ended 31 December 2024 breaks down as follows:

Divisional subsidiaries concerned	**Amount excl. tax (€)**
DÉNY SECURITY	141,290.19
DOM-METALUX	161,991.06
NEU-JKF	602,773.35
NEU-JKF FEVI	154,599
BARRIQUAND SHELL AND TUBES	73,265.17
Total	**1,133,918.77**

► **With Eliot et Cie, a divisional subsidiary of your Company**

Person concerned

Arc Management, represented by Henri Morel, the former being Chairman of Picard Serrures, sole shareholder of Eliot et Cie.

Nature, purpose and terms

Service agreement whereby your Company undertakes to provide its divisional subsidiary Eliot et Cie with assistance and advice in the following areas: definition, implementation and control of strategy, operational management, administration, finance, accounting and taxation, legal affairs, information technology, corporate and CSR policy, human resources, and management and accounting treatment of dividends.

The agreement was signed on 15 October 2018 for an indefinite term with effect from 1 June 2018 and amended via amendment no. 1 dated 15 November 2019 with effect from 1 January 2019. This amendment modified the services provided by your Company. Fee terms remained unchanged.

Fees amount to 1% of Eliot et Cie's annual revenues excluding tax.

The income recognised by your Company in respect of this agreement for the year ended 31 December 2024 was €20,610 excluding tax.

► With JKF Industri A/S, a divisional subsidiary of your Company

Persons concerned

Henri Morel, Chairman and CEO of your Company and Chairman of JKF Industri A/S.

Damien Chauveinc, Deputy Managing Director of your Company and Member of the Board of Directors of JKF Industri A/S.

Nature, purpose and terms

Service agreement whereby your Company undertakes to provide its divisional subsidiary JKF Industri A/S with assistance and advice in the following areas: definition, implementation and control of strategy, operational management, administration, finance, accounting and taxation, legal affairs, information technology, corporate and CSR policy, human resources, and management and accounting treatment of dividends.

The agreement was signed on 14 December 2017 for an indefinite term with effect from 1 October 2017 and amended via amendment no. 1 dated 15 November 2019 with effect from 1 January 2019. This amendment modified the services provided by your Company. Fee terms remained unchanged.

Fees amount to 1% of JKF Industri A/S's annual revenues excluding tax, after deduction of sales of products and services within the NEU-JKF division and to other NEU-JKF division companies.

The income recognised by your Company in respect of this agreement for the year ended 31 December 2024 was €264,537.11 excluding tax.

► With Antipanic SpA, a divisional subsidiary of your Company

Persons concerned

Henri Morel, Chairman and CEO of your Company and director of Antipanic SpA.

Sophie Morel, director of Antipanic SpA and permanent representative of Arc Management, which is a director of your Company.

Nature, purpose and terms

Service agreement whereby your Company undertakes to provide its divisional subsidiary Antipanic SpA with assistance and advice in the following areas: marketing strategy, administration, finance, accounting, legal affairs and information technology.

The agreement was entered into on 14 December 2018 for an indefinite term with effect from 1 October 2018.

Fees amount to 1% of Antipanic SpA's annual revenues excluding tax, after deduction of sales of products and services within the DOM Security division and to other DOM Security division companies.

The income recognised by your Company in respect of this agreement for the year ended 31 December 2024 was €88,860 excluding tax.

► With Datagroupe SA, a subsidiary of your Company

Persons concerned

Sophie Morel, permanent representative of your Company, which is a director of Datagroupe SA, and permanent representative of Arc Management, a director of your Company.

Hervé Houdart, a director of your Company and of Datagroupe SA.

Nature, purpose and terms

Service agreement for an indefinite term dated 31 October 2000 and its amendments no. 1 dated 4 April 2001, no. 2 dated 12 March 2002, no. 3 dated 26 June 2005, no. 4 dated 4 July 2007, no. 5 dated 15 February 2008, no. 6 dated 26 July 2016 and no. 7 dated 26 March 2019, whereby Datagroupe SA undertook to provide your Company with advice and assistance in the following areas: finance and accounting, sales, HR, management and information technology.

Amendment no. 7 dated 26 March 2019 amended the annual fees paid under the agreement, which were increased to €1,170,000 excluding tax, i.e. €97,500 excluding tax per month, and the annual flat-rate amount of success fees paid, which increased to €80,000 excluding tax.

The expense recognised by your Company in respect of this agreement for the year ended 31 December 2024 was €1,320,000 excluding tax.

▶ With Arc Management

Persons concerned

Henri Morel, director, Chairman and CEO of your Company and Chairman of Arc Management.

Sophie Morel, permanent representative and CEO of Arc Management, which is a director of your Company.

a) Nature, purpose and terms

On 2 April 2019, your Company entered into an agreement with Arc Management for the provision of assistance, services and advice in the following areas: administration, organisation and chairmanship of the G10, corporate and CSR policy, human resources and specific services (finance and contract negotiation). This agreement was entered into for an indefinite term beginning on 1 April 2019.

Subsequently, on 31 October 2019 your Company signed amendment no. 1 to this agreement, with effect from 1 September 2019, which extended the scope of services provided by your Company and increased the annual fees from €221,000 to €241,000.

The expense recognised by your Company in respect of this agreement and its amendment for the year ended 31 December 2024 was €588,000 excluding tax.

b) Nature, purpose and terms

Sublease by your Company to Arc Management of a 55 m^2 office on the first floor of its premises at 20 rue de l'Arc de Triomphe, Paris (75017).

The sublease agreement was signed on 25 October 2019 with effect from 1 October 2019. The term of this sublease is equal to the term of the commercial lease entered into between your Company and SCI BGM, i.e. until 31 December 2027.

The income recognised by your Company in respect of this agreement for the year ended 31 December 2024 was €35,597.99 excluding tax.

With SCI BGM

Person concerned

Henri Morel, Manager of SCI BGM and Chairman and CEO of your Company.

Nature, purpose and terms

Commercial lease agreement for an office building located at 20 rue de l'Arc de Triomphe, Paris (75017).

Commercial lease signed on 30 January 2019 cancelling and superseding the commercial lease dated 29 June 2007, as amended by amendments no. 1 dated 19 December 2012 and no. 2 dated 30 December 2015, the term of which had been rendered indefinite following the 30 June 2016 contractual expiry date.

The new agreement was entered into for a term of nine full and consecutive years ending 31 December 2027.

The expense recognised for your Company in respect of this commercial lease agreement for the year ended 31 December 2024 was €757,942.75 excluding tax (annual rent excluding taxes and charges).

Neuilly-sur-Seine and Paris-La Défense, 28 April 2025

The Statutory Auditors

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Arnaud Dekeister	Marie Le Treut

STATUTORY AUDITORS' REPORT

on the consolidated financial statements for the year ended 31 December 2024

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ERNST & YOUNG Audit

Tour First

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92037 Paris-La Défense cedex

S.A.S. with variable capital

344 366 315 Nanterre Trade & Companies Register

Statutory auditors

Member of the

Versailles and Centre Institute of Statutory Auditors

To the General Meeting of GROUPE SFPI,

Opinion

In accordance with the engagement entrusted to us by your General Meeting, we have audited the consolidated financial statements of GROUPE SFPI for the year ended 31 December 2024, which are appended to this report.

We hereby certify that, with regard to IFRS as adopted within the European Union, the consolidated financial statements give a true and fair view of the results of the operations of the group comprising the persons and entities included in the consolidation scope during the year ended and the financial position, assets and liabilities of said group at the end of the year.

The opinion expressed above is consistent with the terms of our report to the Audit Committee.-

Bases of opinion

Terms of reference

We conducted our audit in accordance with professional standards applicable in France. We consider that the evidence that we have gathered is sufficient and appropriate to form the basis for our opinion.

Our responsibilities in accordance with these standards are set out in the section of this report entitled "Statutory auditors' responsibilities regarding the audit of the consolidated financial statements".

Independence

We have performed our audit in compliance with the rules of independence provided for by the French Commercial Code and the French Code of Ethics for statutory auditors for the period running from 1 January 2024 to the date of issue of our report. In particular, we have not provided services prohibited under Article 5, paragraph 1, of Regulation (EU) No. 537/2014.

Justification of our assessments - Key audit matters

Pursuant to the provisions of Articles L. 821-53 and R. 821-180 of the French Commercial Code on the justification of our assessments, we draw your attention to the key audit matters relating to the risk of material misstatements which, in our professional judgement, have been the most significant for the audit of the consolidated financial statements and to our responses with regard to these risks.

These assessments were made as part of our audit of the consolidated financial statements, taken as a whole, and therefore contributed to the formation of the opinion expressed herein.- We express no opinion on individual items comprising these consolidated financial statements taken in isolation.

Valuation of goodwill and property, plant and equipment

(Paragraphs 7 - “Goodwill”, 8 - “Property, plant and equipment” and 10 - “Impairment” of the section entitled “Accounting policies, valuation methods and IFRS options adopted”, as well as Note 1 - “Goodwill” and Note 3 - “Property, plant and equipment”).

Risk identified	Our response
As at 31 December 2024, goodwill and property, plant and equipment are stated on the balance sheet at a total amount of €139 million and represent 25% of consolidated total assets. These assets are tested for impairment whenever there is an indication of impairment and, in the case of goodwill, at least once a year. For the purposes of impairment testing, these assets are allocated to cash-generating units which correspond to the subsidiaries of your Group. An impairment loss is recorded where the recoverable amount of these assets is less than the carrying amount. Recoverable amount equals the higher of fair value less costs to sell and value in use. Value in use is measured using the discounted cash flow (DCF) method. The calculation of the recoverable amount depends on judgements made by management, particularly with regard to cash flow forecasts and the discount rates applied to them. Accordingly and in view of their materiality in the consolidated financial statements, we consider the measurement of goodwill and property, plant and equipment to be a key audit matter.	In order to assess the determination of recoverable amounts, our work assisted by our valuation experts consisted mainly in: • obtaining an understanding of the impairment test model used and the process established by management in order to perform these tests; • assessing the integrity of the impairment test model used and the appropriateness of any changes made to the previous year’s model; • conducting interviews with management to identify the main judgements, estimates and assumptions used in the impairment test model, thereby obtaining explanations to corroborate these judgements, estimates and assumptions; • corroborating key data in the impairment test model with historical data and the data presented by the Chairman and CEO to the Board of Directors; • analysing the calculation methods or documents justifying the parameters used, in particular the discount rates, comparing these parameters with market data or external sources and recalculating these rates using our own data sources; • assessing the appropriateness of the information presented in the notes to the consolidated financial statements. We specifically examined the sensitivity analyses presented in the notes to the consolidated financial statements and verified their arithmetic accuracy.

Valuation of retirement benefits and long-service awards

(Paragraph 16 - “Retirement benefits and long-service awards” of the section entitled “Accounting policies, valuation methods and IFRS options adopted”, as well as Note 13 - “Non-current and current provisions” and Note 14 - “Provisions for retirement benefits and long-service awards (IAS 19)”)

Risk identified

As at 31 December 2024, retirement benefits and long-service awards, which are recognised under non-current and current provisions, are stated on the balance sheet at a value of €55 million compared to a balance sheet total of €566 million.

Retirement benefits and long-service awards are measured using the projected unit credit method. Your Group management enlists the services of an independent actuary to measure the obligations of the German subsidiary Dom GmbH. Meanwhile, the value of other subsidiaries' obligations is measured by the Group.

The procedures for carrying out these measurements therefore largely involve estimates and assumptions focusing on:

- wage growth projections excluding inflation;
- the long-term inflation rate;
- life expectancy, as well as the probability of employees' presence at the subsidiary upon retirement and at the date on which termination benefits and pensions are paid;
- the discount rate applied.

A change in these assumptions would be liable to have a material impact on the value of recognised liabilities as well as on your Group's consolidated earnings and shareholders' equity.

Given the materiality of retirement benefits and long-service awards in the consolidated financial statements, the judgements and assumptions required to estimate their amounts and the corresponding sensitivity, we consider the valuation of retirement benefits and long-service awards to be a key audit matter.

Our response

We ascertained the process whereby your Group measures retirement benefits and long-service awards and defines actuarial and demographic assumptions.

We also analysed the compliance of the methods used with applicable accounting standards, assessed the competency and independence of the independent actuary enlisted to estimate the value of Dom GmbH pensions and assessed the work performed by this person.

Furthermore, we carried out sample testing to assess the completeness and validity of the individual databases used for the purposes of this valuation.

Drawing on the expertise of our actuarial specialists, we:

- assessed the consistency between the discount rates applied and the corresponding periods as estimated for each subsidiary with regard to the calendar of payments, as well as the reasonableness of these rates in view of market conditions;
- compared the inflation rate and mortality table applied with market benchmark indices;
- assessed the consistency between (i) the assumptions regarding wage growth and probability of presence and (ii) specific conditions applicable to the main subsidiaries;
- analysed the compliance of entitlement calculations with the stipulations of the applicable collective bargaining agreements;
- carried out sample testing on the mathematical accuracy of your Group's calculations.

Lastly, we reviewed management's analyses of sensitivity to changes in the main assumptions applied.

Specific testing

In accordance with the professional standards applicable in France, we also performed the specific testing required by statutory and regulatory provisions regarding information on the Group contained in the Board of Directors' management report.

We have no matters to report regarding the fair presentation of said information and its consistency with the consolidated financial statements.

Other verifications and disclosures required by statutory and regulatory provisions

Presentation format of the consolidated financial statements to be included in the annual financial report

In accordance with the professional standards applicable to the statutory auditor's work relating to the parent company and consolidated financial statements presented in accordance with the European single electronic reporting format, we have also verified compliance with this format as defined by European Delegated Regulation No. 2019/815 of 17 December 2018 in the presentation of the consolidated financial statements to be included in the annual financial report referred to in Article L. 451-1-2 (I) of the French Monetary and Financial Code, prepared under the responsibility of the Chairman and Chief Executive Officer. In the case of consolidated financial statements, our work includes verifying that the marking of these financial statements complies with the format defined by the aforementioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to verify that the consolidated financial statements actually included by your Company in the annual financial report filed with the AMF correspond to those on which we have performed our work.

Appointment of statutory auditors

We were appointed statutory auditors of GROUPE SFPI by your General Meeting on 18 June 2021.

As at 31 December 2024, our firms were in the fourth consecutive year of their engagement.

Responsibilities of management and persons involved in corporate governance with regard to the consolidated financial statements

It is management's responsibility to prepare consolidated financial statements that present a true and fair view, in accordance with IFRS as adopted in the European Union, and to implement the internal control system it deems necessary to ensure the preparation of consolidated financial statements that are free of material misstatements, whether the result of fraud or error.-

In preparing the consolidated financial statements, management is required to assess the Company's ability to continue its operations, to present, in these statements, where applicable, the requisite information with regard to continuity of business and to apply the going concern principle, unless there is the intention to liquidate the Company or discontinue its operations.

It is the responsibility of the Audit Committee to monitor the process for the preparation of financial information and the effectiveness of internal control and risk management systems, and, where applicable, of the internal audit system, as regards the procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements have been approved by the Board of Directors.

Statutory auditors' responsibilities regarding the audit of the consolidated financial statements

Audit objective and approach

It is our responsibility to prepare a report on the consolidated financial statements. Our goal is to obtain reasonable assurance that these consolidated financial statements, taken as a whole, are free of material misstatements. Reasonable assurance corresponds to a high level of assurance, without, however, the guarantee that an audit performed in accordance with professional standards enables systematic detection of all material misstatements. Misstatements may result from fraud or error and are deemed material when they may reasonably be expected, when taken either individually or together, to influence economic decisions taken by users of the financial statements on the basis thereof.-

As specified in Article L. 821-55 of the French Commercial Code, our engagement to certify the financial statements does not consist in guaranteeing the viability or quality of your Company's management.

Within the scope of an audit performed in accordance with professional standards applicable in France, the statutory auditor exercises his or her professional judgement throughout the duration of this audit. Furthermore:

- the auditor identifies and assesses the risks that the consolidated financial statements contain material misstatements, whether resulting from fraud or error, defines and implements audit procedures to address these risks, and gathers the elements the auditor deems necessary and appropriate upon which to base the auditor's opinion.- The risk of not detecting a material misstatement resulting from fraud is more serious than the risk of not detecting a material misstatement resulting from error, since fraud may involve collusion, falsification, deliberate omission, false representations or the circumvention of internal control;-
- the auditor examines the aspects of the internal control system that are relevant to the audit, in order to define the audit procedures appropriate in the circumstances but not for the purpose of expressing an opinion on the efficacy of the internal control system;
- the auditor assesses the appropriateness of the accounting methods adopted and the reasonableness of the accounting estimates made by management, as well as the related information provided in the consolidated financial statements;
- the auditor assesses the appropriateness of management's application of the going concern principle and, according to the information gathered, the existence or absence of material uncertainty regarding events or circumstances liable to jeopardise the Company's ability to continue its operations. This assessment is based on information gathered up until the date of the auditor's report, provided, however, that any subsequent circumstances or events could jeopardise business continuity. If the auditor finds that material uncertainty exists, the auditor draws the attention of the readers of the auditor's report to the information provided in the consolidated financial statements regarding this uncertainty or, if such information is not provided or is irrelevant, issues certification with reservations or refuses to certify;
- the auditor assesses the presentation of the consolidated financial statements, taken as a whole, and assesses whether they reflect the underlying transactions and events in such a way as to give a true and fair view thereof;-
- concerning financial information regarding the businesses or entities included in the consolidation scope, the auditor gathers the information the auditor deems sufficient and appropriate in order to express an opinion on the consolidated financial statements. The auditor is responsible for the management, supervision and performance of the audit of the consolidated financial statements as well as the opinion expressed on said financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee defining the scope of the audit work and the audit programme implemented, as well as the findings based on our work. We also draw the Committee's attention to any material internal control deficiencies we have identified, as regards procedures relating to the preparation and processing of accounting and financial information.

The report submitted to the Audit Committee also contains information on the risks of material misstatements that we deemed to have been the most significant for the audit of the consolidated financial statements and which therefore constitute key audit matters, which we are required to set out herein.

We also submit to the Audit Committee the declaration set out in Article 6 of Regulation (EU) No. 537/2014 confirming our independence, within the meaning of the rules applicable in France as defined in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code and the French Code of Ethics for statutory auditors. If necessary, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Neuilly-sur-Seine and Paris-La Défense, 28 April 2025

The Statutory Auditors

GRANT THORNTON
French member of Grant Thornton International

Arnaud Dekeister

ERNST & YOUNG Audit

Marie Le Treut

STATUTORY AUDITORS' REPORT

on the share capital reduction (Resolution 18)

GRANT THORNTON
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Statutory auditors
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Versailles and Centre Institute of Statutory Auditors

To the General Meeting of GROUPE SFPI,

In our capacity as statutory auditors of your Company and in execution of the engagement provided for in Article L. 22-10-62 of the French Commercial Code in the event of a capital reduction by cancellation of shares purchased, we have drawn up this report in order to provide you with our assessment of the causes and conditions of the planned capital reduction.

Your Board of Directors proposes that you grant it full powers, for a 26-month term beginning on the day of this General Meeting, to cancel shares purchased pursuant to the authorisation for your Company to buy back its own shares in accordance with the aforementioned article, subject to a limit of 10% of the share capital per 24-month period.

We carried out the work we considered necessary pursuant to professional standards of the French National Auditors Association relating to this engagement. This work involved reviewing the validity of the causes and conditions of the planned capital reduction, which is not liable to compromise shareholder equality.

We have no matters to report regarding the causes and conditions of the planned capital reduction.

Neuilly-sur-Seine and Paris-La Défense, 28 April 2025

The Statutory Auditors

GRANT THORNTON
French member of Grant Thornton International

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ERNST & YOUNG Audit

Marie Le Treut

GROUPE SFPI REPORT ON THE CERTIFICATION OF SUSTAINABILITY REPORTING AND THE VERIFICATION OF DISCLOSURE REQUIREMENTS UNDER ARTICLE 8 OF REGULATION (EU) 2020/852

Financial year ended 31 December 2024

To the General Meeting,

This report is issued in our capacity as statutory auditor responsible for certifying the consolidated sustainability reporting of GROUPE SFPI (hereinafter "SFPI"). Our report covers the sustainability reporting and disclosures set out in Article 8 of Regulation (EU) 2020/852, relating to the financial year ended 31 December 2024 and included in Section 5 "Sustainability Report" of the Group management report.

Pursuant to Article L. 233-28-4 of the French Commercial Code, SFPI is required to include the aforementioned information in a separate section of its Group management report. This information has been prepared in the context of the first-time application of the aforementioned articles, characterised by uncertainties regarding the interpretation of the texts, the use of material estimates, the absence of established practices and frameworks, particularly with regard to the double materiality analysis, and by a changing internal control system. This information provides an understanding of the impacts of SFPI's activity on sustainability matters, along with the effect of said matters on the evolution of its business, earnings and situation. Sustainability matters include environmental, social and governance matters.

Pursuant to Article L. 821-54 (II) of the aforementioned Code, our engagement consists in carrying out the work required to issue an opinion expressing limited assurance with regard to:

- compliance of the process implemented by SFPI to determine the information disclosed with the European Sustainability Reporting Standards ("ESRS") adopted pursuant to Article 29(b) of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 and compliance with the obligation to consult the Social and Economic Committee provided for in the last paragraph of Article L. 2312-17 of the French Labour Code;
- compliance of the sustainability reporting included in Section 5 of the Group management report with the requirements of Article L. 233-28-4 of the French Commercial Code and with the ESRS; and
- compliance with the disclosure requirements under Article 8 of Regulation (EU) 2020/852.

The performance of this engagement is carried out in compliance with the rules of ethics, including those regarding independence,
and the quality requirements set out in the French Commercial Code.

It is also governed by the guidelines issued by the French High Audit Authority entitled "*Engagements for certifying the sustainability reporting and verifying the disclosure requirements provided for in Article 8 of Regulation (EU) 2020/852*".

In the three separate parts of the report that follow, we present, for each of the areas of our engagement, the nature of the verifications that we have carried out, the conclusions that we have drawn from them and, in support of these conclusions, the elements that have received particular attention on our part and the procedures that we have implemented in respect of these elements. We draw your attention to the fact that we do not express any conclusions on these matters taken individually and that the procedures described should be considered in the overall context of the conclusions issued on each of the three areas of our engagement.

Finally, when it seems necessary to draw your attention to one or more items of sustainability reporting provided by SFPI in its Group management report, we include a paragraph of observations.

Limitations of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of control techniques), scope (extent) and duration of the work are less than those required to obtain reasonable assurance.

In addition, this engagement does not consist in guaranteeing the viability or quality of SFPI's management, in particular to make an assessment beyond compliance with the ESRS disclosure requirements on the relevance of the choices made by SFPI in terms of action plans, targets, policies, scenario analyses and transition plans.

However, it allows conclusions to be drawn regarding the process of determining the sustainability reporting disclosed, the information itself and the information published pursuant to Article 8 of Regulation (EU) 2020/852, regarding the absence or presence of errors, omissions or inconsistencies of such significance that they could influence the decisions of readers of the information subject to our verification.

Our engagement does not cover any comparative data.

Compliance of the process implemented by SFPI to determine the information disclosed with the ESRS, and compliance with the obligation to consult the Social and Economic Committee provided for in the last paragraph of Article L. 2312-17 of the French Labour Code

Nature of verifications

Our work consisted in verifying that:

- the process defined and implemented by SFPI allowed it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters and to identify those of said material impacts, risks and opportunities that led to the publication of sustainability reporting in Section 5 of the Group management report, and
- the information provided on this process is also ESRS-compliant.

In addition, we monitored compliance with the obligation to consult the Social and Economic Committee.

Conclusion of verifications

Based on the verifications we have carried out, we have identified no material errors, omissions or inconsistencies regarding the compliance of the process implemented by SFPI with the ESRS.

With regard to the consultation of the Social and Economic Committee provided for in the last paragraph of Article L. 2312-17 of the French Labour Code, we hereby inform you that GROUPE SFPI, a company with fewer than eleven employees, has not set up a Social and Economic Committee.

Elements that received particular attention

Below, we present the elements to which we paid particular attention with regard to the compliance of the process implemented by SFPI to determine the information disclosed with the ESRS.

Regarding the identification of stakeholders

Information relating to the identification of stakeholders is mentioned in paragraph 2.5 of the Sustainability Report "SBM-2 – Interests and views of stakeholders".

We interviewed management and the individuals concerned and inspected the available documentation. Our procedures included assessing the consistency between the entity's identification of its main stakeholders and the nature of its activities, taking into account its business relationships and value chain.

Regarding the identification of impacts, risks and opportunities

Information relating to the identification of impacts, risks and opportunities is mentioned in paragraph 2.6 of the Sustainability Report "SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model".

In particular, we have taken note of the entity's implementation process concerning the identification of impacts (negative or positive), risks and opportunities ("IRO"), actual or potential, in connection with the sustainability matters mentioned in paragraph AR16 of the "Application requirements" of ESRS 1, as presented in paragraph 4 of the Sustainability Report entitled "Identification and overall evaluation of IROs".

We also assessed the reporting scope used to identify IROs, particularly in relation to the scope of the consolidated financial statements.

We reviewed the entity's mapping of identified IROs, including the description of their distribution across the Company's own activities and value chain, as well as their time horizon (short-, medium- or long-term), and we assessed the consistency of this mapping with our knowledge of the Group.

Regarding the assessment of impact materiality and financial materiality

Through interviews with management and inspection of the available documentation, we reviewed the evaluation process for assessing impact materiality and financial materiality implemented by the entity and we assessed its compliance with the criteria defined by ESRS 1.

In particular, we assessed how the entity established and applied the materiality criteria for information defined by ESRS 1, including those relating to the setting of thresholds, in order to determine the material information disclosed:

- with regard to indicators relating to material IROs identified in accordance with the relevant topical ESRS;
- with regard to entity-specific disclosures.

Compliance of the sustainability reporting included in Section 5 of the Group management report with the requirements of Article L. 233-28-4 of the French Commercial Code and with the ESRS.

Nature of verifications

Our work consisted in verifying, in accordance with legal and regulatory requirements, including those in the ESRS, that:

- the information provided makes it possible to understand the conditions of preparation and governance of the sustainability reporting included in Section 5 of the Group management report, including the conditions for determining the information relating to the value chain and the disclosure exemptions adopted;
- the information is presented in such a way as to ensure its clarity and comprehensibility;
- the reporting scope applied by SFPI with regard to this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of its users, that this information contains no material errors, omissions or inconsistencies likely to influence the judgement or decisions of the users of this information.

Conclusion of verifications

Based on the verifications we have carried out, we have identified no material errors, omissions or inconsistencies regarding the compliance of the sustainability reporting included in Section 5 of the Group management report with the requirements of Article L. 233-28-4 of the French Commercial Code, including with the ESRS.

Observations

Without calling into question the conclusion expressed above, we draw your attention to the information presented in the Group management report under Paragraph 1.1 of the ESRS 2 chapter of the Sustainability Report, which sets out the contextual specificities related to the first year of application of the CSRD requirements, the main sources of uncertainties and estimates, the scope limitations for the calculation of certain indicators and the methodological choices made by management.

Furthermore, we draw your attention to the fact that the information published under Scope 3 of the carbon assessment relies heavily on fundamental assumptions, in particular on the use of the products sold, as laid out in the Group management report under Paragraph 3.3 of the "Environment" chapter of the Sustainability Report.

Elements that received particular attention

Information provided in accordance with the environmental standard (ESRS E1)

Below we present the elements that received particular attention on our part with regard to the compliance of the climate change information (ESRS E1) disclosed under Section 6 “Environmental information” in the Group management report with the ESRS.

Our work mainly focused on:

- conducting interviews with management or the individuals concerned, in particular the CSR department, to understand the entity’s policies and guidelines to address climate change mitigation and adaptation;
- reviewing the processes and internal documentation established by the entity aimed at ensuring the compliance of the information disclosed.

More specifically, with regard to the information disclosed in respect of greenhouse gas (GHG) emissions, our work consisted of:

- taking note of the greenhouse gas emission inventory protocol used by the entity to establish the greenhouse gas emission review;
- with regard to Scope 3 emissions, assessing the reporting scopes selected for the various categories and the information collection process;
- for the estimates that we considered to be fundamental, taking note of the methodology selected;
- for a selection of data underlying the assessment of GHG emissions, reconciling the data used with supporting documents such as energy consumption records;
- implementing analytical procedures;
- verifying the mathematical accuracy of the calculations used to establish this information.

Compliance with the disclosure requirements under Article 8 of Regulation (EU) 2020/852

Nature of verifications

Our work consisted of verifying the process implemented by SFPI to determine the eligibility and aligned nature of the activities of the entities included in the consolidation scope.

Our work also consisted of verifying that the information disclosed pursuant to Article 8 of Regulation (EU) 2020/852, which involves verifying:

- compliance with the rules for presenting the information in such a way as to ensure its clarity and comprehensibility;
- based on a selection, the absence of material errors, omissions and inconsistencies in the information provided likely to influence the judgement or decisions of users of this information.

Conclusion of verifications

Based on the verifications we have carried out, we have identified no material errors, omissions or inconsistencies regarding compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

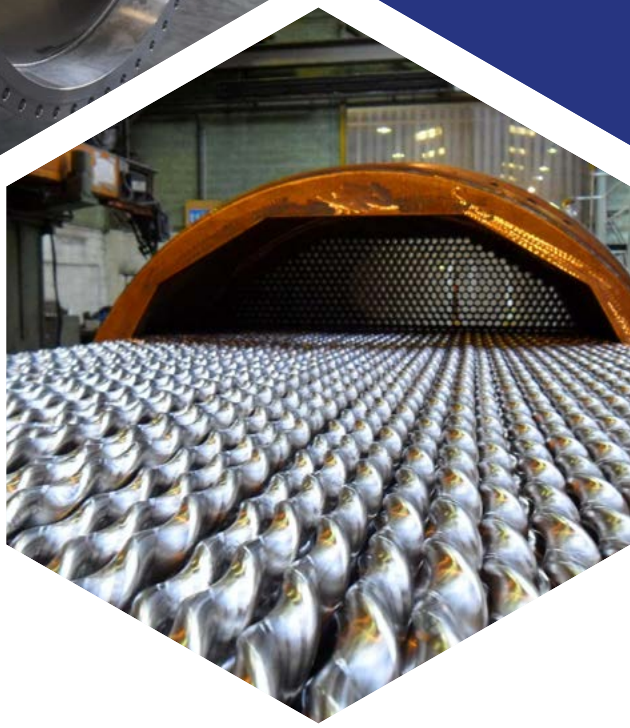
Elements that received particular attention

We determined that there were no such elements to communicate in our report.

Paris, 28 April 2025

Statutory auditors

PKF Arsilon Commissariat aux comptes
Iris Chabrol



COMBINED ORDINARY AND EXTRAORDINARY GENERAL MEETING OF 20 JUNE 2025

Draft resolutions

RESOLUTIONS TO BE SUBMITTED TO THE ORDINARY GENERAL MEETING

First resolution

Approval of the full-year company financial statements

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Board of Directors' management and business report and the statutory auditors' report on the parent company financial statements for the year ended 31 December 2024, hereby approve said financial statements as presented to it, showing net income of €11,503,648, as well as the transactions recorded in said financial statements or summarised in said reports.

Noting that the financial statements for the year ended include costs and expenses of €2,660 not deductible from taxable income, pursuant to Article 39-4 of the French General Tax Code, broken down into €324 in excess depreciation and €2,336 in corporate vehicle tax, the General Meeting hereby approves the amount of these costs and expenses.

Second resolution

Appropriation of earnings for the financial year

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, hereby approves the proposed appropriation of earnings that was presented to it by the Board of Directors.

As a result, the profit for the year amounting to €11,503,648 is appropriated as follows:

Source:

- Net income for the year: €11,503,648.

Appropriation:

- 5% to the legal reserve: €575,182, thereby raising the balance from €4,884,126 to €5,459,308.
- Dividends: €7,548,160.56, i.e. €0.08 per share.
- Balance of the year's profit, i.e. €3,380,350.44, to 'Other reserves', thereby raising the balance of this account from €36,130,307 to €39,510,612.44.

The General Meeting duly notes that, since the 2018 French Finance Act came into force, dividends received by an individual taxpayer have been automatically subject to a single 30% flat-rate withholding tax (*prélèvement forfaitaire unique* or PFU) comprising 12.80% income tax and 17.20% social security contributions. However, taxpayers may expressly request that their dividends be taxed according to the income tax sliding scale.

The cash dividend will be paid on 27 June 2025.

The General Meeting hereby specifies that, if the Company holds treasury shares at the time the dividend is paid, the distributable profit corresponding to the unpaid dividends attached to such shares shall be allocated to the retained earnings account.

Dividends distributed in respect of the last three financial years

The General Meeting duly notes that the dividend paid out in respect of the past three financial years was as follows:

Year	Dividend distributed	Dividend per share
2021	€7,945,432.16	€0.08
2022	€4,965,895.10	€0.05
2023	€2,979,537.06	€0.03

Third resolution

Approval of agreements governed by Articles L. 225-38 et seq. of the French Commercial Code, authorised during past years, which continued to operate during the year ended

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having heard the statutory auditors' special report on agreements governed by Articles L. 225-38 et seq. of the French Commercial Code which continued to operate during the year ended, hereby approves the findings of said report and the agreements referred to therein.

The shareholders concerned are not entitled to vote for this resolution and their shares will be excluded from calculation of quorum and majority.

Fourth resolution

Approval of the agreements governed by Articles L. 225-38 et seq. of the French Commercial Code and entered into during the year ended

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having heard the statutory auditors' special report on agreements governed by Articles L. 225-38 et seq. of the French Commercial Code, hereby approves the findings of said report witnessing the absence of agreements entered into during the year ended.

Fifth resolution

Approval of the full-year consolidated financial statements

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having heard the Board of Directors' management and business report and the statutory auditors' report on the consolidated financial statements for the financial year ended 31 December 2024, hereby approves the consolidated financial statements for the financial year ended 31 December 2024 as presented, showing net income of consolidated companies of €14,741,000, as well as the transactions recorded in the said financial statements or summarised in the management and business report.

Net income Group share after minority interests amounted to €14,552,000.

Sixth resolution

Reappointment of Arc Management SAS as director

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the report of the Board of Directors, reappoints Arc Management SAS as a director to serve for a term of three years, until the close of the Ordinary General Meeting to be called in 2028 to approve the financial statements for the 2027 financial year.

Seventh resolution

Appointment of Corinne Romefort-Regnier as director

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the report of the Board of Directors, appoints Corinne Romefort-Regnier, residing at 27 rue Gustave Caillebotte, 78420 Carrières-sur-Seine, to serve as a director alongside the incumbent directors of the Board for a term of three years, until the close of the Ordinary General Meeting to be called in 2028 to approve the financial statements for the 2027 financial year.

Eighth resolution

Appointment of Pierre Knoché as director

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the report of the Board of Directors, appoints Pierre Knoché, residing at 8 rue Mahias, 92100 Boulogne-Billancourt, to serve as a director alongside the incumbent directors of the Board for a term of three years, until the close of the Ordinary General Meeting to be called in 2028 to approve the financial statements for the 2027 financial year.

Ninth resolution

Approval of the information on corporate officer remuneration referred to in Article L. 22-10-9 (I) of the French Commercial Code

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the corporate governance report, and pursuant to Article L. 22-10-34 (I) of the French Commercial Code, hereby approves the information referred to in Article L. 22-10-9 (I) of the French Commercial Code as presented in section 4 of the corporate governance report included in the Board of Directors' management and business report.

Tenth resolution

Determination of total amount of annual remuneration to be allocated to the members of the Board of Directors

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the report of the Board of Directors and the corporate governance report, hereby resolves to set the total amount of annual remuneration to be distributed among the members of the Board of Directors, in consideration for the performance of their duties during the 2025 financial year and until such time as a different decision is taken, at €54,000.00.

The General Meeting grants full powers to the Board of Directors to allocate this remuneration among the members of the Board of Directors in accordance with the procedures described in the corporate governance report.

Eleventh resolution

Approval of fixed, variable and exceptional items comprising the total remuneration and benefits of all kind paid or awarded to the Company's Chairman and Chief Executive Officer for the 2024 financial year

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the corporate governance report, approves, pursuant to Article L. 22-10-34 II of the French Commercial Code, the fixed components of the total remuneration and benefits of all kind paid or awarded to Henri Morel, Chairman and Chief Executive Officer of the Company, in respect of the 2024 financial year, as described in the corporate governance report (section 4.3) in accordance with Article L. 22-10-9 of the French Commercial Code.

Twelfth resolution

Approval of fixed, variable and exceptional items comprising the total remuneration and benefits of all kind paid or awarded to the Company's Deputy Managing Director for the 2024 financial year

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the corporate governance report, approves, pursuant to Article L. 22-10-34 of the French Commercial Code, the fixed and variable components of the total remuneration and benefits of all kind paid or awarded to Damien Chauveinc, Deputy Managing Director of the Company, in respect of the 2024 financial year, as described in the corporate governance report (section 4.3) in accordance with Article L. 22-10-9 of the French Commercial Code.

Thirteenth resolution

Approval of the Chairman and Chief Executive Officer remuneration policy in respect of the 2025 financial year - prospective voting procedure

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, taking note of the corporate governance report referred to in Article L. 225-37 of the French Commercial Code describing the components of the corporate officer remuneration policy, approves, pursuant to Article L. 22-10-8 (II) of the same code, the remuneration policy for the Chairman and Chief Executive Officer for the 2025 financial year as set out in paragraph (4.2) of the corporate governance report.

Fourteenth resolution

Approval of the Deputy Managing Director remuneration policy in respect of the 2025 financial year - prospective voting procedure

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, taking note of the corporate governance report referred to in Article L. 225-37 of the French Commercial Code describing the components of the corporate officer remuneration policy, approves, pursuant to Article L. 22-10-8 (II) of the same code, the remuneration policy for the Deputy Managing Director for the 2025 financial year as set out in paragraph (4.2) of the corporate governance report.

Fifteenth resolution

Approval of the remuneration policy for all corporate officers in respect of the 2025 financial year.

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the corporate governance report, hereby approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the remuneration policy for 2025 for the Company's corporate officers as presented in section 4 of the corporate governance report included in the Board of Directors' management and business report.

Sixteenth resolution

Authorisation to be granted to the Board of Directors to carry out transactions in the Company's shares

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Ordinary General Meetings, having reviewed the Board of Directors' report, hereby authorises the Board of Directors, with the option of further delegation, in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code, Articles L. 241-2 et seq. of the General Regulation of the French Financial Markets Authority (**AMF**) and European Parliament Regulation no. 596/2014 of 16 April 2014 on market abuse, to purchase or arrange the purchase of Company shares for the purpose of:

- coordinating and ensuring the liquidity of the Company's share market by means of an investment services provider acting independently in the name and on behalf of the Company pursuant to a liquidity contract in accordance with a code of ethics recognised by the French Financial Markets Authority (AMF); and/or
- allocating shares to employees or executive officers of the Company or related companies, particularly under a profit-sharing scheme, a company savings plan or as part of the allocation of bonus shares pursuant to Articles L. 225-197-1 et seq. of the French Commercial Code.

This programme is also designed to allow the Company to carry out transactions in Company shares for all other current or future purposes authorised by law and regulations in effect.

The Company may purchase treasury shares subject to the following limits:

- the number of shares purchased by the Company during the term of the buyback programme may not exceed 10% of the shares comprising the Company's share capital, at any time, this percentage applying to the share capital as adjusted for any transactions impacting it after this General Meeting; in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code, when the shares are repurchased to promote share liquidity under the conditions defined by the regulations in force, the number of shares taken into account for the calculation of the 10% cap corresponds to the number of shares purchased less the number of shares sold during the term of the authorisation; and
- the number of shares held by the Company at any given time may not exceed 10% of the Company's total share capital.

The purchase, sale, transfer, tendering or exchange of these shares may be carried out on one or more occasions and by any means whatsoever that are authorised by current or future regulations in force. Such means include over-the-counter transactions, block trading, repurchase agreements and the use of any derivative financial instrument, traded on a regulated market or over-the-counter and the implementation of option strategies (purchase and sale of put and call options and any combination thereof in compliance with applicable regulations). The portion of the buyback programme that may be implemented via block trades is equivalent to the entire share repurchase programme.

These transactions may be carried out at such times as the Board of Directors shall determine; however, during a public tender offer, the shares may only be repurchased if such buybacks:

- allow the Company to comply with commitments it has undertaken prior to the opening of the offer period;
- are carried out in continuation of a buyback programme already underway;
- fall under the objectives listed above; and
- are not liable to thwart the public tender offer.

The Board of Directors may also reallocate previously repurchased shares (including under a previous authorisation) to another objective, in compliance with applicable statutory and regulatory provisions, or sell them on or off the market.

The General Meeting hereby sets the maximum purchase price per share at €5.00 excluding acquisition costs.

The General Meeting grants the Board of Directors, with the option of further delegation in compliance with applicable statutory provisions, in the event of transactions in the Company's share capital, including in the event of a change in the share par value, a capital increase by capitalisation of reserves, an allocation of bonus shares, a share split or reverse share split, the power to adjust the aforementioned maximum purchase price in order to take into account the impact of these transactions on the value of the share.

The General Meeting grants the Board of Directors full powers, with the option of further delegation in accordance with applicable statutory provisions, to decide upon and exercise this authorisation, to set the terms and conditions thereof, where necessary, with the option of further delegating the execution of the buyback programme in accordance with applicable statutory provisions, and in particular to place all trading orders and enter into all agreements for the purpose of keeping registers of share purchases and sales, to make all declarations, in particular to the AMF and any other authority substituted in its place, to complete all formalities and, in general, to do whatever is necessary.

This authorisation is granted for a term of 18 months from the date of this General Meeting, i.e. until 20 December 2026, and, from the time the Board of Directors decides to exercise it, shall cancel the unused part of the authorisation granted to the Board of Directors to carry out transactions in Company shares by the General Meeting of 18 June 2024 under its 21st resolution.

Seventeenth resolution
Powers for formalities

The General Meeting hereby grants full powers to the bearer of an original, copy or certified true extract of the minutes of this meeting to complete all statutory and administrative formalities and carry out all filings and publications required by applicable legislation.

RESOLUTIONS TO BE SUBMITTED TO THE EXTRAORDINARY GENERAL MEETING

Eighteenth resolution
Authorisation to be granted to the Board of Directors to reduce the share capital through cancellation of treasury shares within the limit of 10% of the Company's share capital

The General Meeting, deliberating in accordance with the quorum and majority requirements applicable to Extraordinary General Meetings, having reviewed the Board of Directors' report and the statutory auditors' special report:

- hereby authorises the Board of Directors to cancel, at its sole discretion, on one or more occasions, within the limit of 10% of the share capital as calculated at the date of the decision to cancel, less any shares cancelled during the previous 24 months, shares that the Company holds or subsequently purchases as a result of buybacks carried out pursuant to Article L. 22-10-62 of the French Commercial Code, as well as to reduce the share capital in accordance with applicable statutory and regulatory provisions;
- hereby sets the term of this authorisation to perform the transactions required for such cancellations and corresponding capital reductions, amend the Company's articles of association accordingly and complete all required formalities at 26 months from the date of this General Meeting;
- hereby resolves that the difference between the buyback value of the cancelled shares and the par value shall be appropriated to 'Additional paid-in capital' or any available reserve account, including the legal reserve, subject to a cap of 10% of the share capital reduction carried out;
- hereby grants the Board of Directors, with the option of further delegation within the limits set by law and the articles of association, full powers to perform the transactions required for such cancellations and corresponding capital reductions, amend the Company's articles of association accordingly and complete all required formalities.

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