

## Smart CSR

For integrated environmental, social and societal management



# SEFP development methodology

---

The Statement of Extra-Financial Performance (SEFP) covers the Group's Corporate Social Responsibility (CSR) commitment by incorporating it into Delta Dore Group's management and overall strategy.

The CSR initiative consistently identifies priority sustainable development issues and carries out an assessment of the implications and impacts on the business model, stakeholders, and the environment. In addition, the Sustainable Development Goals (SDG) proposed by the UN allow a more detailed analysis of CSR issues, and thus drive the process even further.

Cross-referencing the materiality analysis with the identified CSR risks, as well as the SDGs, leads to the definition of priority issues and their associated strategies, the effectiveness of which is measured by key performance indicators.

This cross-functional initiative is headed by a CSR committee, in conjunction with Delta Dore Group stakeholders, process owners and employees. The SEFP was drafted in accordance with the regulatory requirements of the European directive of 22 October 2014, the order of 19 July 2017 and the implementing decree of 9 August 2017. Its development is based on the international Global Reporting Initiative and ISO 26 000 standards applicable to CSR, and on the FIEEC and GIMELEC sector-specific guides.

The reporting scope of the 2021 SEFP covers the France-Spain scope of Delta Dore Group's activities (unless otherwise specified in the document).

2021 was marked by the acquisition of German company Rademacher (outside of the reporting scope for 2021) in June, and the divestiture of the Delta Dore EMS Smart building entity in November (included in the 2021 reporting scope for 10 months out of 12)



*"Group Headquarters" in Bonnemain  
(Ille-et-Vilaine, France)*

# Contents

A leader connected to the market p. 4  
Foreword by Pascal Portelli, Delta Dore CEO p. 6  
Creating sustainable value, interview with Samuel Tanné p. 8

**Chapter 1**  
**Our group, at the heart of energy transition**

Our ambition ..... p. 10  
The issues surrounding energy transition p.12

**Chapter 2**  
**Our value system, smart home and building solutions**

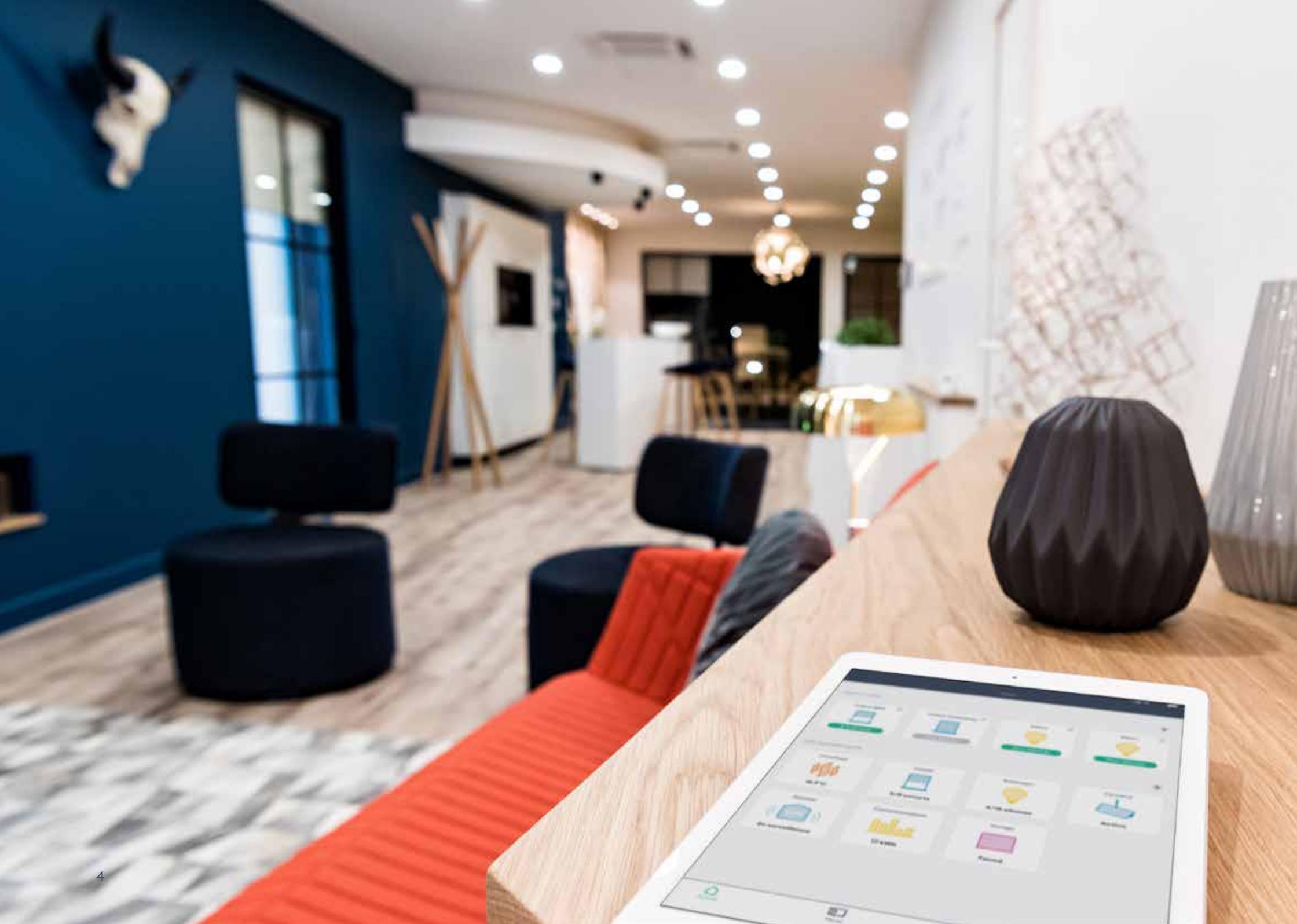
SOFT, four values for a strong corporate culture p.18  
Our business model ..... p. 20  
Reliable solutions promoting efficiency and simplicity..... p. 22  
Our areas of expertise p. 23  
A demanding and tailored mode of governance p. 24

**Chapter 3**  
**Our strategic priorities and risks**

Smart Ignition, our strategic plan ..... p. 30  
Great progress in the roadmap ..... p. 31  
Identifying the CSR risks so as to better control them ..... p. 32  
Our main CSR risks..... p.34  
Delta Dore contributes to the Sustainable Development Goals ..... p. 35

**Chapter 4**  
**Our responsible commitments**

A continuous improvement approach for all p. 36  
Innovation pillar p. 38  
Conquest pillar p. 42  
Talent pillar p. 46  
Performance pillar p. 52  
  
Conclusions and perspectives p. 56  
Appendices: our results and impacts p.58  
ITO report p. 59  
Summary table of indicators p. 62  
Correspondence table with the Communication On Progress issued at the Global Compact ..... p. 65  
Glossary p. 65





# A leader connected to the market

---

Delta Dore, a French family-owned group with a strong international focus, is a pioneer in smart home and building solutions. Famed for its reliable product offering, the company develops open and secure technological solutions to facilitate the energy transition and greater personal comfort in the home.

Innovation has persistently been key to Delta Dore's growth since its creation in 1970. The group has built on this impetus to anticipate the evolution of a fast changing market and successfully transition from digital to connected objects, mobile applications and services for home and office occupants.

This publication of information on our extra-financial performance provides our stakeholders with a transparent and comprehensive insight into our business model, vision and CSR risk management policy, for a better understanding of the value created by Delta Dore.

## **Becoming a leader in the smart home market: an attainable ambition.**

Initiated in 2018, Delta Dore's Smart Ignition strategic plan aspires to make the Group one of the main Smart home players in Europe by 2025. In 2021, 2 major milestones represent the focus of our activity within the smart home universe.

- **June 2021** Acquisition of Rademacher, a German company specialising in smart home solutions. With a shared vision valuing solutions that are Made in Europe, the two entities boast remarkable synergies and complementary qualities, in terms of target countries, sales channels, and their portfolio of solutions and technologies.
- **November 2021** Divestiture of the Delta Dore EMS specialising in the management of energy in commercial buildings (Smart Building), whereby the technological challenges, such as market access, were very different.

Delta Dore is thus refocussing all of its attention on the exclusive smart home market with a view to realising its ambitions.

# Foreword by Pascal Portelli, President of the Delta Dore Group

---

"The smart home market is blossoming. Both on account of the fact that it allows for smarter energy management and because it meets the growing demand for personal comfort and safety. But also because it's a marvellous opportunity to allow everyone to be a player in the energy transition.

The healthcare context (Covid) and the historically high prices of gas and electricity have reinforced the market trend. Solutions to improve home comfort and reduce energy consumption are expected by home occupiers more than ever before.

Forecasts for the European smart home market are 31 billion euros in 2022 (Statista).

These are attractive prospects for traditional players in the home sectors, who all offer smart solutions. With energy operators, banks and telecoms taking the lead, service operators have also positioned themselves on the market to enhance their offerings and diversify their business. Finally, an ecosystem of innovative start-ups is attracting consumers directly, with new connected objects.

However, the smart home market remains immature. The solutions available are often complicated and not particularly intuitive, and the user experience is not smooth enough. Issues relating to the protection of privacy and personal data raise many ethical questions. The

arrival of GAFAs (Google, Amazon, Facebook/meta, Apple) and voice commands are a game changer in that they simplify usage thanks to the convergence of hardware.

The shared communication protocol that will allow us to make products interoperable, regardless of their brand, is a trend that is set to continue with the launch of Matter

Let the rise of the Smart Home begin! In this changing landscape, we intend to play a pivotal role. And Delta Dore has the assets to be a key player in tomorrow's market.

As a leader in the French smart home market, we are continuing our conquest plan to strengthen our position in a still complex and dispersed environment.

On the technological front, we have embarked on a new sequence of innovations to design the iconic solutions of tomorrow, for comfort and energy efficiency in the home.

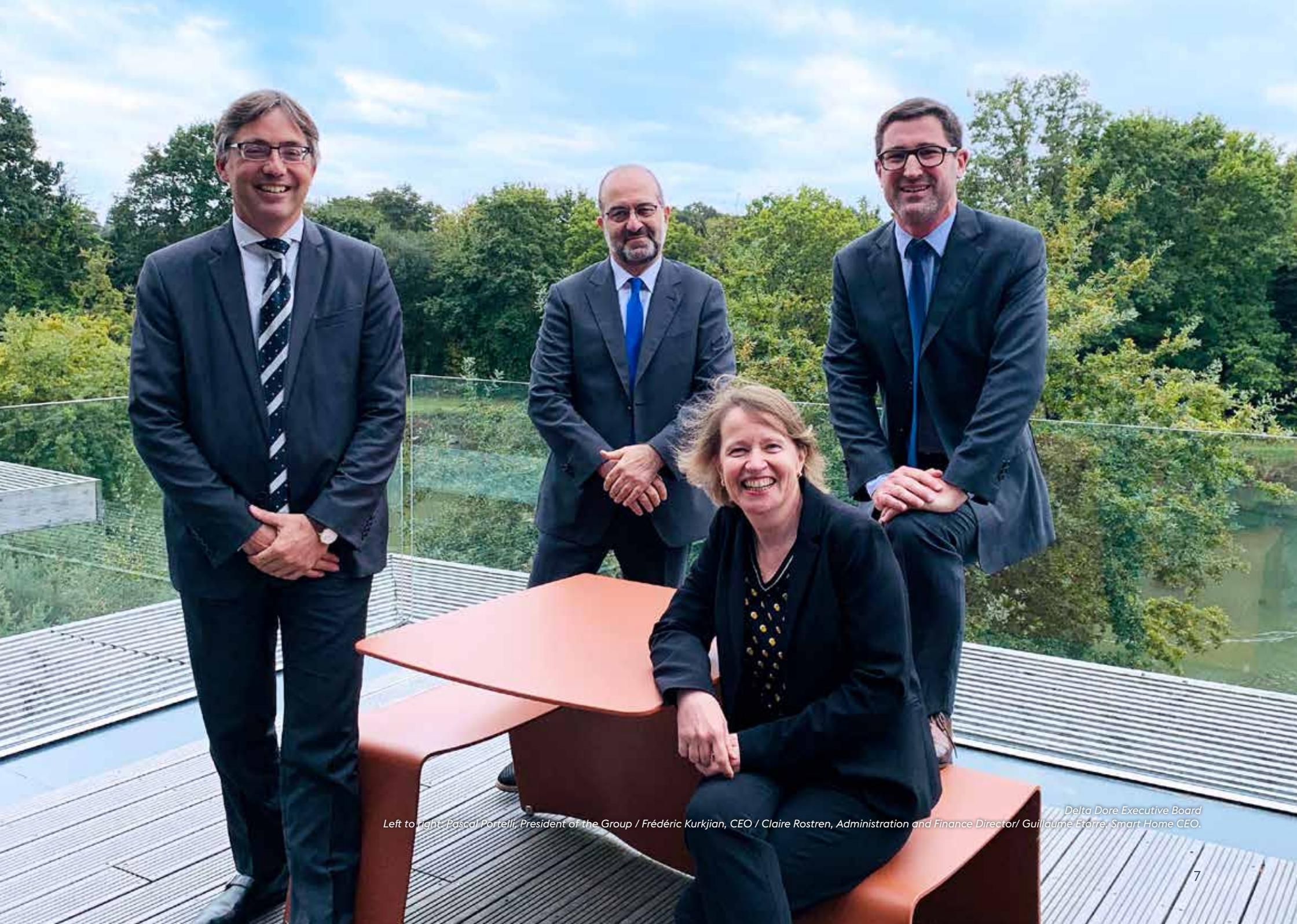
Through a responsible approach, we want our product offering to be open, user-friendly, technologically efficient, environmentally friendly, affordable and to guarantee personal data security.

And in future, we want everyone to be a player in energy transition, so we intend to go further than merely optimising energy consumption - we will help to coordinate new home requirements, which will increasingly include intermittent energy sources and storage"

*"Delta Dore has all the assets to be a key player in tomorrow's market"*

## **2021 News**

In line with our historic CSR commitments, in 2021 we became part of the United Nations Global Compact adventure. We are proud to be part of a movement whereby we commit to developing our sustainable development approach.



*Delta Dore Executive Board  
Left to right: Pascal Portelli, President of the Group / Frédéric Kurkjian, CEO / Claire Rostren, Administration and Finance Director / Guillaume Etorre, Smart Home CEO.*



# Creating sustainable value

Interview with Samuel Tanné, System and Environmental Quality and CSR Manager at Delta Dore, and member of the CSR and Compliance reporting committee.

**As a CSR pilot at Delta Dore, you lead an in-depth reflection on sustainable development in the company.**

**In your opinion, what makes your CSR approach unique?**

As a player in energy transition, we want to give priority, meaning and coherence to social, societal and environmental issues. We seek to address economic and CSR aspects in a well-balanced way. Because priority CSR themes go hand-in-hand with the challenges faced within our industry, relating, for instance to product offering, competitiveness, innovation and customer satisfaction, our approach is intricately related to our vision, strategy and business development plan.

**How does the CSR approach fit in with the company's strategy?**

Our CSR strategy is an integral part of our overall strategy: we are aligning the company's management policy with our CSR priorities. That is why our approach is applied across all levels and processes within the company. Our activities are enhanced, on a profound level, by new requirements resulting from CSR and associated tools aiming to develop our practices, with all those concerned, namely employees, suppliers, local authorities, etc. The measures implemented are used as levers to improve both economic performance and CSR. This task involves continuous improvement... and requires patience.

*"Taking CSR issues into account in the Group's management is a source of long-term growth and also contributes to improving employee well-being and commitment to the company".*

**Is it also a guarantee of sustainable growth?**

We firmly believe that incorporating social, environmental and societal issues into the company's management policy is a driving force for long-term growth and development. Because, beyond the regulatory base and the reduction of the environmental impact, it also provides keys to improve employees' well-being, develop their skills, strengthen the energy efficiency offering, enhance eco-design, promote circular economy, boost best practices, etc. As a lever for progress for the company, our CSR approach transforms Delta Dore's culture and actions, with a view to improving our overall performance.

The platform evaluating CSR performances recognised Delta Dore with a gold medal and a score of 74/100, which is an increase of 2 points in comparison with 2020. This result places Delta Dore among the 2% of companies that, according to EcoVadis, have "an advanced CSR commitment".



## Chapter I: our Group at the heart of energy transition

# Our ambition

---

### **To become a major player in energy transition**

Delta Dore, a family-owned technology group, manufactures in France and Germany and markets products and services for smart homes and buildings in more than 30 countries.

Our mission involves offering reliable, open and secure technological control solutions to support energy transition and greater personal comfort.

Delta Dore is deploying an ambitious transformation project to become a player in Europe's energy transition, a leader in smart home solutions. Our conquest strategy and our performance requirements are driven by innovation and top talent.

### **To become the European leader in the smart home market by 2028**

Delta Dore has been anticipating changes in its market for nearly fifty years to remain at the forefront of solutions for managing home and building equipment.

The company aims to remain a leader in a growing market driven by the convergence and democratisation of connected objects. Already very well positioned in France, it is in Europe that Delta Dore wants to consolidate above all. Challenges relating to the energy transition offer very promising prospects. In particular, the response to new regulations, including RE2020 in France, is a major opportunity to contribute. To achieve these ambitions, Delta Dore has adopted an ambitious strategic development plan, Smart Ignition.





*Logistics centre in Tinténia*

The Group has set itself  
**2** ambitious  
objectives:

- to be a major energy transition stakeholder
- to become the European leader on the smart home market

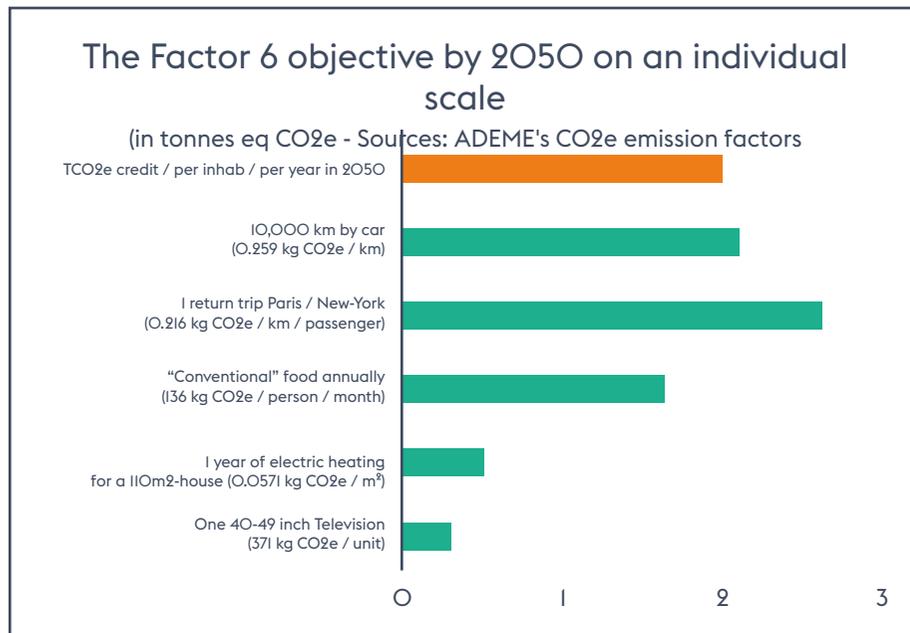
# The issues surrounding energy transition

To limit climate change already underway, humanity must reduce its greenhouse gas (GHG) emissions so as not to exceed the absorptive capacity of the Earth's oceans and biosphere. This is what is known as **"Carbon neutrality"**. Furthermore, the intensive use of fossil fuels (oil, gas and coal), is leading to the depletion of these resources. It is therefore necessary to make a transition towards their more careful use and the development of renewable energies, in order to avoid any shortage in the future.

The energy transition is one response to the challenges presented by climate change and the depletion of fossil energy resources. To attain its carbon neutrality goals, France, like Europe, will need to cut its carbon footprint by a factor of six within less than fifty years: **this strategy is known in France as "Facteur 6"**.

## In 2018, each French person emitted 6.4 T of CO<sub>2</sub>e\*.

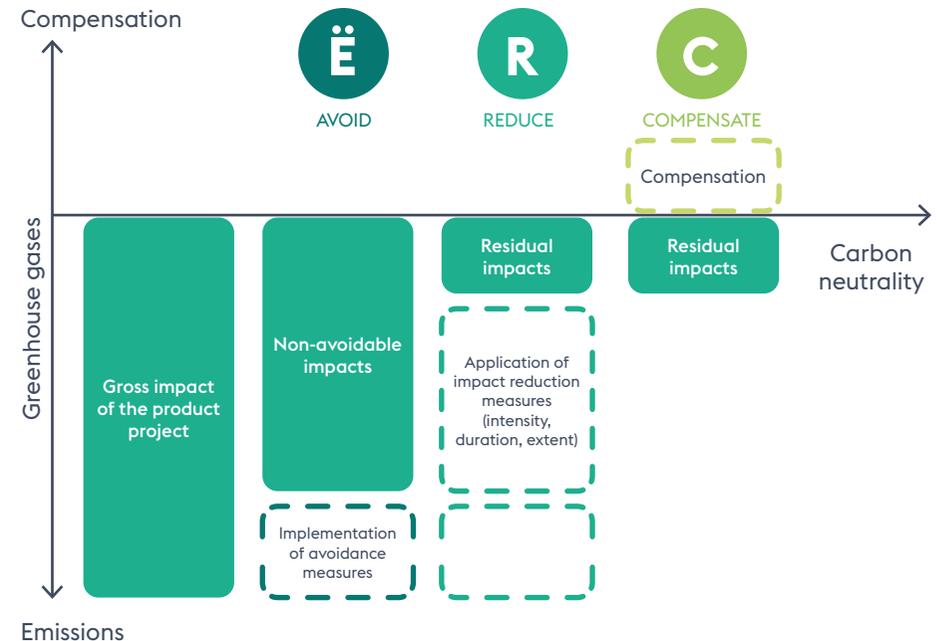
To achieve carbon neutrality we must limit our footprint to 2 T of CO<sub>2</sub>e per person per year, which represents :



\* Source : National Low carbon Strategy -National emissions, excluding imported emissions

## How to implement this transition?

By applying the ARC principle, which consists of AVOIDING the impact of our projects upstream (purchasing, construction, travel, etc.), then REDUCING the remaining impacts, by using more responsible solutions and finally COMPENSATING for unavoidable impacts.



Worldwide, the construction and building industry represents 35% of energy consumption and 38% of CO<sub>2</sub>e\* emissions. As a key market player, we have a role to play.

### What solutions are possible within the home and buildings?

- Insulate using the best possible techniques.
- Refurbish with equipment that uses renewable energy.
- **Understand your consumption in order to improve habits. \*\***
- **Regulate energy-consuming equipment. \*\***
- Enabling the eradication of electricity consumption.
- Carry out maintenance to guarantee the performance of equipment.
- **Integrate the management of new uses such as electric vehicles, energy production, auto-consumption and storage. \*\***
- Exploit thermal inertia in buildings.
- Offset unavoidable carbon emissions.

### Our company originated from providing energy management solutions as a response to the 1970s oil crisis.

Today, we want to provide a broader response to the issues of energy transition in homes and buildings.

First oil crisis:  
thermal management

Building control: heat pump, management of windows, blinds, hot water tank, etc.

Renewable energy control: auto-consumption, photovoltaic, charging electric vehicle, etc.

### Our conviction:

- Our contribution will make a difference by providing solutions that are accessible to the greatest number of people and are very easy to use. They will put the focus back on people, giving them the power to reduce their environmental impact, while meeting their expectations in terms of comfort (optimising energy without diminishing it), budget (reducing their energy bill), but also health (optimising indoor air quality).
- Our solutions will go beyond merely optimising energy consumption, they will play a role similar to that of an orchestral conductor in the home which will increasingly include intermittent energy sources and storage.
- Since the contribution of digital technology in offerings remains decisive, it will inevitably have to be complemented by artificial intelligence; whether this involves integration and management of renewable energy, charging (in the case of electric vehicles, for example), or water consumption.
- As an industrial company, we must set an example and continue our efforts to minimise the environmental impact of our solutions. Our actions are explained further in Chapter 4 of this document.

Source : 2020 assessment of the Global Alliance for Buildings and Construction (GlobalABC)

\*\* Delta Dore offers solutions today

### Scope 3 carbon assessment / greenhouse gas assessment

In 2021, we repeated the Scope 3 greenhouse gas assessment exercise, still going further than our regulatory obligations require. As in 2019, this assessment highlights the impact of the sourcing of components and the design of Delta Dore products for 89% of our carbon impact.

This new exercise allowed us to reduce our degree of uncertainty, in particular with regard to masses of products sold, while updating the emissions factors derived from our LCAs. Thus, a significant deviation is apparent between the two assessments, which is due in particular to us now having more reliable, precise, and up-to-date information.

Thanks to the carbon assessment, carried out on the 2021 data, we characterised our main emission items.

**[ SCOPE 1 ]** In terms of direct emissions, Delta Dore discharges 560 tCO<sub>2</sub>e per year, mainly linked to mobile combustion engine sources.

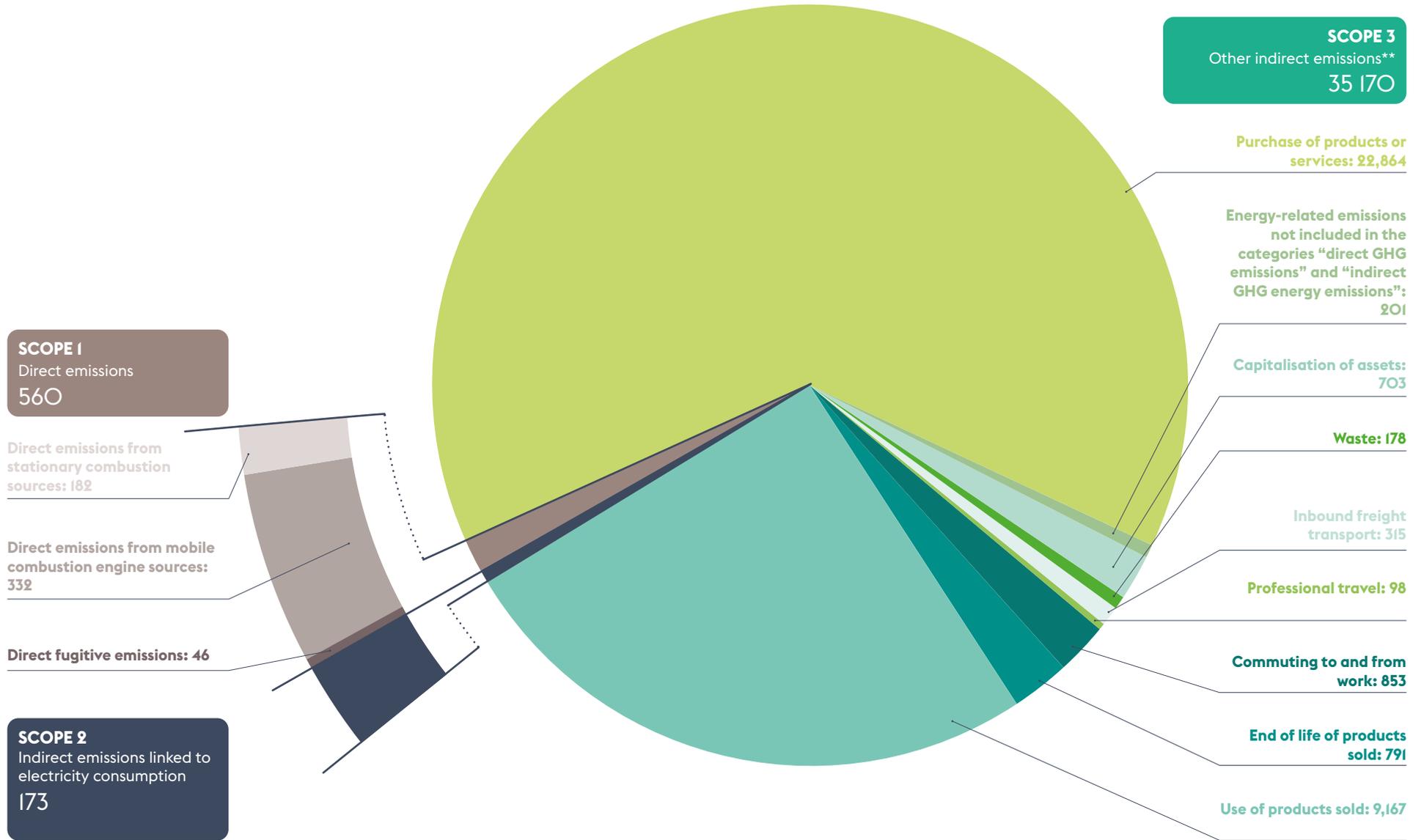
**[ SCOPE 2 ]** Regarding indirect emissions, only those related to electricity consumption (173 tCO<sub>2</sub>e) are recorded in our balance sheet.

**[ SCOPE 3 ]** Includes other indirect emissions and is our main source of emissions (35,170 tCO<sub>2</sub>e).

In total, Delta Dore emitted 35,903 tCO<sub>2</sub>e in 2021.

SCOPE		EMISSION ITEMS		TOTAL* (tCO <sub>2</sub> e)
				2021
1	Direct emissions	1	Direct emissions from stationary combustion sources	182
		2	Direct emissions from mobile combustion engine sources	332
		4	Direct fugitive emissions	46
		Scope 1 sub-total		560
2	Indirect emissions associated with energy	6	Indirect emissions linked to electricity consumption	173
		Scope 2 sub-total		173
3	Other indirect emissions**	8	Energy-related emissions not included in the categories “direct GHG emissions” and “indirect GHG energy emissions”	201
		9	Purchase of products or services	22 864
		10	Capitalisation of assets	703
		11	Waste	178
		12	Inbound freight transport	315
		13	Professional travel	98
		18	Use of products sold	9 167
		19	End of life of products sold	791
		22	Commuting to and from work	853
		Scope 3 sub-total		35 170
		<b>SCOPE TOTAL</b>	<b>35 903</b>	

Details of emissions by item and by scope (in tCO<sub>2</sub>e)



## Chapter 2

# Our value system, smart home and building solutions

---





*Factory in Bonnemain  
SMD line (surface mounted components)*

# SOFT,

## Four values for a strong corporate culture

---

Delta Dore has developed a solid corporate culture to accelerate its strategic transformation project. This new culture takes form via a shared foundation, built on four values and known as **SOFT: Simple, Open, Focused, Trusted**.

Delta Dore's values express its identity and unite around a common vision and spirit. They enable everyone to understand how the Group is pursuing its ambitions and building its future. Each of these values is reflected in every Delta Dore project and guides all of its actions, both internally and with external partners.

### **Simple:**

#### **Our future is designed with simplicity in mind.**

We inspire our customers with solutions that are easy to use, and that simplify their daily lives.

Internally, we favour simplicity in our working methods. We value simplicity and transparency in our human relations

### **Open:**

#### **Our future is enhanced by openness.**

We design open solutions, for scalable smart homes.

Internally, we are open to international cultures and to new working methods. We look outside the box and adopt an enthusiastic approach to transform challenges into opportunities.

### **Focussed:**

#### **our future is built on clear choices.**

We are improving the experience of our customers, by thinking and acting from their perspective.

Internally, we prioritise our efforts based on clear choices. We are proactive and solution-oriented.

### **Trusted:**

#### **Our future is rooted in trust.**

We build solutions and trust-based relationships with our customers and partners.

Internally, we encourage initiative and decision-making. Our feeling of belonging is rooted in respect and commitment.

# SIMPLE

Our future is designed with simplicity



# OPEN

Our future is amplified by openness



# FOCUSED

Our future is energized by clear choices



# TRUSTED

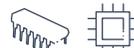
Our future is rooted in trust



# Our business model

## Smart home and building solutions

**Our business model is based on a strong use value: to improve living comfort at both home and at work, while contributing to the energy transition, with connected, accessible and easy-to-use solutions that meet the needs of daily life.**

**Our raw materials:** 

The products manufactured by Delta Dore use the following resources:

- electronic components,
- printed circuit boards,
- plastics, especially for mechanical enclosures.

Depending on their type, our products operate on batteries, alkaline or lithium.

The nature of our products also requires cardboard packaging and paper inserts.

Our energy dependency is mainly related to the electricity we use for our manufacturing processes and heating, ventilation and air conditioning systems.

In addition, we use gas to heat certain rooms.

## Prevention of environmental risks and pollution

The induction process for new employees makes it possible to increase everyone's environmental awareness and to transmit the best practices to be implemented.

Expectations in terms of contribution to Quality, Safety and Environment are an integral part of each employee's job description.

Our Bonnemain (Ille-et-Vilaine, France) production site, an electronic assembly unit, is undergoing

an ICPE\* classification (classified installations for the protection of the environment), and is subject to declaration under section ICPE I185.

Our logistics site in Tinténiac (Ille-et-Vilaine, France) is subject to declaration under section I510.

The Revin site (Ardennes, France), acquired in 2018, is subject to declaration under sections 2560 and 2910.

In our new designs we carry out life cycle assessments (LCA), using life cycle impact modelling tools such as EIME that allow us to take a multi-criteria approach.

## Delta Dore is committed to respecting the requirements applicable to its activities, products and markets.

Our products are Electrical and Electronic Equipment (EEE) for residential and commercial applications. As such they are subject to all European directives, or regulations and their applicable standards as follows:

- Electromagnetic compatibility (EMC),
- Low Voltage (LV),
- Wireless (RED),
- Waste Electrical and Electronic Equipment (WEEE),
- Hazardous Substances (ROHS),
- Power consumption (EuP),
- Chemical substances contained in products (REACH) and SCIP (Substances of Concern In articles as such or in complex objects (Products))
- General Data Protection Regulation (GDPR).
- The Sustainable Development Goals (SGD) defined by the UN.

Our markets and customers also require that our equipment complies with requirements such as thermal regulations (RT2012 and RE2020) and the DPEB (Energy Efficiency Directive for Buildings).

\*ICPE: Any industrial or agricultural operation likely to create risks or cause pollution or nuisances, particularly for the safety and health of local residents, and included in the nomenclature of classified installations due to their activities or the substances stored or used, is a classified installation. The nomenclature of classified installations makes installations subject to an authorisation or declaration regime depending on the importance of the risks or inconveniences that may be generated



Entreprise familiale (70%),  
pionnière sur le marché français  
de la maison et des bâtiments connectés.

### Notre ambition

Être un acteur majeur de la transition énergétique  
Devenir le leader européen de la maison connectée

Nos piliers stratégiques

Nos processus clés

Nos atouts

Partenaires  
Prescripteurs • Grands Comptes • Distributeurs • Partenaires  
Particuliers • Installateurs • Gestionnaires de bâtiment

**Notre mission :**  
permettre d'améliorer le confort  
de vie à la maison comme au  
travail tout en contribuant à  
la transition énergétique, avec  
des solutions connectées,  
accessibles et simples  
d'utilisation qui répondent aux  
besoins de la vie quotidienne.

**Innovation**  
innover pour  
concevoir  
la Smart Home  
et le Smart Building  
de demain

**Conquête**  
se développer  
en Europe et  
en Asie

**Talents**  
révéler et attirer  
les compétences  
de demain

**Performance**  
garantir la  
satisfaction client  
et accroître notre  
compétitivité

### Recherche & Innovation

L'innovation inscrite au coeur de l'ADN  
du groupe  
9% du C.A. consacré à le R & D  
• + de 150 personnes • 55 familles de  
brevets actives.

### Création & Gestion de l'offre

Des solutions au service de la transition  
énergétique et du confort  
Produits et services pour le pilotage et  
l'analyse de ses équipements.

### Développement

Une maîtrise globale du développement  
des produits et services  
De la conception hardware au développement  
des applications et plateformes IOT\*.

\* IOT : Internet of thing - internet des objets

### Acheter

Des achats orientés responsables  
et durables  
Sourcing (FR, EU, Row).



### Production

Un outil industriel de pointe basé en France  
Labellisé vitrine Industrie du futur et certifié  
ISO 9001 et 14001 • 4,5 millions de produits  
fabriqués.

### Commerce

Une présence internationale  
8 filiales commerciales en Europe  
et à l'international.

### Assistance aux clients

La proximité avec nos clients  
+100 commerciaux • 3 centres d'appels  
• Centre de Formation • Mise en service  
• Contrats de services.

pilotage des  
équipements



consommation



chauffage



sécurité



éclairage



ouvrants



816  
salariés

• 5 millions de  
logements équipés  
• 12 000 sites  
tertiaires et  
industriels



# Open, reliable solutions to promote efficiency and simplicity

---

**Delta Dore masters the latest technologies and builds multiple partnerships to offer a wide range of accessible, interoperable and easy-to-use comfort and energy management solutions that meet everyday concerns.**

**A pioneer in home automation in the 1980s, Delta Dore has recognised expertise** in the control of comfort and energy management equipment. As a pioneer in digital technology, the Group has established itself as a key player in smart home and building solutions.

**Delta Dore has built its reputation on the robustness and reliability of its technologies,** which have made the brand's success and allowed it to place its offerings at the opposite end of the scale of programmed obsolescence. Its ranges meet all the needs of European users, without technical barriers. In a digital world full of hopes and questions, our solutions give individuals the capacity to control their home safely.

**The Group has earned the trust and loyalty of its users and installers alike** thanks to the scope, relevance and quality of its offer. As the reference brand for French electricians and plumbers, Delta Dore establishes privileged relationships with many players in the smart home and building sector, and develops networked solutions with major manufacturers and service providers.

**Delta Dore is currently the French leader in the smart home market.** By designing more open and interoperable systems, Delta Dore offers the largest ecosystem on the market, thanks to solutions compatible with those of nearly 100 industrial partners(\*).

2020 marked a new step in interoperability for the benefit of the smart home, with the creation of the Smart IoT Solutions entity. The aim of this new division is to support manufacturers at every stage of the digital transformation of their product and service offerings for housing.

(\*) In France, Germany and Spain: partnering industrial companies are those for which specific solutions to connect their equipment to the Tydom ecosystem were developed, or for which a promotion and/or product spotlighting are deployed.

# Our areas of expertise

### Smart Home: 49% of turnover

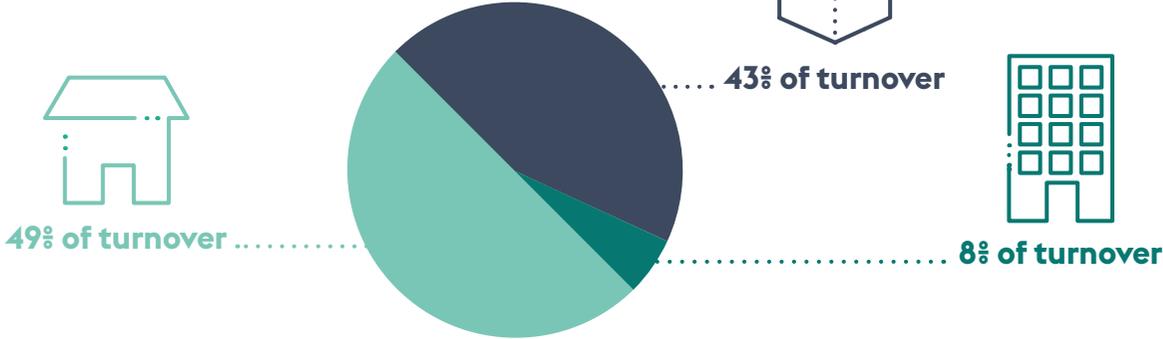
- A complete range of smart solutions for private customers to be able to control their equipment from home or remotely, in order to make their life easier, gain in comfort, while saving energy and securing their home: energy management, alarms, shutters, lighting, doors, multimedia, etc.

### Smart Building: 8% of turnover

- Energy efficiency and space optimisation solutions offered to decision-makers in the services sector, to help them understand and manage their buildings, in order to optimise their energy costs and offer optimal living comfort to occupants: technical building management, energy audit, energy services, services to occupants in the workplace.

### Smart IoT Solution: 43% of turnover

- An offer aimed at all professionals within the home sector, to support them during each step of the digital transformation of their range of products & services.
- An offer of IoT products, applications and platform for industrial partners (boiler, radiator, roller shutter, window manufacturers, etc.) and service providers (energy operators, banks, insurance companies, etc.), which gives them access to the smart home realm.



### Delta Dore in figures:

- More than 5 million homes fitted with its solutions in France.
- More than 12,000 service and industrial sites fitted with its solutions worldwide.
- Over 5 million products per year manufactured in the 3 production sites in France and Germany.
- 8 subsidiaries in Europe and Asia, 40 partner countries.

# A demanding and tailored mode of governance

---

**Delta Dore's governance is based on several decision-making and operational entities that work together to define strategic orientations, and to ensure their implementation and their management. Their rules and operating procedures comply with the principles of accountability, integrity and transparency.**

# DELTA DORE'S GOVERNANCE BODIES

## Supervisory board

8 members - quarterly intervals - 87% men/13% women

**Its role:** to exercise permanent control over the management of the company by the Management Board

### Strategy and Technology Committee

4 members - four-monthly intervals

**Its role:** review the strategic objectives, assess the merits and consequences of the strategic decisions proposed by the Management Board and ensure the implementation of the strategy

### Compensation and nominations committee

2 members - four-monthly intervals

**Its role:** review and make proposals on the compensation of members of the Supervisory Board, the Management Board and directives relating to the Group's compensation policy, and the appointment and reappointment of members of the Supervisory Board and the Management Board

### Audit Committee

2 members - four-monthly intervals

**Its role:** monitor the process of preparing financial information, the effectiveness of internal control and risk management systems, the statutory audit of the annual and consolidated financial statements by the Statutory Auditors, the independence of the Statutory Auditors, acquisitions, studies and consultations

## Management Board

4 members - 75% men/25% women

**Its role:** to administer and manage the company under the control of a supervisory board

## Executive Committee

6 members + management board - monthly intervals - 75% men / 25% women

**Its role:** to steer the strategy and its implementation

### Sign Committee

Integrated into the Executive Committee

**Its role:** assist Top Management in the implementation of its strategic plan, so that Delta Dore can best anticipate the opportunities, challenges and risks associated with it

### Quality Committee

5 members  
monthly intervals  
40% men/60% women

**Its role:** assist Top Management in monitoring issues related to the quality of products and services delivered to customers

### Cyber Committee

10 members  
quarterly intervals  
80% men/20% women

**Its role:** assist Top Management in making decisions regarding the Group's cybersecurity, validate cybersecurity governance, the master plan(s) and risk management

### GDPR Committee

4 members  
monthly intervals  
50% men/50% women

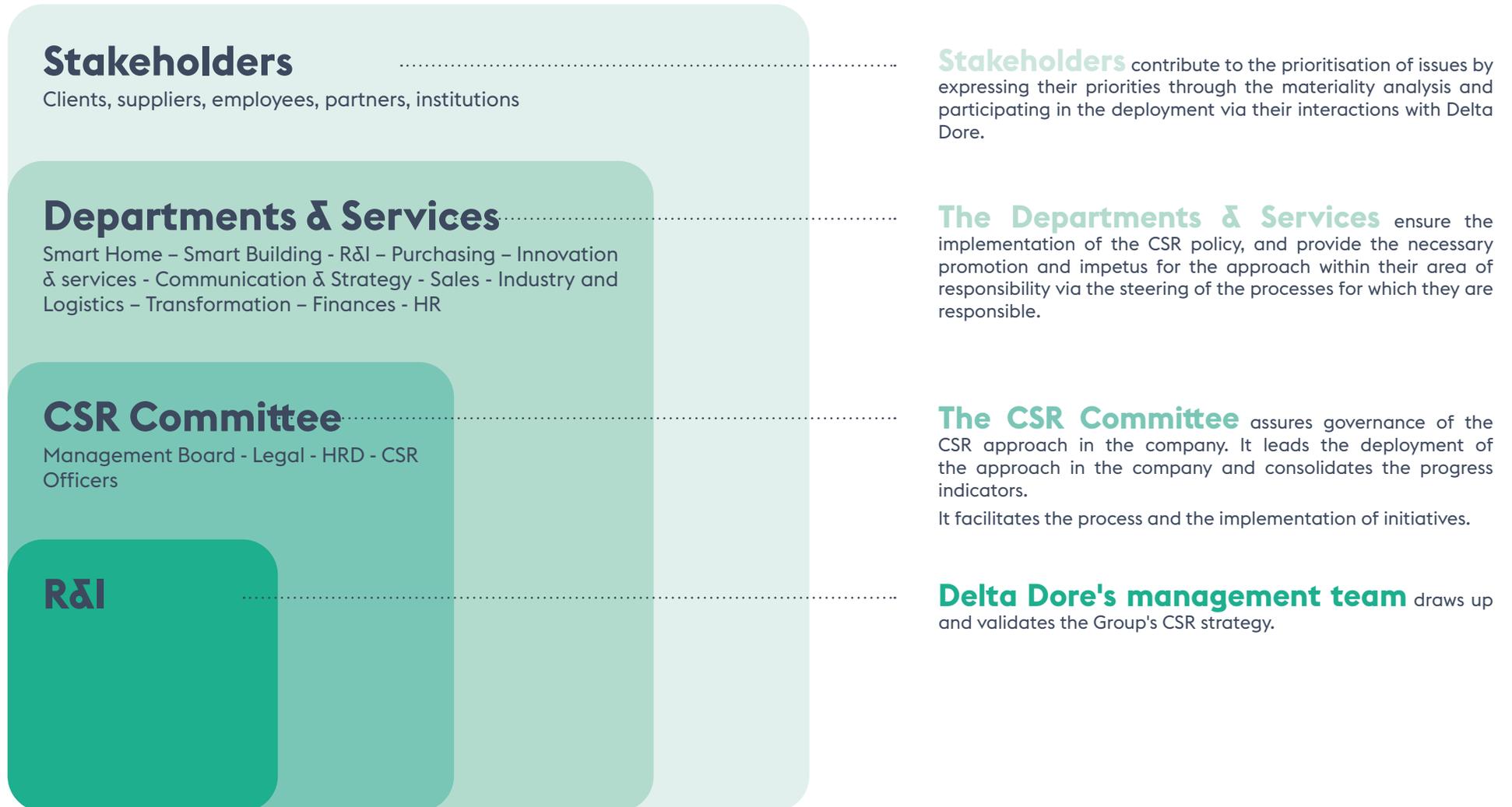
**Its role:** assist Management in the implementation of regulations relating to the protection of personal data

### CSR and Compliance Committee

5 members  
monthly intervals  
40% men/60% women

**Its role:** assist Top Management in monitoring CSR and compliance issues

## CSR MANAGEMENT AT DELTA DORE





## Chapter 3

# Our strategic priorities and risks

---





*Logistics centre in Tinténia*

# Smart Ignition,

## Our strategic plan

---

Our strategic plan is based on four key strategic areas that we consider essential to achieving our ambition. These 4 pillars are based on an identification of the **main risks that the Group** could face in the course of its activities.

### 1. Innovation

*Designing the iconic Smart Home solutions of tomorrow.*

**At the heart of Delta Dore's growth strategy, its innovation capacity makes it possible to support the changes on a highly competitive digital market and to face the consolidation of its players through select partnerships.** The Group continues to invest in R&D to better respond to the issues surrounding energy transition and develop new value-creating, accessible and attractive solutions. The design of its products and applications are evolving by integrating all user journeys to provide the best customer experience. Innovating on services is one of its priorities, in order to provide the global and integrated solutions that users expect.

### 2. Conquest

*Becoming a leader on the European smart home and building market.*

To increase its coverage and consolidate its positioning, **Delta Dore is strengthening its international development capacity and its compliance approach.** The Group is stepping up its international expansion. Already present in Germany, Spain, Italy, Norway, Poland, the United Kingdom, as well as in Asia, Delta Dore is aiming for the top spot in Europe.

### 3. Talents

*Giving our employees the resources to meet all challenges.*

**In order to attract the highest level of expertise and internally develop the skills required to master the new key areas of digital technology, Delta Dore is transforming itself by focusing on the commitment and support of all its employees.** The group is implementing an empowerment policy to ensure that employees are both key players and drivers of Smart Ignition's success. The objective is to mobilise and unite employees in a sustainable manner, around the group's common value creation project. Delta Dore also builds partnerships with prestigious schools and universities to attract the best talent.

### 4. Performance

*Aiming for excellence to boost investment.*

**Faced with the commercial aggressiveness of certain market players, remaining competitive requires the efficiency and effectiveness of each person within the company.** This approach to performance is not limited to production processes. Its maximisation is based on the adoption of a new mindset, a change-oriented approach and new methods. These are essential conditions for optimising resources and giving priority to the most promising projects.

# Great progress in the roadmap



In 2018, Delta Dore launched its project Smart Ignition, using a detailed road map that includes the implementation of cross-functional projects which allow the progressive achievement of the objectives of each of its strategic focuses.

In 2021, we have continued with projects from our strategic plan. The major achievements of the SIGN programme are noted in the issues on the following pages, identified by an icon **SIGN**.

## Innovation

- Artificial intelligence
- Energy transition
- Openness
- Innovative services

## Conquest

- Development of channels
- Collective housing
- Customer support
- Sales policy

## Talent

- Development of attractiveness
- Satisfaction in the workplace
- Corporate culture (SOFT)

## Performance

- Improvement of efficiency
- Budget prioritisation
- International processes



# Identifying the CSR risks so as to better control them

---

Delta Dore's system for managing extra-financial risks is based on:

- Respecting legal and regulatory requirements.
- Risk analysis in line with international CSR standards (notably ISO 26000), with regard to their potential impact on stakeholders, society and the environment.
- The creation of a materiality matrix, with the participation of Delta Dore's stakeholders and the involvement of the entire management committee.
- Mitigation of these risks through appropriate action plans.
- Performance indicators to measure the achievement of objectives.
- Regularly updating the analysis in line with the evolution of our activities and value chains.

This system is managed by the CSR Committee, under the supervision of the Management Committee.

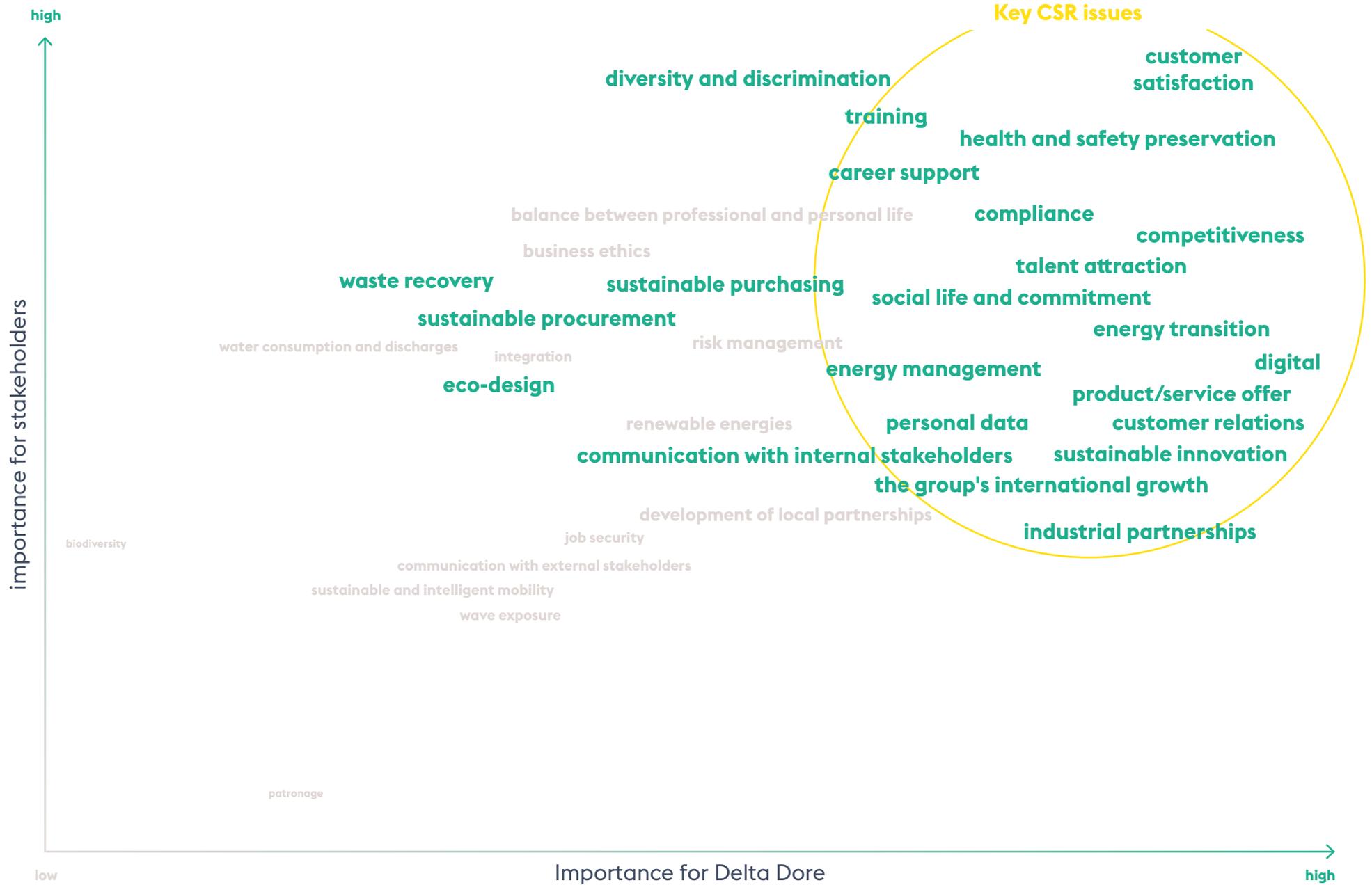
These CSR risks are associated with our issues. The issues are driven by our internal processes. Our processes ensure the implementation of progress plans by providing the necessary resources.

## **Consulting with our stakeholders to improve our understanding of their expectations.**

To build its materiality matrix, Delta Dore assessed the priority CSR issues following a consultation process with all its internal and external stakeholders: managers, customers, suppliers, communities, financial institutions, schools, etc.

This exercise allows us to collect stakeholders' expectations and helps to identify risks.

Delta Dore has decided to submit business issues to its materiality analysis. This choice is in line with the desire to integrate CSR into the Group's strategy and management. These issues are not covered in the rest of the document.



# Our main CSR risks

The main CSR risks identified are the result of the synthesis of the materiality matrix and the risk analysis carried out internally, and are validated by the Delta Dore management committee.

Theme	Description of risk	Potential impacts on stakeholders and the environment	Potential impacts for Delta Dore	Measures taken by Delta Dore to limit risks, developed in the following challenge areas:
ENVIRONMENTAL	Risks relating to the impact of our activities and the life-cycle of our products on climate change.	<ul style="list-style-type: none"> <li>Worsening effects of climate change (natural disasters, extreme weather, impacts on water resources and crops, etc.).</li> </ul>	<ul style="list-style-type: none"> <li>Financial impact (impairment of group assets)</li> <li>Impact on Group image</li> </ul>	<ul style="list-style-type: none"> <li>Energy transition</li> <li>Eco-design</li> <li>Sustainable purchases</li> <li>Energy management</li> <li>Sustainable innovation</li> </ul>
	Risks relating to the scarcity of natural resources associated with their use in our products and services	<ul style="list-style-type: none"> <li>Unavailability of resources, shortage</li> <li>Price increases</li> </ul>	<ul style="list-style-type: none"> <li>Increase in material costs</li> <li>Supply difficulties</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable innovation</li> <li>Eco-design</li> <li>Sustainable purchases</li> <li>Waste recovery</li> </ul>
SOCIAL	Risks related to non-development or loss of competence	<ul style="list-style-type: none"> <li>Loss of employability</li> <li>Stress and loss of commitment if there is no prospect of development</li> <li>The digital divide</li> </ul>	<ul style="list-style-type: none"> <li>Loss of key competencies</li> <li>Loss of employee commitment</li> </ul>	<ul style="list-style-type: none"> <li>Career support</li> <li>Training</li> <li>Digital transformation</li> <li>Talent attraction</li> <li>Social life and commitment</li> </ul>
	Risks of not guaranteeing the health and safety of our employees	<ul style="list-style-type: none"> <li>Injuries</li> <li>Occupational illnesses</li> <li>Burn-out</li> </ul>	<ul style="list-style-type: none"> <li>Financial impact</li> <li>Legal impact if employer responsibility</li> <li>Impact on Group image</li> </ul>	<ul style="list-style-type: none"> <li>Health &amp; Safety</li> <li>Diversity and discrimination</li> <li>Training</li> <li>Communication with internal stakeholders</li> </ul>
SOCIETAL	Risks relation to not fulfilling requirements (legal, normative, contractual)	<ul style="list-style-type: none"> <li>Damage to the interests of stakeholders (customers, suppliers, government, employees, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Legal impact</li> <li>Financial impact (loss of customer confidence)</li> <li>Impact on Group image</li> </ul>	<ul style="list-style-type: none"> <li>Responsible procurements</li> <li>Compliance</li> <li>Personal information</li> <li>Industrial partnerships</li> <li>Customer satisfaction and customer relations</li> </ul>

# Delta Dore contributes to the Sustainable Development Goals



Delta Dore is reaffirming its commitment to the United Nations Global compact and is reporting on its progress regarding four fundamental principles:

- respect for human rights
- respect for working standards
- the battle against all forms of corruption
- respect for the environment

(cf. annexe: Correspondence table with the IO principles of the United Nations Global Compact)

## OBJECTIFS DE DÉVELOPPEMENT DURABLE

Delta Dore is committed to contributing to these SDGs and to participating in their achievement through their integration into our CSR strategy.

The main SDGs have thus been associated with each corresponding issue.



## Chapter 4: Our responsible commitments

# A continuous improvement approach for all

The structured identification of priority CSR risks makes it possible to report on Delta Dore's extra-financial performance while inspiring the company's strategy. On a daily basis, our Group endeavours to address major issues in order to transform and enhance their impact at all levels of the company and beyond, supported by key performance indicators.

Our key performance indicators have been validated by mutual agreement with the Independent Third Party Organisation.

Our risk reduction measures are broken down by issue, within each of our strategic pillars.

### Innovation

Sustainable innovation



Eco-design\*\*



Energy transition



Industrial partnerships



Offer/service\*



### Conquest

Compliance



Respect for personal data



Sustainable procurement\*\*



Customer relations

**(No contribution to SDG)**

International growth\*

**(No contribution to SDG)**

### Talent

Talent attraction



Career support



Training



Communication with internal stakeholders



Social life and commitment



Health and safety protection



Diversity and discrimination\*\*



### Performance

Digital transformation



Customer satisfaction

**(No contribution to SDG)**

Sustainable purchases\*\*



Energy management



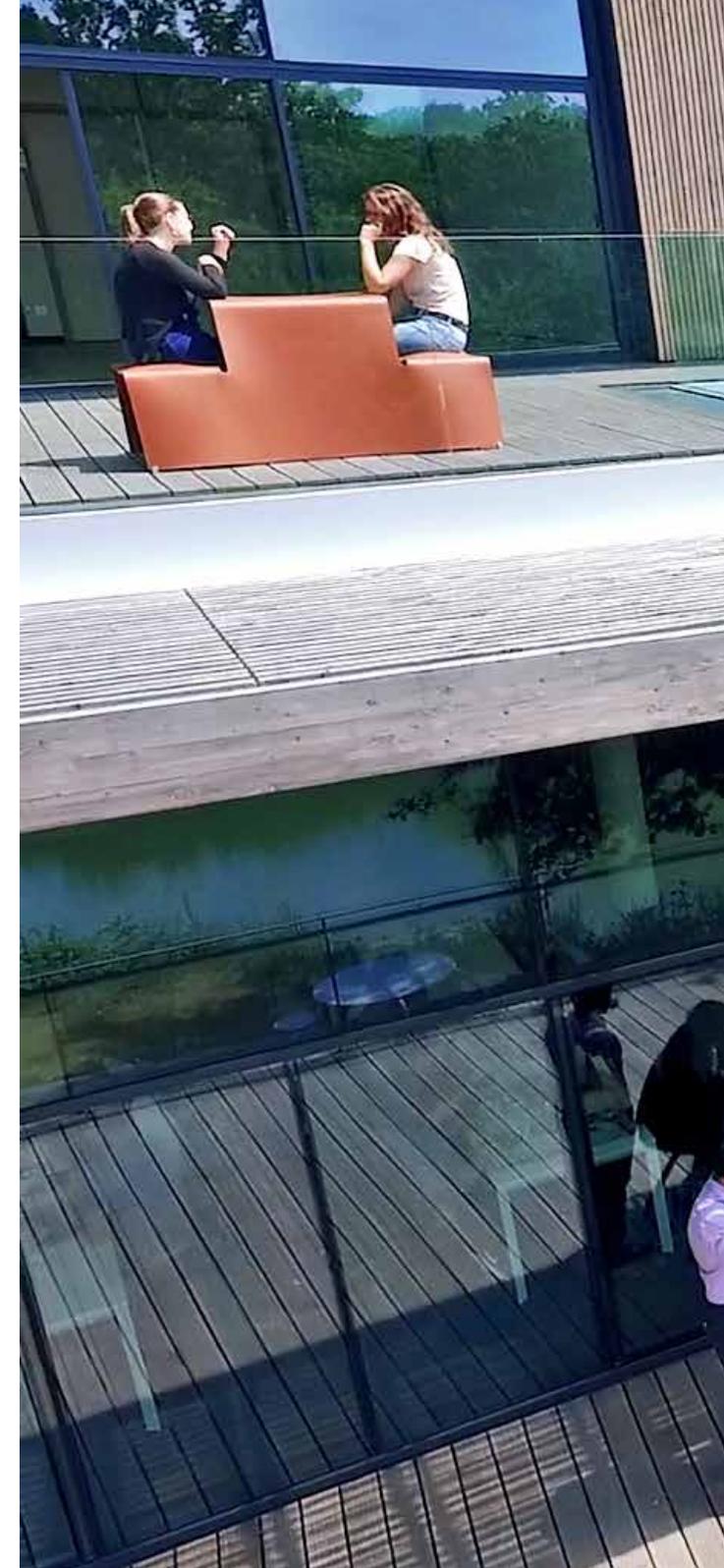
Waste recovery\*\*



Competitiveness\*

**(No contribution to SDG)**

Business issue not discussed in this document \*\* Issue selected outside materiality, in response to the mandatory themes of Article L225-IO2-I The mandatory themes of Article L225-IO2-I are discussed in "Our results and impacts".





Centre Pierre-Yves-Lièvre in Bonnemain



Clean room - Delta Dore production plant



# Innovation pillar

## How does our innovation approach contribute to controlling our impact?

Delta Dore has an ambitious innovation plan, focused on digital technology and the optimisation of user paths, to advance the conception and design of its products, applications and services. It will lead to a differentiated offering in energy efficiency, innovative services and global and integrated solutions.

### Promoting sustainable innovation

#### The issue at stake

Designing tomorrow's flagship solutions to reduce energy impacts, individual comfort and future uses. As such, the interoperability of our offer with that of other market players is essential to ensure the sustainable growth of the smart home.

#### Our commitment:

Bring the customer experience at the core of our considerations. Delta Dore strives to maintain consistency between the technologies deployed and the needs of increasingly demanding users.

#### Our achievements:

- We are pursuing our research programme with the CEA (French Alternative Energies and Atomic Energy Commission) to develop control algorithms for optimising comfort and energy efficiency.
- The works conducted with the CEA allowed us to file a patent for the development of a strategy known as "conservation or dissipation", calculated based on weather forecasts, and enabling substantial energy savings.

**SIGN**

- A demonstrator was produced to modulate the load of the electric vehicle, with a view to guaranteeing its ability to coexist alongside other equipment within the home, and to avoid disconnection.
- Research work on a multi-agent system hosting intelligent control algorithms was industrialised with a view to integrating it into the new Tydom controller range, with a view to responding to the new RE 2020 environmental regulation for new homes.

#### Indicator

- Number of active patent families published

2019	2020	2021	2021 target
44	53	55	49

### Developing eco-design

#### The issue at stake

Integrating criteria from the design phase of a product that reduces its environmental impacts at each stage of the life cycle and promotes sustainable development, from the extraction of its raw materials to the end of its life.

#### Our commitment:

Increase the share of eco-designed products

and services by acting on several levers: miniaturisation of products, improvement of their battery life, optimisation of finished product packaging.

#### Our achievements:

- We became involved in "PEP Ecopassport", the international reference programme for reporting the environmental impact of electrical and electronic equipment. Delta Dore is a member of the technical committee, and we share the results of our PEP (Product Environmental Profiles).
- We underwent training on the PCR 4th edition, the reference programme for product environmental statements compliant with RE2020 requirements, which specify how to make an environmental declaration for electrical and electronic equipment. This new edition enables the application of international standards in European format, while incorporating the European Commission's PER (Product Environmental Footprint) requirements.
- We promote a low-carbon approach in our design choices.
- We provide LCAs to key account clients who request them.
- We work in collaboration with our suppliers to integrate their LCAs.



- In accordance with the AGECE law, we were assured by our suppliers that our flyers and packaging were free from mineral oil-based inks

**Indicator**

- Percentage of catalogue turnover covered by a PEP

2019	2020	2021	2021 target
40%	21%	46%	> 50%

## Developing our contribution to energy transition

**The issue at stake**

Climate change, depletion of natural resources, etc. - controlling our energy consumption is a core challenge of the 21st century.

Energy transition refers to the set of changes that must be made to adopt a more environmentally friendly model, while reducing our energy consumption. It is a question of moving from a consumption mainly based on the use of fossil fuels (oil, natural gas, coal, etc.) to a consumption where renewable energies (solar, wind, biomass, etc.) play a predominant role in the energy mix. Energy transition has many impacts:

- Economic: reducing energy dependence, creating employment and increasing competitiveness
- Social: controlling energy prices to fight fuel poverty
- Eco-friendly: reduce greenhouse gas emissions and reduce all environmental and health impacts.

**Our commitment**

Besides our major commitment to limiting energy consumption in homes and buildings,



Delta Dore is more broadly committed to contributing to energy transition. In 2018, energy transition was integrated into the group's vision and ambition, and a strategic Smart Ignition project was specifically launched.

**Our achievements:**

- We adapted our product range, offering innovative solutions that modify equipment that has already been installed with a view to increasing their performance and making them as profitable as possible. As such, by taking direct action to improve the thermal efficiency of the house, construction cost overruns are avoided, and the requirements of the RE2020 fulfilled.
- We have updated our Scope 3 greenhouse gas assessment for 2021. We have reduced the uncertainty in relation to the mass of our products and emission factors derived from our product LCAs.
- We worked to define our carbon emissions reduction objective, aligning ourselves with the ambitions of the Paris Agreement, and sought service providers to support us.

**Indicators**

- Percentage of Delta Dore products' turnover that contribute to energy management

2019	2020	2021	2021 target
56%	57%	56%	> 60%

- Percentage of time dedicated to energy transition R&D

2019	2020	2021	2021 target
45%	55%	62%	> 50%



## Fostering industrial partnerships

### The issue at stake

Focusing our efforts and resources to make solutions that are not currently compatible with Delta Dore's offer and encourage the development of the smart home, by multiplying exchanges and partnerships with all the players in the sector.

### Our commitment

Increase the business volume with partners developing solutions that are compatible with ours. In the long term, we aim to be compatible with more than 70% of the turnover generated with our partners.

### Our achievements:

- We continues to target our pre-sales initiatives in the aim of winning new projects (12 in 2021). We have thus continued to develop our:
  - Key Accounts plans (around IO), as such that they are automatically feed and generated via our CRM, with a view to improving the monitoring and understanding of our key partners.
  - Quarterly business reviews with each Kay Account Manager (KAM), during which the main sales initiatives are reviewed and challenged, with a view to optimising the pre-sales qualification phase.
  - End-to-end smart IoT solution offerings, enabling, in particular, the highlighting of our smartphone application and cloud platform services.

### Indicators

- Percentage of Delta Dore "Ecosystem" clients

2019	2020	2021	2021 target
62%	60%	62%	70%

# Innovation pillar: key indicators



**KPI** **46%** of turnover covered by a PEP  
ECO-DESIGN

**KPI** **56%** of turnover from our products contributing to energy management  
ENERGY TRANSITION

**Number of active patent families published:**  
2020: 53      2021: 55

**Percentage of time dedicated to energy transition by R&I**  
2020: 55%      2021: 62%

**Percentage of Delta Dore "Ecosystem" clients**  
2020: 60%      2021: 62%

## Contribution of the pillar to SDG:





*Tydom app to control your home remotely*

# Conquest pillar

## Which winning strategy should be used for a responsible approach?

Delta Dore is launching a conquest plan to become the European market leader in smart home and building solutions. The Group is stepping up its international expansion, establishing itself in new countries and strengthening its presence where it already exists, particularly in Europe, by ensuring that throughout its value chain it grows in an ethical, sustainable and respectful manner.

### Strengthening compliance

#### The issue at stake

Ensure that the company, its managers, employees and any third parties concerned comply with the scope of applicable laws, regulations and standards by monitoring and taking appropriate action.

Deploying systems that ensure the detection of non-compliance risks and the maintenance of compliance, in France and in the countries where we are developing.

#### Our commitment

To implement best practices to identify and assess applicable requirements, ensure compliance with regulations, and take any necessary action to ensure that compliance is maintained.

#### Our achievements:

- In 2021, we became members of the UN Global Compact.
- During the integration process, we are raising awareness of our CSR policy, as well as of cybersecurity and corruption risks, among new employees.
- We continued our compliance and risk management work, in particular by communicating internally on the rights and

duties of employees with regard to fraud, cybersecurity risks and access to their data.

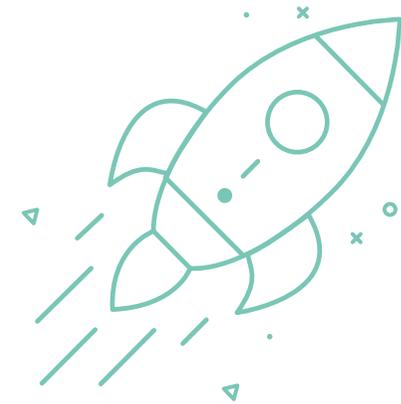
- Training on the Sapin anti-corruption law has been provided to 295 employees in France and internationally since 2019. For those who underwent the training more than 9 months ago, their knowledge was re-evaluated in 2021.
- Following the deployment in 2019 of the code of conduct with regard to the battle against corruption, we have reinforced our gift policy, by adapting it to the specific details relating to customers within our markets.
- We are currently informing our stakeholders regarding our procedures, through the presentation of our customer and supplier charters.

### Guaranteeing the protection of personal data

#### The issue at stake

Controlling the storage and use of data from connected objects to ensure the protection and privacy of users.

Connected objects are gateways to access, via the Internet, information that can be used to identify a specific natural person. Delta Dore



therefore has a duty to ensure the security of this data in order to reduce the risks that its processing poses to individuals in terms of fundamental rights.

#### Our commitment

To protect the rights of individuals in the digital environment. We undertake not to share “personal data” with third parties on our own initiative, except when the user chooses to heighten their experience with a feature requiring the communication of their data (in this specific case, the user will be notified in advance). We have a global approach to cybersecurity and are integrating the requirements of the GDPR, one of the reference texts for the protection of personal data throughout the European Union, into our processes.

#### Our achievements:

- From the design phase, we incorporate specific security measures into our solutions: identification, authentication and authorisation technologies, encryption of exchanges.
- We work with our partners to frame the management of users' personal data through standard sub-contracting or joint liability clauses. In addition, we are refining our risk management through the preparation of impact analyses on projects that require it.

- Exercising users' rights allows us to test the robustness of our processing procedures and to improve them. In 2021, we had a rate of response to requests to exercise users' rights of 92%, adhering to the 1-month timeframe stipulated by the regulation.
- In accordance with the new regulation regarding cookies, in 2021 we deployed a new management policy applicable on all our websites. As such, the placement of cookies is subject to visitors' consent, and we inform them as to the purposes of these cookies.

## Acting for responsible procurement

### The issue at stake

Ensure, through controlled sourcing and traceability, that the risks pertaining to the environment and human rights violations associated with the extraction and refining of raw materials used in the manufacture of our electrical and electronic equipment (minerals, precious metals and rare soils) are reduced.

### Our commitment

To ask our suppliers to support all initiatives to ensure ethical origin and respect for human rights. We have initiated a process to identify the origin and control the traceability of their supply of tantalum, tungsten, tin and gold, in accordance with the new European Union regulations of 2017 on "conflict minerals". We ban the use of minerals from areas of armed conflict or high-risk areas.

### Our achievements:

- We underwent training on the SCIP regulation regarding substances of concern.
- We are continuing our efforts concerning the collection of supplier data demonstrating their good practices with regard to standards and societal issues (CMRT, ROHS, REACH,

SCIP).

- We thus initiated the collection of SCIP numbers from our suppliers, to respond to the downstream disclosure obligation (article 33 of REACH) for products containing substances on the candidate list with concentrations greater than 0.1%.

## Improving customer relations

### The issue at stake

Being attentive and encouraging communication in order to propose appropriate solutions, to build customer loyalty and to make them into ambassadors for our brand. The quality of the human and technical resources deployed with our customers and prospects is essential to properly capture, interpret and satisfy their commercial and societal expectations.

### Our commitment

Improve customer knowledge and the quality of the relationships established, foster customised customer relations. Become a customer-centric relational brand and offer an optimal customer experience.

### Our achievements:

- We adapted to the acceleration in the digital transition and to the increased use of digital channels by our customers. In 2021, communication by email surpassed communication by telephone in terms of prevalence.
- Free online webinars were offered to customers to keep them informed of new features.
- In 2021, we continued to expand our range of Smart IoT Solutions, serving our key account clients, pressing further into the notion of openness, for example, with the launch of our

developer portal for our customers, as well as value added services enabling the simple integration of smart products from third-party companies. New Key Accounts have placed their trust in us in 2021, with a view to us supporting them in the digitalisation of their product offerings.

### Indicators

- Quality of service

	2019	2020	2021	2021 target
Smart Home consumer service quality	91%	81%	88%	85%
Smart Home professional service quality	81%	79%	85%	85%

**SIGN**

# Conquest pillar: key indicators



## Satisfaction “Quality of Service”

Smart Home Consumer:

2020 :  2021 :  
**81%** / **88%**

Smart Home Pro:

2020 :  2021 :  
**79%** / **85%**

## Contribution of the pillar to SDG:





# Talents pillar

## How to support talents and develop their social well-being?

Delta Dore is committed to meeting the aspirations of its employees, which are its greatest value. We are setting up a new managerial project designed to engage and involve them on a long-term basis around our common project of transformation and value creation, driven by a new corporate culture, reconciling performance and well-being at work. Delta Dore is proud, for the 3<sup>rd</sup> consecutive year, to be among the 500 best employers in France in 2021, published by Capital since 2015.

### Attracting talent

#### The issue at stake

Developing our image and attractiveness among top schools and potential candidates, to attract the best profiles specialising, in particular, in electronics, IT and mechanics. We want to be able to count on the best skills to support our growth issues and ensure the sustainability of Delta Dore and its jobs.

#### Our commitment

Conduct a policy that values human assets, focused on commitment and trust, with a shared vision. Based on this mindset, we are implementing an empowerment policy designed to empower our employees so that they can be the central driving force behind the Group's transformation.

#### Our achievements:

- We encourage our employees to speak out regularly in internal and external publications (social media, press, etc.) highlighting their activities or group news. As in 2020, around one hundred employees contributed to highlighting the company and its activities in 2021.
- We continue to pursue a policy of co-opting,

which accounts for 8% of positions filled in 2021. We are convinced that our employees are our best ambassadors.

- Proud to have our headquarters and main factory located in Brittany, we have established a partnership with the "Bretagne" brand to help highlight the region's assets and appeal.
- For 4 years, we have been developing partnerships with the "Grandes Ecoles" (prestigious French Higher Education establishments) to promote our activities to students; the future Delta Dore talent.

#### Indicators

- Turnover related to resignations

2019	2020	2021	2021 target
3,4%	2,7%	2,99%	< 5%

- Percentage of permanent contract candidates confirmed at the end of their trial period

2019	2020	2021	2021 target
89%	88%	92%	> 95%



### Supporting careers

#### The issue at stake

Helping our employees to progress in their professional careers and to evolve within the Group, through vertical and horizontal mobility, to guarantee their development, strengthen their commitment and develop their talent.

#### Our commitment

To foster our employees' professional development, support them along their journey and make them players in their careers. We promote their applications to the job vacancies available within the Group, to extend their career opportunities, their knowledge and their global vision of the company.

#### Our achievements:

- Our mobility policy encourages professional development and fulfilment by taking into account the wishes for mobility (functional, geographical or hierarchical) discussed during the annual review.
- Each year, we carry out a talent review by the Executive Committee, backed by a succession plan for employees with strategic skills.
- At all levels of the company, we support about

ten employees in a training course leading to a diploma followed by professional and salary development (CQPM, CNAM, etc.).

**Indicators**

- Percentage of employees who have experienced a promotion or a change in position, on the average annual workforce

2019	2020	2021	2021 target
6%	5%	5,3%	> 5%

- Percentage of positions filled internally

2019	2020	2021	2021 target
17%	29%	26%	> 15%

**Developing training**

.....

**The issue at stake**

Implementing a skills development policy that supports and builds the loyalty of each of our employees throughout their professional career, guarantees their suitability for the position held and increases their employability.

**Our commitment**

To continue to develop the skills of our employees and acquire new knowledge through internal or external training programmes, such as the annual training plan, the Personal Training Account (PTA).

**Our achievements:**

- In order to support our deployment on an international level, and to facilitate the induction of new German employees, training courses were provided in English to more than 150 employees.
- We develop the pedagogical skills of employees who boast particular expertise, with a view to them becoming internal trainers. In

2021, we created internal training modules (LinkedIn, lot platform, legal awareness, phishing, cybersecurity, PIIM...), delivered to more than 325 employees.

- Our new managers take part in a training programme focussing on our SOFT values, which encourages development, empowerment and a sense of initiative in their team members. In 2021, 14 new managers joined this course. And in order to subscribe to a process of continuous improvement, every 2 years managers receive feedback from their teams thanks to the managerial review system.
- We developed our induction path: each new talent is informed of the induction plan for the first few weeks, ahead of his or her arrival (training, contacts etc.). Their feedback regarding their induction will be utilised to facilitate progress in this phase of cultural acclimatisation.

**Indicators**

- Percentage of employees who have received training



2019	2020	2021	2021 target
91%	73%	81%	> 75%

**Communicating with internal stakeholders**

.....

**The issue at stake**

Maintaining good communication with internal stakeholders, while respecting mutual listening, to better take into account their expectations and defuse conflicts. As Delta Dore's driving force, internal stakeholders are directly involved in the Group's dynamics and performance. This dialogue may cover any subject of common interest relating to the company's economic and social policy.

**Our commitment**

To ensure the quality of the dialogue established with employees and their representatives, through regular information on Group news, meetings with employee representative bodies and annual individual reviews between employees and managers. Delta Dore involves employees in the organisation of work and the layout of their workstations, particularly in terms of ergonomics.

**Our achievements:**

- In order to afford each employee greater flexibility in the management of their work and rest time, we signed company agreements enabling, in particular, the implementation of a working time account for accumulated leave (Compte Epargne Temps, CET). This system was broadly welcomed by employees, with more than 55% investing days off.
- Every quarter, in the form of "live team events", we organise information meetings with a view to sharing key developments in our strategic plan, key customer news, or new additions to the product range. These meetings are open to all employees with a business email address, whether watching live or viewing the recording. For production employees, an overview video is produced, and all those who wish can have it sent to their personal email addresses.
- The Smart Building business suffered greatly as a result of the health crisis, with a substantial loss in revenue on account of the drop in the tertiary market (office premises). This situation drove us to implement a plan aiming to safeguard jobs, allowing the organisation to bring its financial results back into balance. We supported 24 of our employees in finding solutions involving internal or external redeployment with a rapid return to work, retraining, or the creation of new business.

**Indicators**

- Percentage of employees satisfied with internal communication

2019	2020	2021	2021 target
77%	89%	93%	80%

- Percentage of employees satisfied with the way the annual review was conducted

2019	2020	2021	2021 target
99%	99%	98%	99%

## Developing social life and commitment

### The issue at stake

Promoting the development and involvement of our employees by developing motivating incentive schemes, in terms of profit-sharing, wages, social benefits, managerial culture, etc. Quality of work life and the search for a better balance between professional and personal life are fundamental to retaining our talents.

### Our commitment

Develop employee engagement by activating several levers. In particular, we regularly check the consistency of our compensation with market practices. We also aim to improve the balance between professional and personal life by encouraging teleworking in particular.

### Our achievements:

- A major focus of our social policy, we listen to employees' opinions regarding managerial issues, via the "managerial diagnostic tool", or indeed the survey on "psycho-social risks".
- A specific project by the name of "boost" was implemented with a view to integrating our German employees. All of the initiatives (information meetings, written communications, working group etc.) were followed up with a satisfaction questionnaire.
- All of the company's positions are rated according to the "Job Link" rating method, which makes it possible to define their level of contribution objectively and thus ensure fairness within social practices.
- Following a period of "forced" remote working on account of the health crisis, each department resumed a more regular means of organisation. The 2019 referral memorandums were adapted, affording greater flexibility to employees.
- To facilitate childcare, we fund crèche places for our employees. In 2021, in spite of the uncertainties associated with the health crisis, 18 children benefitted from these structures.

## Protecting health and safety

### The issue at stake

Improve our occupational health and safety performance by combining prevention policy, human resources and financial resources in a continuous improvement approach to enable our employees to operate safely and reliably.

### Our commitment

Lead and develop a safety culture to reduce the occupational risks inherent in our business (electrical, road, chemical or fire), by involving and raising awareness among our teams about prevention and well-being at work. We are committed to continuing to improve working conditions and workstation ergonomics and to anticipate the continuity of the company's and our suppliers' activities in the event of a disaster.

### Our achievements:

- We have adapted our health crisis management and, in particular, our communication regarding preventive measures, in line with the progression of the pandemic.
- We are pursuing ISO45001, ISO 9001 and 14001 certification for our production plant in Revin.

### Indicators

- Frequency of work-related accidents

KPI	2019	2020	2021	2021 target
	0,87	6,63	8,34	4,98

- Severity rate of work-related accidents

KPI	2019	2020	2021	2021 target
	0,01	0,12	0,17	0,06

- Absenteeism rate

	2019	2020	2021	2021 target
	3,8%	4%	3,3%	< 5%

## Promoting diversity and combatting discrimination

---

### The issue at stake

As an international group, diversity is part of Delta Dore's human richness. We are convinced that this is a strength, both when it comes to overcoming challenges facing the company as, and with regard to employees' development. Alongside physical health, we consider mental and social health to be paramount and believe they must be protected, preventing any form of discrimination or harassment.

### Commitment

Our human resources policy is based on competence, equal opportunities and the principle of non-discrimination. We are committed to preventing all forms of discrimination by making our employees aware of issues such as diversity, disability, gender equality, etc.

### Our achievements

- We have formalised our recruitment policy and process. These are available on the "Join us" page on our website.
- We are raising awareness among our managers regarding diversity and discrimination issues, with a view to them being informed recruiters. Each recruitment session starts with the sharing of the "manager/recruiter" guide.
- Employees in the human resources department are trained in non-discriminatory hiring practices.



# Talent pillar: key indicators

## ATTRACTING TALENT

**KPI** **3%** of turnover related to resignations

## HEALTH & SAFETY

Frequency Rate:

**KPI** **8,34**

## TRAINING

**KPI** **81%** of employees who have participated in a training course

Severity Rate:

**KPI** **0,17**

Percentage of permanent contract candidates confirmed at the end of their trial period  
2020: 88%      2021: 92%

Percentage of employees who have experienced a promotion or a change in position:  
2020: 88%      2021: 92%

Percentage of positions filled internally:  
2020: 29%      2021: 26%

Satisfaction rate with internal communication:  
2020: 89%      2021: 93%

Proportion of employees satisfied with the annual review procedure:  
2020: 99%      2021: 98%

Rate of absenteeism:  
2020: 4%      2021: 3.3%

## Contribution of the pillar to SDG:

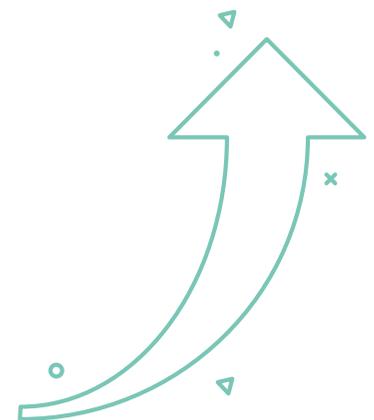




# Performance pillar

## How can we improve performance by making better use of our resources?

Delta Dore aims to sustainably increase its performance and investment capacity. The quest for performance is not limited to productive processes. Above all, it is a question of a Group-wide mindset, accompanied by the implementation of new methods to optimise resources while adopting a responsible approach. They also facilitate the identification of the most promising projects and create both economic and societal value.



### Supporting digital transformation

#### The issue at stake

Embrace new digital applications and integrate digital technologies, to decompartmentalise communication between our services and with our partners, promote a collaborative approach, increase agility and improve our competitiveness. To succeed, we give priority to supporting the skills development of our employees, in order to guarantee their employability.

#### Our commitment

Develop collaborative work and support users in the mastery of new tools, to improve the efficiency of all our processes.

#### Our achievements:

- The roll-out of remote working and the increased use of collaborative tools for this remote work were maintained.
- We facilitate the use of Teams spaces that centralise exchanges, and optimise the use of the application's features.

#### Indicators

- Rate of adoption of new Office 365 tools

2019	2020	2021	2021 target
81%	87%	85%	85%

### Improving customer satisfaction

#### The issue at stake

Customer satisfaction is a strategic imperative, the very foundation of our value creation and growth logic. This satisfaction is determined by listening to their expectations and purchasing experience, and by the perceived performance of our products and services, which determine their loyalty.

#### Our commitment

To ensure the highest satisfaction of our customers and compliance with their requirements. We aim for a high level of excellence in our product and service offerings by building on digital transition, customer relations, the skills of our employees and knowledge sharing. We strive to improve the efficiency of our development and production processes through an Agile and Lean approach.

#### Our achievements:

- A "customer intimacy" programme was launched with a view to increasing the satisfaction of our customers and boost customer retention. A team of 16 people worked in 6 main areas, to implement concrete initiatives to strengthen our knowledge of our clients (needs, expectations and difficulties) and to provide them with a personalised response.

**SIGN**

- We are strengthening our relationships with customers in order to work in close collaboration, to manage production priorities on the basis of supply availability. To this end, we are establishing long-term commitments with our suppliers, involving all cross-functional teams.
- In 2021, in spite of a context of reduced visibility, the upturn in business and successive lockdowns in Asia placed strain on supply chains and resulted in numerous delays in the availability of components. We anticipated requirements and adjusted our commitments towards our customers, so as to continue to satisfy them.

#### Indicators

- Ability to fulfil our commitments

	2019	2020	2021	2021 target
On-Time-In-Full (OTIF)	88%	81%	64%	90%
On-Time-Delivery (OTD)	94%	91%	82%	95%

## Encouraging sustainable purchasing

### The issue at stake

Reduce the risks of unworthy working conditions and the impact on the environment through a sustainable purchasing policy, which favours exemplary suppliers who share our CSR values, a guarantee of long-term collaboration: respect for rights, control of environmental impacts, business ethics.

### Our commitment

Ask our suppliers to fully respect human and labour rights, preserve the environment and guarantee business ethics. For the sake of transparency, we invite them to adhere to our Purchasing Charter, drawn up in accordance with the Universal Declaration of Human Rights, the ten principles of the UN Global Compact and the fundamental conventions of the International Labour Organization.

### Our achievements:

- We implemented targeting and support initiatives with our suppliers to reduce our environmental impact, in particular by reconciling the supply of our packaging and labels. Accordingly, we initially switched from national sourcing (France) to regional (Brittany), and secondly from European sourcing to national (France). A change in location that allows use to reduce our carbon footprint.

### Indicators

- Sustainable Development suppliers' performance



2019	2020	2021	2021 target
62%	68%	72%	70%

- Percentage of suppliers who have signed the purchasing charter

2019	2020	2021	2021 target
84,6%	84,9%	85,2%	> 80%

## Energy Management Optimisation

### The issue at stake

Reducing our energy consumption and its impacts is a priority in the face of climate change and the imperatives of ecological transition. Energy management refers to all the processes essential to the continuous improvement of a company's energy efficiency, regardless of the type of energy, use, consumption and equipment involved. This management is an important lever for Delta Dore to reduce greenhouse gas (GHG) emissions, since 65% of our annual emissions (Scope 1 and 2 of the GHG balance sheet) come from our electricity consumption alone, excluding commuting, according to a GHG balance sheet conducted in 2015.

### Our commitment

To control energy and give priority to green energy. The responsible management of the energies of our buildings and production resources is an integral part of our CSR endeavours. Delta Dore is committed to continuing and intensifying its approach to energy savings and its shift towards renewable energies. We want to achieve a prominent share of green energy in our consumption model, which is largely dominated by electricity.

### Our achievements:

- We calculated the surface area of our commercial buildings, with a view to applying the French Tertiary Sector Decree.
- We are continuing our reduction efforts associated with our Achilles heel (non-operating

energy consumption).

- The compressed air pressure has been reduced at the weekend, thus reducing our energy consumption.
- We have identified reduction measures involving the installation of valves in the production areas.
- We made an inventory of the refrigerants that we will have to change over the coming years, in accordance with the European F-GAS regulation.

### Indicators

- Greenhouse gases / value produced



2019	2020	2021	2021 target
6.1 T/€M	7.0 T/M€	7.2 T/€M	< 5,8

- Energy consumption / value produced

2019	2020	2021	2021 target
80.4 MWh/€M	80.9 MWh/€M	80.5 MWh/€M	< 78

## Improving waste recovery

### The issue at stake

Combat the risk of depletion of natural resources, prevent climate change and reduce environmental impact. To achieve this, we must reduce and manage the waste generated by our businesses in a global and sustainable way, from its collection to its recovery by recycling, composting and energy transformation, but also participate in the eco-contribution of our packaging, printed materials and Electrical and Electronic Equipment (EEE) under the Extended Producer Responsibility (EPR).

### Our commitment

To improve the effectiveness of our waste reduction, sorting, and recovery measures. Delta Dore works closely with its suppliers to avoid unnecessary packaging that creates unnecessary waste. We pay particular attention to the optimal recovery of all our waste, with the installation of appropriate outlets. We ensure that we choose service providers with recognised know-how and compliance with applicable regulations, and rely on the commitment of our employees and their compliance with our sustainable waste management rules.

### Our achievements:

- We are continuing our efforts to always ensure the recycling of our products, for example, in seeking out service providers to recycle certain waste such as non-recyclable plastic trims from sheets of punch-out circuit boards.
- We have reduced the number of waste collections in 2021 by 11% in relation to 2020. And the average tonnage per collection has been increased by 52%.
- We have installed a compactor to reduce the space taken up by our packaging, which now allows us to reduce our rotations, and consequently the impact of our waste.
- Registration with Trackdéchét waste tracking, in accordance with regulations.
- In accordance with the law against waste and for a circular economy (AGEC), we have unique identifiers (identifiants uniques, IDU), which attest to our compliance regarding our obligation to be listed in the registry of producers (of electrical and electronic devices, graphic papers and packaging), and with regard to submitting these market launch declarations to accredited environmental bodies.

### Indicators

- Rate of waste material recovery

2019	2020	2021	2021 target
73%	80%	76%	> 80%

# Performance pillar: key indicators

## ENERGY MANAGEMENT

Greenhouse gases from energy consumed by the sites

**7.2 T/€M** **KPI**

## WASTE RECOVERY

Rate of waste material recovery

**76%** **KPI**

## SUSTAINABLE PURCHASING

Suppliers' performance in sustainable development

**72%** **KPI**



**Rate of adoption of new office 365 tools:**  
2020: 87%      2021: 85%

**Percentage of signatories of our purchasing charter:**  
2020: 85%    2021: 85%

**Ability to meet our commitments:**  
OTI 2020: 81%      OTI 2021: 64%  
OTD 2020: 91%      OTD 2021: 82%

**Energy consumption / value produced:**  
2020: 80.9MWh      2021: 80.5MWh

## Contribution of the pillar to SDG:



# Conclusions and perspectives

---

With this 4<sup>th</sup> CSR report, we highlight our achievements in extra-financial performance, which are the result of our commitments and the contribution of our employees. Delta Dore would like to thank all those who contribute to these results and who trust us to continue to create sustainable value in everything we do.

We would like to sincerely thank all stakeholders, internal and external, for their active contribution. Without their involvement, the actions implemented would not have the impact we seek to give them. We would also like to thank the process pilots for the extent of the conversion work they carry out within their respective activities. Finally, we would like to thank all those who participated in the production of the indicators and content of this report.

Based on a risk-based approach and the process of alignment with the Global Impact & Sustainable Development Goals, the consistency and improvement presented in this document provides a better understanding of Delta Dore's policies. This strategy promotes their deployment and the achievement of our objectives, rallied around increasing the company's sustainable and perennial performance, and backed by listening to our stakeholders.

Delta Dore is committed to pursuing this path of progress and the implementation of its

CSR actions. In particular, the group plans to maintain its approach and its reporting scope to its significant entities.

This report is intended for our current and future stakeholders and employees, to provide them with transparent information regarding the extent of our collective achievements and to outline our ambitions.

In this way, we contribute to a better sharing and understanding of our corporate social responsibility practices.





*Bonnemain production team*

## Appendices

# Our results and impacts

We make the link between the 3 CSR pillars and our issues. These are recalled in inverted commas below:

### 1 - Social

**Collective agreements concluded within the company and their impact on the company's economic performance and on employees' working conditions:**

- “Communication with internal stakeholders”
- “Develop social life and commitment”
- “Protect health and safety”
- In 2021, company agreements were concluded concerning the implementation of a working time account for accumulated leave (compte épargne temps, CET), and the right to log off.

**Actions against discrimination**

- “Promoting diversity and combatting discrimination”

**Promoting diversity**

- “Promoting diversity and combatting discrimination”

**Measures taken in favour of people with disabilities**

- Integration of objectives promoting the employment of people with disabilities with our temporary employment agency.
- Delta Dore's green spaces are maintained by a work-based disabled integration enterprise (ESAT)

**Actions to promote the practice of physical and sporting activities:**

- \* We organised a walking challenge in 2021 and raised money for cancer research: we gathered together 173 participants who covered more than 7000 km, taking more than 10 million steps!
- \* In order to stay fit and account of the risk of the sedentary lifestyle brought about by the increase in remote working par on account of the health crisis, we reminded our employees to stay physically active and to remember to move around as much as possible.

### 2 - Societal

**Societal commitments to sustainable development**

- “Promoting sustainable innovation”
- “Developing our contribution to energy transition”
- “Strengthening compliance”
- “Guaranteeing respect for personal data”
- “Improving customer relations”
- “Acting for responsible procurement”
- “Encouraging sustainable purchasing”

### 3 - Environmental

**Effect on climate change of society's activity and the use of the goods and services it**

**produces:**

- “Extending eco-design”
- “Promoting sustainable innovation”
- “Developing our contribution to energy transition”
- “Optimising energy management”

**Circular economy:**

- “Extending eco-design”
- “Encouraging sustainable purchasing”
- “Improving waste recovery”

**Fight against food waste:**

- The company restaurant offers employees the option of adapting the portions according to their needs, in order to limit food waste.

**Fight against food insecurity**

- This issue has not been identified as a priority.

**Respect for animal welfare**

- This issue has not been identified as a priority.
- Delta Dore's activities do not involve any exploitation or use of animals.

**Responsible, fair and sustainable food**

- “The company restaurant is partly supplied by local producers and includes products from organic farming.”

# ITO Report (RSM West):

## Independent third party report on the consolidated declaration of extra-financial performance Year ending 31 December 2021

### To the shareholders of DELTA DORE FINANCE SA,

In our capacity as a professional auditing body, designated as a third-party body for your group (hereinafter "entity"), and accredited by COFRAC (Comité d'Accréditation Français [French Accreditation Committee]; Cofrac accreditation validation/verification no. 3-1861, scope available at [www.cofrac.fr](http://www.cofrac.fr)), we undertook work aiming to formulate a reasoned opinion expressing a conclusion offering moderate assurance, based on historic information or information extrapolated from the consolidated Statement of Extra-Financial Performance, prepared in accordance with the entity's procedures (hereinafter the "Reporting Criteria"), for the period ending 31 December 2021 (hereinafter the "Information" and the "Statement" respectively), presented in the group's management report, in accordance with the provisions of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

### Preparation of the Statement of Extra-Financial Performance

The lack of a generally accepted and commonly used frame of reference or established practices that can be drawn on as a means by which to evaluate and measure the information enables the use of different, yet acceptable measurement techniques, which can affect the ability to draw comparisons between the entities and over time.

As a result, the information must be read and

understood by referring to the Reporting Criteria, of which the relevant elements are presented in the Statement.

### Limitations inherent to the preparation of the information associated with the Statement

The information may be subject to a degree of uncertainty inherent in the state of scientific knowledge, and to the quality of the external public data used, such as... (e.g. greenhouse gas emission factors, sectoral climate trajectories...) Some information may be affected by methodological choices, hypotheses and/or assumptions made with a view to establishing said information, and presented in the Statement, in particular concerning e.g. the reporting scope, extrapolations made regarding energy consumption, reported scope 3 greenhouse gas emissions...

### Responsibility of the entity

It is the responsibility of the Management Board:

- to select or establish appropriate criteria for the preparation of information;
- to prepare a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies applied in relation to these risks and the results of these policies, including key performance indicators, as well as the information stipulated in article 8 of (EU) regulation 2020/852 (green taxonomy);

- and to implement the internal controls that it deems necessary for the preparation of information that does not include significant anomalies,, such as those stemming from fraud or as the result of errors.

The Statement has been drawn up, applying the aforementioned entity Reporting Criteria.

### Responsibility of the designated independent third-party body

It is our responsibility, on the basis of our work, to formulate a reasoned opinion expressing a conclusion based on moderate assurance on:

- the compliance of the Statement with the provisions of Article R. 225-105 of the French Commercial Code;
- the accuracy of the information provided pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code, namely the results of policies, including key performance indicators, and actions, relating to the main risks, hereinafter the "Information".

As we are required to formulate an impartial conclusion regarding the information, as prepared by the management, we are not authorised to be involved in the preparation of the said information, as this could compromise our impartiality.

It is not for us to comment on the following:

- the entity's compliance with other applicable legal and regulatory provisions (in particular with regard to the information stipulated by article 8 of (EU)

regulation 2020/852 (Green Taxonomy), the due diligence plan and the fight against corruption and tax evasion);

- the accuracy of the information specified in article 8 of the (EU) regulation 2020/852 (green taxonomy);
- the compliance of products and services with application regulations.

### Regulatory provisions

Our work described below has been carried out in accordance with the provisions of articles A. 225 I et seq. of the French Commercial Code, which determines the terms and conditions under which a third party organisation conducts its mission, in accordance with the verification programme.

### Impartiality and quality control

Our impartiality is defined by the provisions of Article L. 822-II-3 of the French Commercial Code. In addition, we have implemented a quality control system that includes documented policies and procedures to ensure compliance with applicable laws and regulations.

### Nature and scope of work

We have planned and implemented our work, taking into account the risk of significant anomalies in terms of information.

We believe that the procedures that we have implemented while exercising our professional judgement allow us to formulate a conclusion expressing moderate assurance.

Our work is performed in accordance with an audit programme and the associated specified requirements relating to auditing.

- we have reviewed all the entities included in the scope of consolidation and the description of the main risks;
- we have assessed the appropriateness of the Reporting Criteria with regard to its relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices in the sector;

- we verified that the Statement covers each category of information provided for in III of Article L. 225-IO2-I with regard to social and environmental matters;
- we have verified that the Statement presents the information provided for in II of Article R. 225-IO5 when relevant to the principal risks and includes an explanation of the reasons for the absence of the information required by the second paragraph of III of Article L. 225-IO2-I;
- we have verified that the Statement presents the business model and a description of the principal risks of all entities included in the scope of consolidation, including, where relevant and proportionate, the risks created by its business relationships, products or services, and the policies, actions and results, including key performance indicators relating to the principal risks;
- we have consulted the documentary sources and conducted interviews in order to:
  - assess the process of selecting and validating the main risks and the consistency of the results, including the key performance indicators selected, with the main risks and policies presented, and
  - corroborate the qualitative information (actions and results) presented in Appendix 2 that we considered most important. Our work has been performed on the level of the consolidating entity, while for the other risks, the work was performed on the level of the consolidating entity and within a selection of entities.
- we have checked that the Statement covers the consolidated perimeter, i.e. all the entities included in the consolidation perimeter in accordance with Article L. 233-16 with the limits specified in the Statement;
- we have examined the internal control and risk management procedures implemented by the entity and have assessed the collection process aimed at ensuring the completeness and accuracy of the information;
- for the key performance indicators and

other quantitative results that we considered most important presented in Appendix I, we implemented:

- analytical procedures consisting of verifying the correct consolidation of the data collected and the consistency of its evolution;
- detailed tests on a sample basis, consisting of verifying the correct application of definitions and procedures and reconciling the data with supporting documents. This work was carried out on a selection of contributing entities, namely the companies DELTA DORE SA and DDM, and covered between 68% and 100% of the consolidated data selected for these tests;
- We assessed the overall consistency of the Statement in relation to our knowledge of all the entities included in the scope of consolidation.

Procedures implemented within the scope of a task with a moderate assurance audit are less extensive than those required for a reasonable assurance audit; a higher level of assurance would have required more extensive auditing work.

### Methods and resources

Our work involved the skills of 3 people and took place between February and May 2022 over a total intervention period of 2 weeks.

We called upon our specialists the fields of sustainable development and societal responsibility to assist us in the execution of our tasks. We conducted 5 interviews with the people responsible for the preparation of the Statement.

## Conclusion

Based on the procedures that we have implemented, as outlined in the "Nature and scope of the work" section, and the elements that we have collected, nothing has come to our attention that causes us to believe that the Statement of Extra-Financial Performance is not in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is presented fairly in accordance with the Reporting Criteria.

## Comments

Without calling into question the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comments:

- Scope:
  - The DELTA DORE group has limited the reporting scope to the entities in France and Spain, which represents 85% of the group's workforce.
  - In June 2021, the Delta Dore group acquired the Rademacher group, which is based in Germany. For reasons of organisational difficulty, Rademacher data will only be included in the SEFP from 2022 onward.
- Results of these policies, including key performance indicators:
  - Concerning the 2019 indicators:
    - Some (frequency rate, severity rate and absenteeism rate) could not be presented on the basis of the France and Spain scope because the data was only available on the France scope;
    - Some (percentage of turnover linked to resignations, percentage of employees having undergone training) are presented on the basis of the 2019 scope and are not presented on the basis of the 2020 France and Spain scope because the data has not been recalculated.

Paris, 16/05/2022

Independent Third Party Organisation - RSM OUESTParis

Martine LECONTE  
Head of the CSR department, partner

Risks and Challenges	Quantitative indicators	Tested qualitative data
<b>Talent</b>	<p><b>Indicators:</b></p> <ul style="list-style-type: none"> <li>• Absenteeism rate</li> <li>• Percentage of employees satisfied with internal communication</li> </ul> <p><b>Key Performance Indicators:</b></p> <ul style="list-style-type: none"> <li>• Turnover related to resignations</li> <li>• Percentage of employees who have received training</li> <li>• Frequency of work-related accidents</li> <li>• Severity rate of work-related accidents</li> </ul>	<ul style="list-style-type: none"> <li>• Partnership with the "Brittany" brand</li> <li>• New managers attend a training course focussing on SOFT values</li> <li>• Implementation of a working time account for accumulated leave (compte épargne temps, CET)</li> <li>• Funding of crèche places for employees</li> <li>• ISO45001 certification processes at the Revin factory</li> <li>• Formalisation of the recruitment policy and process</li> </ul>
<b>Innovation</b>	<p><b>Indicators:</b></p> <ul style="list-style-type: none"> <li>• Percentage of time dedicated to energy transition R&amp;I</li> </ul> <p><b>Key Performance Indicators:</b></p> <ul style="list-style-type: none"> <li>• Percentage of catalogue turnover covered by a PEP</li> <li>• Percentage of Delta Dore products' turnover that contribute to energy management</li> </ul>	<ul style="list-style-type: none"> <li>• "Development of a "Conservation" or "Dissipation" strategy calculated based on weather forecasts</li> <li>• Training on the PCR 4th edition</li> <li>• Definition of the objective for the reduction of carbon emissions, coming into alignment with the ambitions of the Paris Agreement</li> </ul>
<b>Performance</b>	<p><b>Indicators:</b></p> <ul style="list-style-type: none"> <li>• Percentage of suppliers who have signed the purchasing charter</li> <li>• Energy consumption / value produced</li> </ul> <p><b>Key Performance Indicators:</b></p> <ul style="list-style-type: none"> <li>• Rate of waste material recovery</li> <li>• Greenhouse gases / value produced</li> <li>• Sustainable Development suppliers' performance</li> </ul>	<ul style="list-style-type: none"> <li>• Targeting and support actions for environmental impact reductions</li> <li>• Identification of reduction measures involving the installation of valves in the production areas.</li> <li>• Law against waste and for a circular economy (AGEC): bringing into compliance</li> </ul>
<b>Conquest</b>		<ul style="list-style-type: none"> <li>• Membership of the UN Global Compact</li> <li>• Ensuring compliance with the new regulation regarding cookies</li> <li>• Training on the SCIP regulation</li> </ul>

# Summary table of indicators:

	Issues	Pillar	Indicator	2019 (FR + GER + ESP)	2020	2021	2021 target	Coverage rate	Coverage	Comment 2021	Calculation method
ENVIRONMENTAL	KPI Eco-design	I	Percentage of catalogue turnover covered by a PEP	40 %	21 %	46 %	> 50%	100 %	of catalogue turnover	Significant recovery in terms of the production of PEPs (16 PEPs in 2021, covering 57 products sold, vs. 9 PEPs in 2020 covering 31 products, vs. 7 PEPs in 2019 covering 7 products)	Catalogue turnover covered by a valid PEP during the sales month / Catalogue turnover (Delta Dore brand)
	Energy transition	I	Percentage of time dedicated to energy transition R&I	45 %	55 %	62 %	> 50%	100 %	of R&I time	objective achieved	Time spent on projects associated with the energy transition / total research and innovation time Development of the calculation: Consideration of an additional project typology with an update to the level from 2018
	KPI Sustainable purchases	P	Sustainable Development suppliers' performance	62 %	68 %	72 %	70 %	75 %	of the total amount of purchases	no comment	Measurement as a percentage from a questionnaire
	KPI Energy management*	P	Greenhouse gases / value produced	6.1 T/€M	7.0 T/M€	7.2 T/€M	< 5,8	96 %	of the industrial output value of DDSA and DDM	Gas boiler installation in 2021, increased heating requirement, higher number of heating degree days	Energy consumption in MWh * ADEME emission factor (French average) / Value produced (Raw material + Labour + Machinery + Subcontracting) Use of SCOPE 3 emission factors (ADEME carbon database)
	Energy management*	P	Energy consumption / value produced	80 MWh/€M	81 MWh/€M	80.5 MWh/€M	< 78,3	96 %	of the industrial output value of DDSA and DDM	Gas boiler installation in 2021, increased heating requirement, higher number of heating degree days	Electricity consumption in MWh + gas consumption in MWh / value produced (Raw material + Labour + Machinery + Subcontracting)
	KPI Waste recovery	P	Rate of waste material recovery	73 %	80 %	76 %	> 80%	96 %	of the industrial output value of DDSA and DDM	Decline in energy recovery on account of landfill	Evolution of the calculation: refined by the data provided by our service provider for the treatment of hazardous waste
SOCIAL	KPI Energy transition	I	Percentage of Delta Dore products' turnover that contribute to energy management	56 %	57 %	56 %	> 60%	100 %	of the group turnover	no comment	Turnover from energy management products + HVAC (Heating, Ventilation, and Air Conditioning) products + Smart Building turnover / total turnover
	Sustainable purchases	P	Percentage of suppliers who have signed the purchasing charter	84,6 %	84,9 %	85,2 %	> 80%		suppliers approached	objective achieved	Number of signatory suppliers / number of suppliers approached
	Digital transformation	P	Rate of adoption of the new Office 365 tools	81 %	87 %	85 %	85 %	100 %	Delta Dore Office 365 accounts	no comment	Average usage rates for Office 365 tools (Messaging, OneDrive, SharePoint, Skype, Yammer, Teams)

	Issues	Pillar	Indicator	2019 (FR + GER + ESP)	2020	2021	2021 target	Coverage rate	Coverage	Comment 2021	Calculation method	
SOCIAL	KPI	Talent attraction	T	Turnover related to resignations	3,38 %	2,80 %	2,99 %	< 5%	94%	Average for FR + ESP staff / average for group staff	objective achieved	Number of resignations / average staff
		Talent attraction	T	Percentage of permanent contract candidates confirmed at the end of their trial period	89 %	88 %	92 %	> 95%	94%	Average for FR + ESP staff / average for group staff	objective achieved	Number of employees with an end of trial period over the year - number of end of trial period / number of employees with an end of trial period over the year (permanent only)
	KPI	Training	T	Percentage of different employees who have received training:	91 %	73 %	81 %	> 75%	94%	Average for FR + ESP staff / average for group staff	objective achieved	Number of different employees trained / average number of employees
	KPI	Health & Safety	T	Frequency Rate	0,87	6,63	8,34	4,98	92%	Average for FR staff / average for group staff	Out of 9 lost-time accidents, 4 were related to a problem with objects usually handled at the workstation	Number of lost-time accidents / number of hours worked (in millions)
	KPI	Health & Safety	T	Severity rate of work-related accidents	0,01	0,12	0,17	0,06	92%	Average for FR staff / average for group staff	With the exception of 3 lost-time incidents amounting to more than 28 days, the average number of lost days is 9.5 days.	Number of days lost through temporary disability / number of hours worked (in thousands)
		Health & Safety	T	Absenteeism rate	3,75 %	4,07 %	3,33 %	<5%	92%	Average for FR staff / average for group staff	objective achieved	Number of days absent / number of days theoretically worked x 100
		Communication with internal stakeholders	T	Percentage of employees satisfied with internal communication	77 %	89 %	93 %	80 %	100 %	of group employees surveyed	objective achieved	Number of employees who answered "very satisfied" or "fairly well-informed" / number of respondents
		Communication with internal stakeholders		Percentage of employees satisfied with the way the annual review was conducted	99 %	99 %	98 %	95 %	100%	Average for FR staff / average for group staff	no comment	Number of employees satisfied / number of respondents to the questionnaire
		Professional development / Career support	T	Percentage of employees who have experienced a promotion or a change in position, on the average annual workforce	6 %	5 %	5,3 %	> 5%	94%	Average for FR + ESP staff / average for group staff	objective achieved	Number of promotions and position changes / average staff numbers
		Professional development / Career support		Percentage of positions filled internally	17 %	29 %	26,0 %	> 15%	94%	Average for FR + ESP staff / average for group staff	no comment	Number of internally filled positions / number of open positions
BUSINESS		Customer relationship	C	SQ SH consumer	91 %	81 %	88 %	85 %	100 %	French calls	objective achieved	Number of calls handled / number of calls made in the year
		Customer relationship		SQ SH pro	81 %	79 %	85 %	85 %	100 %	French calls	objective achieved	Number of calls handled / number of calls made in the year
		Sustainable innovation	I	Number of active patent families	44	53	55	49		Group	objective achieved	Number of active patent families in the INPI database
		Industrial partnerships	I	Percentage of "Ecosystem" customers	62 %	60 %	62 %	70 %	100 %	Number of customer groups	no comment	Number of customer groups with a Delta Dore ecosystem offer/total number of customer groups
		Customer satisfaction	P	On-Time-In-Full (OTIF) /	88 %	81 %	64 %	90 %	100 %	DDSA orders	very strong impact of component shortages	Number of orders shipped by customer requirement date / number of orders
		Customer satisfaction		On-Time-Delivery (OTD)	94 %	91 %	82 %	95 %	100 %	DDSA orders	very strong impact of component shortages	Number of orders shipped on time as promised / number of orders with promised date to customer

# Correspondence table with the IO principles of the United Nations Global Compact

Themes of the Global Compact	Principles of the Global Compact	Challenges expanded upon within this report
Human rights	1. Promoting and respecting the protection of international law relating to Human Rights	Compliance, page 43 Health & Safety, page 49 Sustainable purchasing, page 49
	2. Be sure not to render yourself complicit in violations of Human Rights	Compliance, page 43 Health & Safety, page 49 Sustainable purchasing, page 49
International labour standards	3. Respect freedom of association and recognise the right to collective negotiation	Communication with internal stakeholders, page 48
	4. Contribute to the elimination of all forms of forced or mandatory labour	Responsible procurement, page 44 Sustainable purchasing, page 49
	5. Contribute to the effective abolition of child labour	Responsible procurement, page 44 Sustainable purchasing, page 49
	6. Contribute to the elimination of all employment-related discrimination	Diversity and discrimination, page 50
Environment	7. Apply a precautionary approach when faced with problems relating to the environment	Eco-design, page 39 Energy management, page 54 Waste recovery, page 54-55
	8. Take initiatives that promote increased responsibility with regard to the environment	Eco-design, page 39 Energy transition, page 40
	9. Promote the development and dissemination of technologies that are respectful of the environment	Sustainable innovation, page 39 Eco-design, page 39
Battle against corruption	10. Take action against corruption in all its forms, including extortion and bribery	Compliance, page 43 Sustainable purchasing, page 49

# Glossary

---

**LCA:** Life-Cycle Assessment

**CMRT:** Conflict Minerals Reporting Template

**COP:** Communication on Progress

**PTA:** Personal Training Account

**CRM:** Customer Relationship Management

**CSE:** Comité Social et Economique (Social and Economic Committee)

**WEEE:** Waste Electrical and Electronic Equipment

**OIW:** Ordinary Industrial Waste

**Due Diligence:** The concept of due diligence means that a person must work to protect themselves against any negative element of an operation that can be avoided. This refers to basic precautionary duty.

**SEFP:** Statement of Extra-Financial Performance

**RE:** Renewable energies

**ESAT:** Etablissement et service d'aide

par le travail (Work-based disabled integration enterprise)

**GHG:** Greenhouse gas

**BMS:** Building Management System

**ICPE:** Installations Classified for the Protection of the Environment

**IoT:** Internet of Things

**ERB:** Employee Representative Bodies

**KPI:** Key Performance Indicator

**SDG:** Sustainable Development Goals

**UN:** United Nations

**OTD:** On Time Delivery

**ITO:** Independent Third Party Organisation

**OTIF:** On-time, In-Full

**PSB:** Pôle Smart Building (Smart Building Division)

**PSH:** Pôle Smart Home (Smart Home Division)

**QS:** Qualité de Service (Service Quality)

**QSE:** Quality, Safety, Environment

**QWL:** Quality of Working Life

**R&I:** Research and Innovation

**EPR:** Extended Producer Responsibility

**GDPR:** General Data Protection Regulation

**ISSM:** Information Systems Security Manager

**SCIP:** Substances of Concern In articles as such or in complex objects (Products)

**SAV:** Service Après-Vente (After Sales Service)

**SIGN:** Smart Ignition Strategic Plan

**SST:** Sauveteurs Secouristes du Travail (First-aiders at Work)

**FR:** Frequency rate

**SR:** Severity rate



[www.deltadore.co.uk](http://www.deltadore.co.uk)

