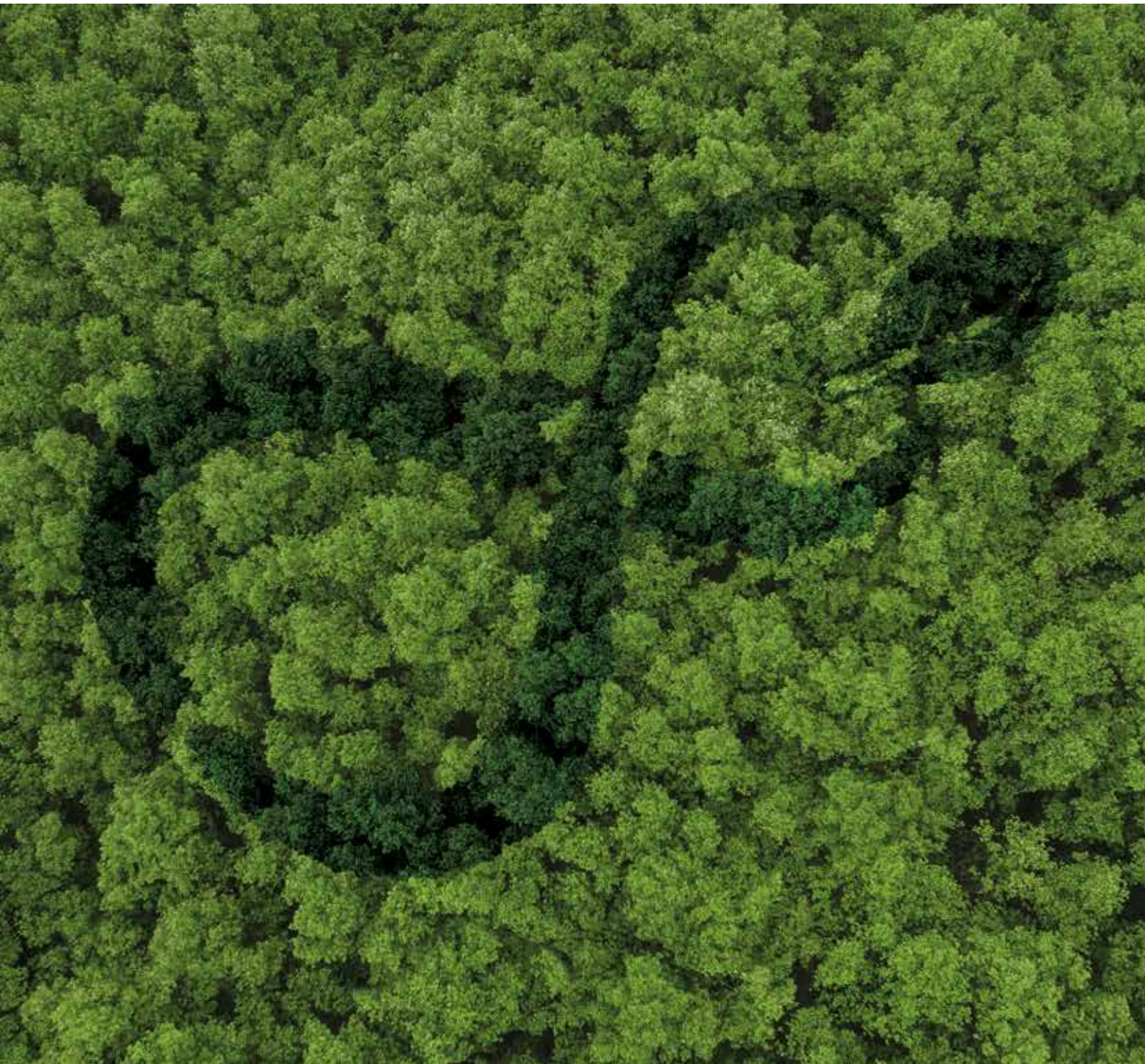


Sustainable Development Report 2022

Non-Financial Performance Statement



When **energy** matters



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CEO's Statement

SOCOMECE's 100 years in business are the best demonstration of the vision that has always underpinned the development of our activities: to balance the company's economic goals with strong social, civic and environmental commitments. These commitments are set out in our CSR (Corporate Social Responsibility) policy, one of the Group's 5 strategic development priorities. Indeed, this desire to position ourselves as a player in the ecological transition is shared by employees who are looking for a sense of purpose, by customers who are increasingly demanding in this area, and by our shareholders in the name of the principles and values they support.

CSR is a real tool for boosting the Group's performance. This is the belief that drives us and the objective pursued by the action plans we are implementing in the following 3 areas: a commitment to the well-being of our employees, protecting the environment and investing in responsible partnerships.

We are continuing to take a structured approach, and the results are clear to see: our ECOVADIS score - one of the world's leading benchmarks for assessing CSR performance - has risen by 2 points, from 71 to 73/100.

We retain our Gold medal and are still in the top 5% of companies out of the 100,000 that have been assessed. This is a great endorsement of our efforts in this area and of our determination to do ever better for the planet, for the well-being of our employees, but also in the area of business ethics and responsible purchasing.

Commitment and responsibility have been part of SOCOMECE's values for over a century now. The world is undergoing profound upheavals, and now more than ever we have a duty to drive change and set an example in our actions. We owe it to ourselves, and to the world we leave to future generations!



Ivan Steyert
CEO of the SOCOMECE Group

Commitment of the Senior Management

Renewal of the SOCOMEC CEO's commitment to the 10 principles of the United Nations Global Compact



"The Global Compact and SOCOMEC go back a long way together, with 20 years of partnership to be celebrated in 2023. We share a common objective: to be a responsible player in the social and ecological transition. Signing up to the Global Compact is done on a voluntary basis, and SOCOMEC is proud to be one of the pioneering companies in this area. The Board of Directors and I are firmly committed to this international alliance, and we intend to remain so for many years to come."

Benfeld, 31/12/2022

Ivan Steyert,
CEO of the SOCOMEC Group

SOCOMECEC in facts and figures



3,900
EMPLOYEES
68% MEN
32% WOMEN

100 years
OF SHARED ENERGY

€725M

TURNOVER
+20% COMPARED TO 2021

8%

OF TURNOVER
INVESTED IN R&D

3 FIELDS
OF EXPERTISE

POWER SWITCHING / POWER
MONITORING / POWER CONVERSION
+ ASSOCIATED SERVICES



12
PRODUCTION SITES



30
SALES SUBSIDIARIES

SECOND LARGEST
COMMERCIAL TEST LABORATORY
IN FRANCE
FOR ELECTRICAL POWER

THE SOCOMEC BRAND
IS REPRESENTED IN OVER

80 COUNTRIES

A business model founded on a sustainable and long-term vision

OUR RESOURCES

EMPLOYEES

- Over 3,900 employees, 31% of whom are women
- Shared values: Responsibility – Openness – Commitment
- Number of new hires in 2022 of which
 - 461 on permanent contracts
 - 156 trainees and work-study students
- 125 in-house transfers
- Safety at work:
 - 3.35% rate of workplace accidents
 - 0.05% rate of severity for workplace accidents

SOLID FINANCIAL FOUNDATIONS

- A family-owned, independent shareholder base with a long-term vision

A WORLDWIDE PRESENCE

- 12 production sites in 7 countries
- 42% of production sites have ISO 14001 certification
- 83% of production sites have ISO 9001 certification
- 30 sales subsidiaries
- 5 Repair Centers (maintenance centres)
- E'nergys, the "energy and digital transition" branch of the SOCOMEC Group
- Tesla Power Lab : 2nd largest commercial testing lab in France for electrical power

INNOVATION CAPITAL

- 8% of turnover is invested in R&D
- 400 employees directly involved in R&D

INTELLECTUAL CAPITAL

- 6 patent families
- ISO 27001

SOCIAL CAPITAL

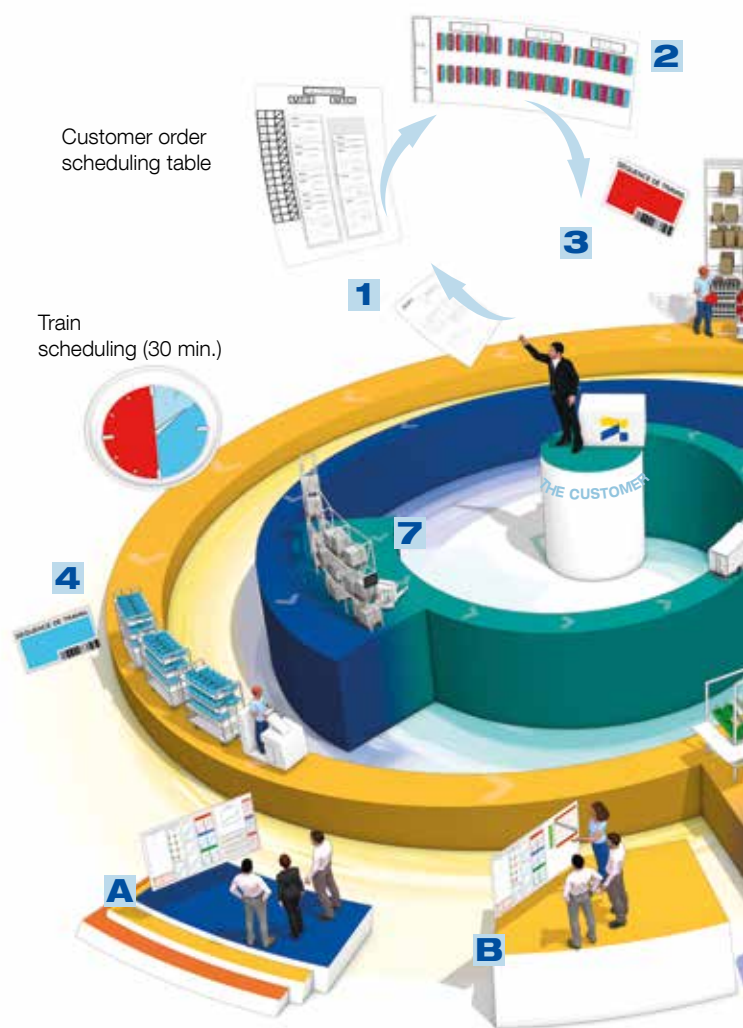
- 24% of our suppliers assessed by EcoVadis on CSR criteria
- 93.7% of SOCOMEC'S turnover is covered by suppliers who have signed the Code of Conduct

SOCOMECS, A SPECIALIST MANUFACTURER

- 42 product families
- 56.9% of ranges covered by a PEP
- Our technologies : Power switching – Power monitoring – Power conversion – Associated services
- Our markets: Data centres, healthcare, energy, infrastructure, industry, buildings, mobility

SOCOMECS PULL MANAGEMENT SYSTEM

The customer is at the centre of our production processes



A Site BOD progress team
Task: ensure the availability, responsiveness and support required by the field teams to achieve collective success.

B In-field progress teams (one team per autonomous production unit)
Task: coordinate actions from the different departments, draw up and implement working standards, resolve operational problems.

1 Customer order

2 Sequencing of orders into half-hour work sessions

3 Preparing a work sequence



4 Conveying and placing work session components next to the production line

5 Assembly, quality checks and packing of products

6 Conveying finished products to the logistics centre

7 Dispatching the order to the customer

8 Kanban* components replenishment in tandem with suppliers

**Kanban is a manufacturing system in which the supply of components is regulated through the use of an instruction card sent along the production line.*

CREATING SHARED VALUE

CSR ADDED VALUE

- EcoVadis rating 71/100

EMPLOYEES

- 61,263 hours of learning and development, meaning we are a company that cultivates our expertise and skills
- 90.6% of Annual Performance Appraisal
- 7.5/10, SOCOMEC'S employee engagement score
- 88.3% of employees received training on the Ethics and Compliance policy

FINANCIAL PERFORMANCE

- Turnover of €725m (provisional result, audit pending)
- Growth of +25.6% over 5 years (2016-2021)

CUSTOMER-FOCUSED EXCELLENCE

- 100,000 service operations
- 2,500 products reconditioned in our Repair Centres and almost 4,000 products repaired by our technicians at customers' sites
- Consumables replacement services aimed at extending service-life of products
- Providing the guarantee of high-quality, efficient and secure power supplies

CARE FOR THE ENVIRONMENT

- 13% renewable energy in the company's electricity consumption
- 68.6% of industrial waste recycled
- 1.727MMT CO₂e
- Construction of buildings with a high level of energy performance
- Installation of solar panels to increase our energy self-consumption

MAJOR TRENDS ecological transition / renewable energy / e-mobility / digital and artificial intelligence

CSR milestones in 2022

SUSTAINABLE DEVELOPMENT, A NEW STRATEGIC PRIORITY FOR THE COMPANY
ECOVADIS GOLD MEDAL.

A COMMITMENT
TO EMPLOYEE
WELL-BEING



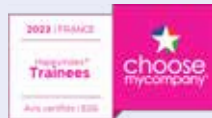
71/100

SOCOMEC is among the
TOP 5%
of 100,000 global companies
assessed by EcoVadis.

Celebration of the Group's centenary
around the world

**100 YEARS,
100 CHALLENGES**
to tackle throughout the year

For the 9th year running, we
have been awarded the



with a recommendation
rate of

97.6%

Launch of an engagement
survey measuring

**THE LEVEL
OF SATISFACTION**
among the company's employees.
**AN ENGAGEMENT SCORE OF
7.5/10**

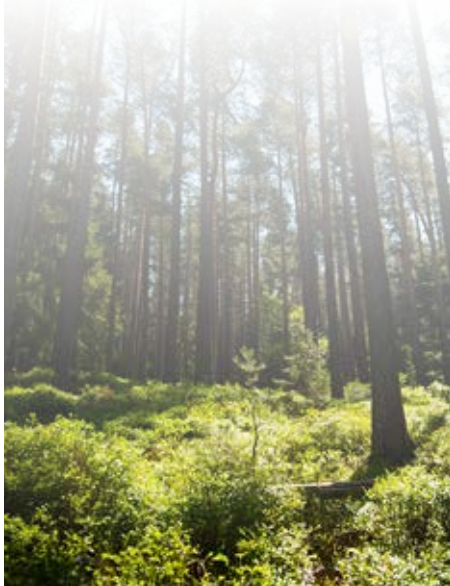
Launch of the
**SOCOMEC LEADERSHIP
DEVELOPMENT PROGRAMME,**
a yearly programme supporting the
TALENTS OF TOMORROW

**MORE THAN
100
EMPLOYEES**
gave blood
**ON BLOOD DONOR
DAY**

organised at the company's
head office

INAUGURATION
in Benfeld of the
INNOVATION CENTRE,
a modern 2,520m² building
to encourage mutually creative inspiration.

PROTECTING THE ENVIRONMENT



Learning and development courses on climate challenges with the first **CLIMATE FRESKS**

Completion of our **FIRST CARBON FOOTPRINT ASSESSMENT** at Group **LEVEL FOR SCOPES 1, 2 AND 3**

2 MONTHS OF CHALLENGES AND AWARENESS-RAISING on the subject of sustainable development

LAUNCH OF THE ENERGY+ PLAN, a programme to make our buildings more efficient, adopt more energy-saving practices and produce more renewable energy

All French electricity contracts up for renewal in 2023 will be so-called **GREEN CONTRACTS**

First company-wide **SURVEY** on **EMPLOYEE** mobility within the framework of the carbon footprint assessment

RESPONSIBLE PARTNERSHIPS



FIRST ISO 27001 CERTIFICATION which ensures the protection, improvement and performance of our information security management system. The certification covers the development of Socomec's connected products, from their design through to delivery.

Sponsors of the **UNIVERSITY OF STRASBOURG'S "CERCLE OR" (GOLDEN CIRCLE) RESEARCH FOUNDATION**

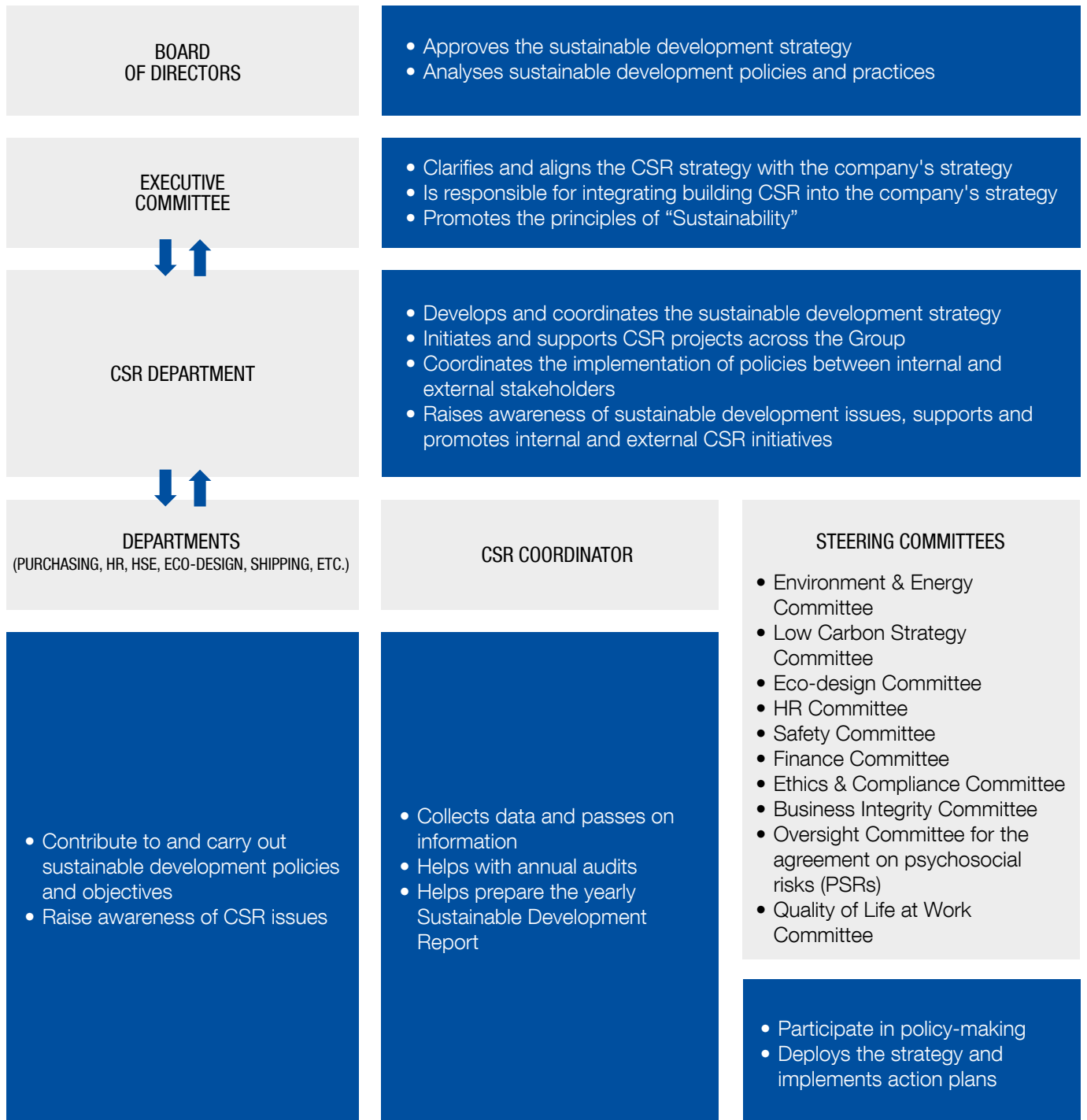
Initiation of **ECOVADIS ASSESSMENTS** of the CSR performance of our **SUPPLIERS**

As part of the 100 Challenges: **PARTNERSHIP WITH ELECTRICIENS SANS FRONTIÈRES** for bringing electricity to a school and a health centre in Madagascar
In Asia: tree planting schemes, collecting rubbish on a beach in Singapore, volunteering to distribute meals

GLOBAL COMPACT CONFERENCE at the Benfeld site

SPONSORSHIP of the 2022-2025 cohort of **ELECTRICAL ENGINEERING STUDENTS** at INSA, the National Institute of Applied Sciences

CSR Governance



The CSR department develops and coordinates the sustainable development strategy at Group level. With increasing responsibilities and the coordination of cross-functional projects, it has recently expanded and is supported by:

- the Board of Directors to evaluate the sustainable development strategy and align it with the company's strategy,
- steering committees to contribute to the development and implementation of the CSR strategy and action plans (ethics committee, environment),
- a network of CSR coordinators to deploy the CSR policy and collect data,
- various departments such as HSE, Purchasing, NBFM and HR for the co-construction of CSR strategies.

CSR coordinators

The coordination of CSR projects and the steering of the Group's CSR indicators require regular data collection from all production sites and subsidiaries. This feedback is also invaluable for identifying the regulatory and cultural factors that impact on our CSR strategy and for conveying the expectations of internal and external stakeholders.

One or more CSR coordinators are designated for each of the Group's industrial sites and subsidiaries. The CSR department is also supported by "corporate" coordinators who deal with cross-functional subjects governed by Group-level policies: eco-design of products, employee health and safety, waste management, etc. This system of governance thus enables us to build a network of correspondents/coordinators for each domain at all our sites.

Our CSR strategy

CSR, a strategic priority for the SOCOMEC Group

In 2022, SOCOMEC began a new strategic cycle, setting out its goals for 2025. This new cycle is based on 5 strategic priorities that will guide the Group's development over the next few years.

These new strategic priorities are broken down into objectives, action plans and transformation projects, and successful implementation of these will be essential if the Group is to realise its goals for 2025.

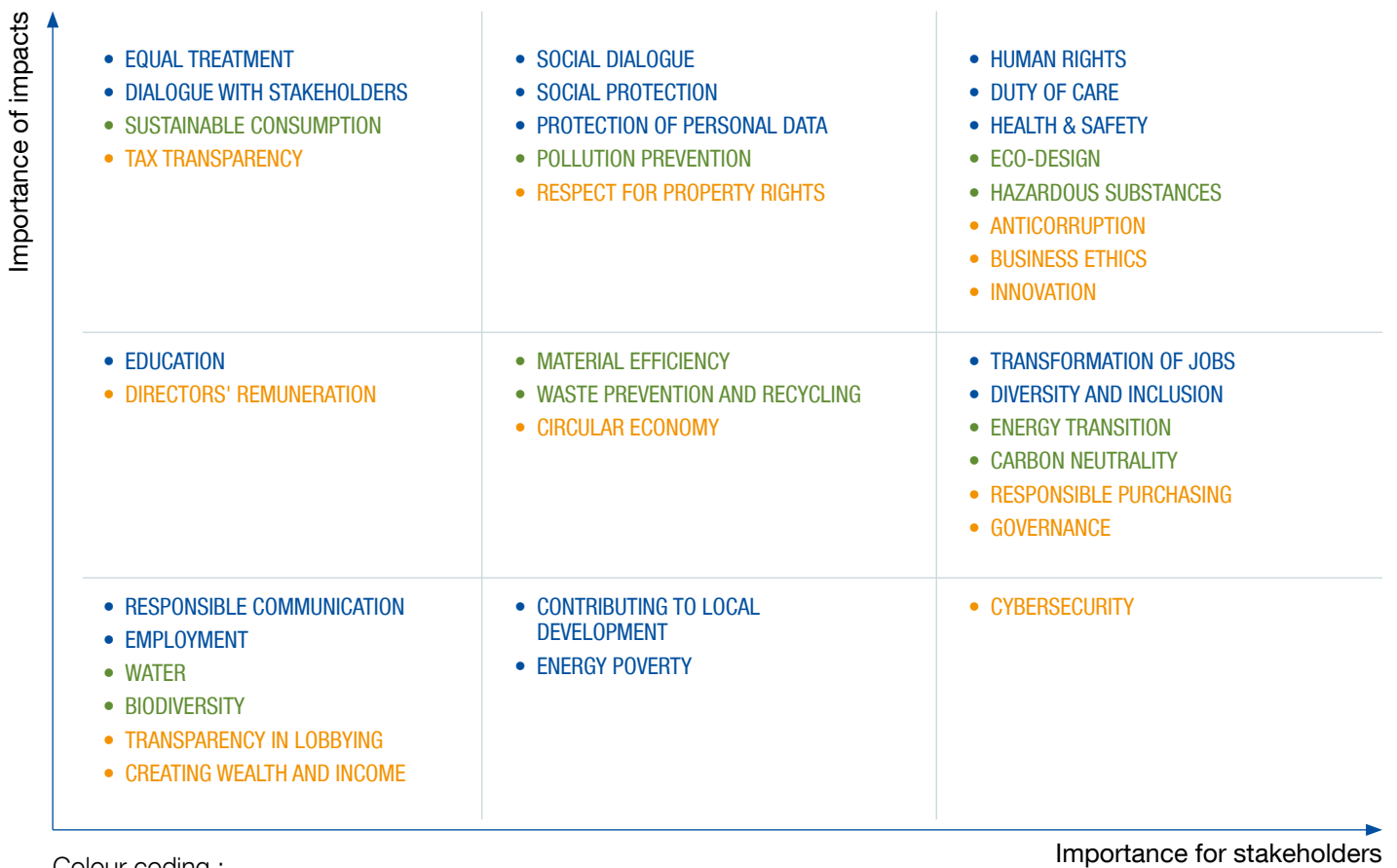
SOCOMECE is determined to balance its business objectives with the company's social and civic responsibilities. CSR has therefore been made a key strategic priority in the Group's new strategy.

The Sustainability priority reflects our determination to be an active player in the ecological transition. It is shared by employees who are looking for a sense of purpose, by customers who are increasingly demanding in this area, and by our shareholders in the name of the principles and values they support.

Our goals and strategies for sustainability are based on our 3 CSR pillars, presented on the opposite page.

Our materiality matrix

Our CSR strategy is based on the materiality analysis carried out by GIMELEC (a consortium of companies in the French electrical and digital industry). It is based on the 200 member companies in the electrical and digital equipment sector (approximately 67,000 employees). SOCOMEC shares the risks identified by GIMELEC in this matrix.



Colour coding :

- Social (Pillar 1)
- Environmental (Pillar 2)
- Ethical (Pillar 3)

Source: Gimelec materiality matrix

Pillar 1

A commitment to employee well-being

A COMMITMENT TO EMPLOYEE WELL-BEING

Promoting a strong health and safety culture



- Promote the physical and mental health and safety of our employees

Innovating in quality of life at work and employee well-being



- Strengthen our employees' engagement and promote an open internal dialogue



- Innovate to provide the best employee experience



- Provide our employees with a best-in-class L&D offering

Strengthening diversity, equity and inclusion



- Ensure gender equality across the Group
- Offer the best employee experience through a solid onboarding process to enhance belonging

Pillar 2

Protecting the environment

PROTECTING THE ENVIRONMENT

Reducing our environmental footprint



- Measure and reduce our carbon footprint
- Ensure ISO14 001 certification for production sites



- Reduce and recycle waste generated by the Group



- Improve the energy performance of our facilities

Promoting energy efficiency



- Offer our customers effective solutions for reducing their energy consumption.



- Enhance the eco-design of our products

Pillar 3

Investing in responsible partnerships

INVESTING IN RESPONSIBLE PARTNERSHIPS

Ensuring responsible purchasing



- Assess and require our suppliers to meet CSR performance standards



- Undertake to source minerals responsibly

Ensuring ethical business practices



- Maintain the values of trust and transparency in our commercial partnerships.



Applying our social commitments at the next level



- Pursue an active policy of cultural, solidarity-based and regional sponsorship
- Contribute to the development of our profession through teaching and research

SOCOMECC contributes to the goals of sustainable development

SOCOMECC is committed to the Sustainable Development Goals (SDGs) - in line with the United Nations' global call for action by 2030 - that aim, among other things, to eradicate poverty, protect the planet and ensure that all human beings live in peace and prosperity.

Through its key sustainable development activities and challenges (Environmental Protection, Eco-design, Health and Safety, Ethics and Working Conditions), the Group is involved more specifically in the Sustainable Development Goals shown opposite.



Our CSR performance

Strategic priority	Targets for 2025 / 2030	Risks	Indicator	Results and scope*		Variation
				2021	2022	
Promoting a strong health and safety culture	2.95% (2025)	Poor working conditions, workplace accidents, occupational disease, repetitive strain injury (RSI), psychosocial risks (PSR)	Frequency of workplace accidents	4.90%	3.35%	- 1.55%
Innovating in quality of life at work and employee well-being	7.8/10 (2025)	Deteriorated social climate, discrimination, inequality of opportunities, resignations and employee disengagement	Engagement survey score	–	7.5 / 10	N/A
	95% (2025)		Annual Performance Appraisal	–	90.6% ⁽¹⁾⁽²⁾	N/A
Reducing our environmental footprint	80% (2030)	Risk of contributing to climate change, pollution, financial costs and legal consequences, additional energy costs	Recycling of industrial waste	73.4% ⁽³⁾⁽⁴⁾	68.6 % ⁽⁵⁾	-4.8%
			Renewable energy used in total electricity consumption	12% ⁽³⁾	13% ⁽⁶⁾	1%
	100% (2030)		Production sites with ISO 14001 certification	42% ⁽⁷⁾	42% ⁽⁷⁾	–
Promoting energy efficiency	100% (2030)	Risk of contributing to climate change through the production and use of the Group's products. Shortage of raw materials, non-compliance of components and services with standards and legislation	Turnover generated from manufactured product ranges covered by a PEP	54.7% ⁽⁸⁾	56.9% ⁽⁸⁾	2.2%
Ensuring responsible purchasing	100% (2030)	Social, environmental and ethical practices in the supply chain contrary to SOCOMEC'S values,	Amount of turnover accounted for by suppliers who have signed the code of conduct	84% ⁽¹⁰⁾	93.7% ⁽¹⁰⁾	6.2%
	100% (2025)		Key suppliers who have been assessed by EcoVadis	–	24% ⁽⁹⁾	N/A
Ensuring ethical business conduct: maintain the values of trust and transparency in our commercial partnerships	100% (2025)	Corrupt practices, conflicts of interest, influence peddling, anti-competitive practices, facilitation payments, information leakage	Employees undergoing training on the Ethics and Compliance policy	81.2% ⁽¹⁾	88.3% ⁽¹⁾	7.13%

(1) excluding Algodue, Boltswitch, CCS and Powersmiths

(2) excluding product personnel

(3) excluding international sales subsidiaries

(4) excluding the US production site CCS

(5) excluding sales subsidiaries and CCS, Boltswitch and Gurgaon production sites

(6) excluding the Boston (US) sales subsidiary

(7) excluding French branch offices and international sales subsidiaries

(8) excluding CCS, Boltswitch, Powersmiths, Algodue, TCT (for these entities, SOCOMEC brand products are taken into account)

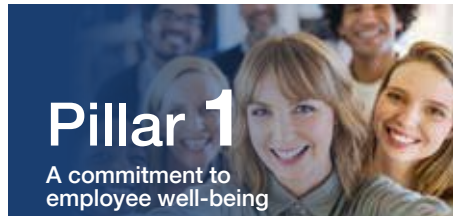
(9) excluding Algodue, Boltswitch, CCS, Powersmiths and TCT

(10) Suppliers covering 85% and 80% of SOCOMEC's TURNOVER IN 2021 AND 2022 RESPECTIVELY

Our goals for 2025-2030

Our transformation projects included in our strategic cycle

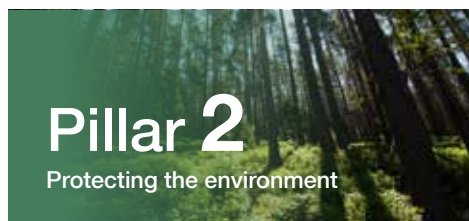
Our "Sustainability" strategic priority comprises 7 transformation projects.



To carry out an annual engagement survey to gauge our employees' sense of belonging, well-being and motivation. The findings of the survey will help us to develop and implement an action plan to enhance employee engagement. This will become an annual ritual. It will enable us to measure our progress and adapt our priorities.
Target for 2025: achieve a score of 7.8/10 in 2025.

To strengthen our Diversity, Equity and Inclusion policy. SOCOMEC promotes a safe, inclusive and fair working environment for all. It takes care to respect everyone's individuality and provides a working environment in which each employee can express himself or herself and act freely.

Target for 2023: formalise a Diversity, Equity, Inclusion and Belonging (DEIB) policy



To build and monitor our low-carbon strategy so that we can reduce our environmental footprint. In 2022, SOCOMEC completed its Carbon Footprint Assessment, Scopes 1 to 3, for the entire Group. The results of this analysis will be used to build our low-carbon strategy for 2023.
Target for 2023: To identify and prioritise the actions we need to take so that we can set our targets for reducing CO₂ emissions.

To continue to obtain ISO 14 001 certification for our production sites. The certification process aims to improve SOCOMEC'S environmental performance and reduce its environmental risks. As of today, 42% of our production sites have obtained this certification, as have 2 sales subsidiaries.

Target for 2030: to have ISO 14 001 certification for all our industrial sites.

To increase the number of product ranges covered by Product Environmental Profile (PEP) eco-declarations. A PEP declaration is a product's environmental identity card, based on an analysis of its life cycle as per international standard ISO 14 040.

Target for 2030: to create a PEP card for 100% of our active product ranges.



To build a network of "Compliance Officers". We want to have people in place to ensure that our Ethics and Compliance policy is properly implemented in all of our entities.

Target for 2023: to set up a network of "Compliance Officers"

To assess the CSR performance of our suppliers. SOCOMEC wants to work with suppliers who are actively committed to CSR. This is why we have entered into a partnership with the non-financial agency EcoVadis to assess the CSR performance of our business partners.

Target for 2025: to ensure that all our main suppliers are assessed by EcoVadis.

Pillar 1

A commitment to employee well-being



Pillar 1

The first pillar of our CSR strategy - "People" - which focuses on the well-being of our employees, is a priority for the Group. First of all, there is health and safety. Through prevention and safety inspection processes, SOCOMEC ensures a safe and fulfilling working environment for everyone.

Particular attention is also paid to well-being and the quality of life at work. SOCOMEC is a responsible employer that contributes to the well-being of its employees by offering them innovative working conditions and supporting them in the development of their skill sets.

SOCOMECE ensures an inclusive working environment and open to all, while respecting people's individuality and refusing all forms of discrimination.

Contents

1.1 Promoting a strong health and safety culture

ACTION #1 Measure health & safety performance

ACTION #2 Assess and reduce occupational risks

1.2 Innovating in quality of life at work and employee well-being

ACTION #1 Strengthen our employees engagement and promote an open internal dialogue

ACTION #2 Innovate to provide the best employee experience

ACTION #3 Provide our employees with best-in-class L&D offering

1.3 Strengthening diversity, equity and inclusion

ACTION #1 Ensure gender equality across the Group

ACTION #2 Offer the best employee experience through a solid onboarding process to enhance belonging

1. Promoting a strong health and safety culture

Given the nature of the Group's activities, the main health and safety hazards are manual or mechanical handling, electricity and road or vehicle traffic. Depending on the way the sites are set up, SOCOMEC also guards against chemical risks, fire, risks relating to electromagnetic fields and risks associated with machinery and equipment.

These risks can lead to accidents in the workplace or occupational illnesses such as musculoskeletal disorders. Moreover, certain working situations can also give rise to psychosocial risks (PSRs).

SOCOMECS approach to risk prevention is divided into 3 main areas:

- Acquire, develop and share a culture of prevention,
- Ensure a safe environment and good working conditions by controlling occupational risks,
- Analyse accidents and dangerous situations and take the necessary action to reduce their frequency and severity.

SOCOMECS also undertakes to carry out its activities in compliance with the regulations and standards in force. The Group's "frequency rate" indicators are lower than the industry average, and the search for improvement is ongoing.

Policy and performance

The Group's Health and Safety policy, which was revised in 2021, sets out SOCOMEC'S commitments to improving the physical and mental health and safety of its employees. We take action to prevent all occupational accidents and illnesses and to enable everyone to work in a favourable and fulfilling environment, as part of an ongoing approach to "live better at work".

Our Health and Safety policy is built around measuring health and safety performance and assessing occupational risks.

We undertake to do the following:

- To comply with legal and regulatory requirements relating to health and safety at work.
- To develop and promote a culture of prevention at all levels of the company.
- To make each level of the organisation responsible for implementing measures to prevent occupational accidents and illnesses.

- To assess risks as far in advance as possible and implement appropriate preventive measures.
- To raise employee awareness and provide training, as well as sharing best practices in terms of safety.
- To update, communicate and apply safety guidelines.
- To analyse accidents and near-misses systematically in order to prevent them from happening again.
- To improve our health and safety performance and monitor the effectiveness of the measures we have taken.

SOCOMECS also makes sure that the staff of its service providers and subcontractors on its production sites and worksites are safe. The Group requires its subcontractors and visitors to follow the same work procedures in place to ensure their health and safety and that of their colleagues.

Performance

Key targets	Indicators	2021	2022	Variation
<ul style="list-style-type: none"> • Reduce the frequency of accidents by 30% (2020 benchmark) by 2025 • Eliminate serious accidents and aim for 0 accidents by 2030 	Frequency of workplace accidents	4.90%	3.35%	-1.55%

Governance

The Group expects everyone to apply and comply strictly with safety rules and to take action to improve them. This Health & Safety policy is set out, piloted and applied in each division and site belonging to the Group and is part of the action plans that establish the priorities on a yearly basis.

Board of Directors	<ul style="list-style-type: none"> • Monitors the implementation of the Health & Safety policy. • Includes the health and safety dimension in the assessment of the Group's performance and in the company's management processes.
Site managers	<ul style="list-style-type: none"> • Draw up the Health and Safety plan for their area in collaboration with the HSE coordinators. • Make sure the Health and Safety plan is applied on their site.
Managers	<ul style="list-style-type: none"> • Assess and understand the risks and hazards specific to their sector of activity, and ensure that their teams have the necessary skills to carry out their jobs safely. • Order a halt to operations in order to implement the necessary corrective measures when an uncontrolled risk has been identified.
Network of HSE and CSR coordinators	<ul style="list-style-type: none"> • Turn the strategic priorities of the policy into actions and apply the Group's standards to assess risks at local level. • Share information on best practices and feedback via various discussion platforms. • Include health and safety considerations in projects and operations. • Inform and raise awareness among employees all year round. • Order a halt to operations in order to implement the necessary corrective measures when an uncontrolled risk has been identified.
Employees	<ul style="list-style-type: none"> • Participate in risk prevention by being vigilant about their own safety and the safety of others, complying with safety instructions and reporting any dangerous situation, incident or near miss that they may have witnessed.

Tools and procedures

The Group strictly complies with the regulatory requirements and expectations of its various stakeholders. Compliance with these requirements is based on quarterly regulatory monitoring and the monitoring of action plans in collaboration with all affected parties.

The Health & Safety plan is drawn up, implemented, updated and circulated annually. It is based on the requirements listed above, as well as on the risks and areas for improvement that have been identified. It is used to define measures designed to improve the safety of people, property and facilities, to develop a safety culture and to ensure effective communication on the objectives, planned actions and performance of the Group.

In order to assess our production sites more accurately, a grid has been created based on the model developed by the French National Research and Safety Institute (INRS):

- Analysis of work accidents and occupational diseases,
- Regular inspections and maintenance of equipment,

- The company's attitude towards subcontractors,
- The company's attitude towards temporary workers,
- Preparation and organisation of work,
- Occupational health,
- Carrying out and updating the occupational risk assessment (ORA) and action plan,
- Learning & development and skills programme for rescue and first aid workers,
- Responsibilities, communication, and employee involvement,
- Managerial prevention practices,
- Fire risk control,
- General condition of buildings.

The measures and corrective actions that need to be taken are quickly identified via the following elements:

- The continuous measurement of health and safety performance.
- Regular HSE audits, coordinated by the various departments. These audits are followed up by action plans whose progress is monitored.
- Systematic analysis of accidents, incidents and dangerous situations,
- Carrying out periodic and non-periodic inspections of infrastructure and equipment

A crisis management procedure is in place: potential emergency situations and the means to respond to them are identified.

The Group's 11 Golden Rules

The essential requirements are summed up in 11 Golden Rules:

1 I make sure I have the necessary clearance and training before any operation.

2 I wear Personal Protective Equipment (PPE) as per the rules.

3 I make sure that the equipment I use is in good working order and do not disable the safety devices on the machines.

4 I observe the rules for handling loads and use the appropriate equipment.

5 I keep my workplace clean and tidy.

6 I report near misses and dangerous situations.

7 I apply lockout & tag out procedures in all circumstances and follow the order of instructions.

8 I observe traffic rules both inside and outside the sites.

9 I make sure that the emergency exits are clear and that the fire safety equipment is readily accessible.

10 I never carry out dangerous work on my own without protection.

11 I comply with health regulations, for my own health and that of my colleagues.

ACTION #1 Measure and raise awareness of health and safety performance

A culture of prevention

Developing a safety culture is a key priority of SOCOMEC'S Health and Safety plan.

The Group requires its subcontractors and visitors to follow established work procedures to ensure their health and safety and that of their colleagues.

Prevention of accidents and near misses at work

Near misses are opportunities to work on preventing a real accident from happening. SOCOMEC encourages the reporting of dangerous situations in the field.

One of the aims of this approach is to promote the declaration process and make the actions carried out more transparent. This also helps to strengthen the monitoring of actions and ensure that they eliminate or reduce the risk as much as possible.

We are continually stepping up periodic and non-periodic checks on our sites.

Target for 2023

- Reduce our frequency rate by 30% in 2025
- Eradicate serious accidents by 2030, i.e. accidents which have or could have caused disabling or fatal injuries

Health and safety training courses

Socomec places great emphasis on safety awareness and training for its employees (e- learning courses developed in-house, safety reporting, distribution of news flashes following the reporting of a dangerous situation, posting of safety instructions, etc.). Training programmes are launched every year.

In particular, the Group ensures that every employee assigned to a workstation has received a sufficient level of information and training in safety. This is to protect their health and physical safety, as well as that of the employees working alongside them.

SOCOMECC also organises health awareness and prevention campaigns and offers its employees the opportunity to take part in collective actions.

The SOCOMEC head office organised a Safety Month, a chance to propose three key initiatives to employees:

- A blood donation campaign was held at SOCOMEC'S head office in Benfeld, with almost 142 employees taking part and a total of 116 donations taken. This action was all the more important as the Etablissement Français du Sang (French blood donation organisation) was at the same time warning of very low levels of blood stocks.
- A workshop was organised to raise awareness of emergency procedures and the use of a defibrillator,

attended by around one hundred employees who volunteered to take part. The workshop, given by the fire brigade, aimed to teach participants how to perform cardiac massage and use a defibrillator in the event of cardiac arrest, as the first few minutes are crucial to the survival and physical well-being of victims.

- An awareness-raising day on cardiovascular disease, during which experts spoke to many employees on topics covering the glycaemic index, the importance of knowing our blood pressure, nutrition, physical education and stress management.



Promoting a strong health and safety culture

Every year, the Indian production site in Gurgaon organises a health and safety awareness week to coincide with India's National Safety Week. This is an opportunity for employees to take part in training in electrical safety, first aid and fire-fighting. The employees' families are also invited to attend the event. For the event in 2022, the children created posters to raise awareness of safety in everyday situations that affect them.

Throughout the year, health support is offered to employees on specific topics: general health, dental health and eyesight. A webinar was held to raise employee awareness of cardiac-related health risks, risk factors and symptoms, as well as means of prevention and treatment.

In our North American operations, many employees receive first aid training every year. A working group has initiated the drawing up of a formal safety programme, including the definition of indicators to enable progress to be made.

In Italy, several initiatives have also been taken: health-related training courses, easier access to medical consultations at affordable rates, etc.

One of our two production sites in China has gone 1,000 days without any lost-time accidents.



Target for 2023

- In 2023, our goal is to take care of all the Group's employees. We will therefore continue to run awareness campaigns in as many of the Group's subsidiaries as possible, adapting the topics to local concerns and the size of the workforce.
- From 2023, a Safety Day will have to be organised annually at all our production sites.
- From 2025, entities with more than 20 employees will have to carry out at least 3 health and safety initiatives each year.

ACTION #2 Assess and reduce occupational risks

Carry out audits to assess occupational risks

The assessment of occupational risks is updated regularly. It takes into account the existing risks on the premises and those caused by the work activity of employees who have to travel to other sites. On production sites, SOCOMEC pays particular attention to chemical risks, fire risks, risks associated with electromagnetic fields and machinery and equipment.

Targets

- In 2025, 100% of equipment and machinery will have had to be audited according to the Group's standards.
- By 2025, 100% of production sites will have to update their risk assessments annually through regular audits.

Study the ergonomics of workstations and reduce the risk of musculoskeletal disorders

Musculoskeletal disorders (MSDs) are one of the main occupational risks at SOCOMEC. The aim is therefore to reduce manual handling and poor posture, in order to prevent occupational accidents and illnesses, and to keep employees with medical conditions in their jobs. Workstation ergonomics have been mapped at some production sites, and an improvement plan has been put in place to monitor progress.

Employees working in production and in the supply chain at sites in Alsace can benefit from Shiatsu treatment. Anti-epicondylitis bracelets are also available. Since 2022, SOCOMEC has been trialling the use of exoskeletons at its sites in Alsace to reduce the risk of RSI. The trials will continue in 2023. If these tools prove suitable for our activities, they could be used to assist employees in carrying out certain tasks in order to reduce the impact on the lower back and upper limbs.

Exoskeletons are motor-driven artificial wearable structures that harness innovations in robotics to improve people's lives, helping them with everyday tasks and providing assistance.

In addition to these trials, 24 employees at sites in Alsace took part in an RSI prevention training course. The aim of this course is:

- To understand musculoskeletal disorders and their impact on employees and companies;
- To identify RSI risk factors in order to prevent and manage them;

- To be able to analyse the constraints of a given working environment;
- To learn how to perform recovery exercises based on stretching;
- To learn about proper posture and movements using the pelvis, depending on the requirements of the working environment.

In another example of our determination to improve work ergonomics, one of the two production sites in China has installed a crane on a production line to lift heavy loads weighing more than 80 kg.



Targets

- RSI prevention training will be repeated at production sites in Alsace in 2023, covering a cohort of 36 people.
- By 2025, the ergonomics of at least one workstation on our production sites will have to be improved every year.

Preventing psychosocial risks (PSRs)

Since 2015, SOCOMEC has been engaged in a preventive approach against PSRs in order to reduce the sources of risks and support the people affected by them. The approach is divided into three areas of focus:

- Prevent PSR factors at their source to reduce or even eliminate them,
- Raise awareness among managers about the detection of PSRs,
- Deal quickly with critical situations.

The Oversight Committee for the agreement on PSRs (France) meets every 6 months to review the indicators and monitor the agreement. Proceedings may be initiated by an employee who believes he or she has been the victim of such a situation, or by a third party who believes he or she has witnessed a situation that meets the definition of workplace violence.

In 2022, a new agreement on PSRs was signed, which updated concepts and definitions. Following this, managers in France were given mandatory training in the prevention of psychosocial risks in an e-learning format. They are in the best position to detect situations of PSRs and to take action.

Target

- The committee has undertaken to raise awareness of these topics among all employees.

2. Innovating in quality of life at work and employee well-being

If employee well-being and the working environment are not a priority for the company, it may be faced with many difficulties: a shortage of jobs, dissatisfaction at work, poor communication and access to information, poor working conditions, failure to listen and insufficient consideration of professional aspirations, etc.

The constant pursuit of having a good “Quality of Working Life” (QWL) is an integral part of our strategic vision, which is why we have set ourselves a number of goals:

1. To maintain social dialogue and strengthen the engagement of our employees
2. To innovate to provide the best employee experience
3. To provide our employees with a best-in-class L&D offering

In order to define a QWL action plan for the Group as a whole, Human Resources analysed existing QWL initiatives and those to be improved or implemented within the Group.

Policy and performance

SOCOMECC is committed to a fair labour contract that is open to all cultures without discrimination and undertakes to:

- **Create working relationships that encourage employee initiative and engagement:**
 - via a supportive management style that develops relational intelligence,
 - via the continuous improvement of organisations and working methods,
 - via involving employees with the success of the company.
- **Develop our workforce by maximising their employability:**
 - via an ambitious Learning & Development policy,
 - via a motivating approach to skills management.

- **Respect people, their working conditions, safety and rights wherever we operate:**
 - via an ambitious health & safety policy,
 - via an open and constructive social dialogue,
 - via equal opportunities for all employees.

QWL is covered by action plans for each of our sites in order to provide the best opportunities, taking into account the aspirations, culture and legal possibilities in all the countries where the Group operates. It goes hand in hand with the pursuit of a balance between work and personal life, while maintaining organisational productivity.

Performance

Key targets	Indicators	2021	2022	Variation
• To achieve an engagement rate above the median benchmark: 7.8/10 in 2025	Employee engagement score	–	7.5/10	N/A
• Achieve a 95% completion rate by 2025	Completion rate of Annual Performance Appraisal (APAs)	–	90.6% ⁽¹⁾	N/A

(1) excluding Algodue, Boltswitch, CCS and Powersmiths, and excluding production personnel

Governance

Board of Directors	<ul style="list-style-type: none"> • Defines the Group's strategic priorities, including its CSR strategy. • Monthly review by the Board of Directors.
Human Resources Department (in association with the CSR Department)	<ul style="list-style-type: none"> • Proposes and implements the various CSR measures, in particular with regard to QWL. • Manages the reporting. • Coordinates HR activities and network
Regional HR Managers	<ul style="list-style-type: none"> • Manage the implementation of actions in the various entities
Local HR Managers	<ul style="list-style-type: none"> • Support implementation in the field

In France, a Quality of Working Life Commission (a joint commission) carries out actions and via these discussions contributes to improving the system and/or its communication.

ACTION #1 Strengthen our employees' engagement and promote an open internal dialogue

Onboarding process

For all new hires, the Group provides a systematic onboarding process called the "On-boarding Experience Programme": during the first few months, the new employee benefits from learning & development sessions (mostly e-learning), meetings and visits. Each new employee can thus acquire the same basic level of knowledge and attitudes to become an involved member of the Group.

After a two-year hiatus due to Covid, Onboarding Days were resumed for work-study students in 2022, including a presentation on CSR, and will be continued in 2023 for all employees.

Target for 2023

The onboarding process will be reviewed and a number of actions will be taken. We will, for example, have a new set of eco-friendly Welcome Kits for new employees. A CSR module is also being prepared and will be available to new hires in 2023.

Engagement survey

In 2022, SOCOMEC launched its first Group-wide engagement survey to give all employees the opportunity to express their views on a number of topics: Health and Well-being, Transformation and Change, Diversity, Inclusion and Engagement. The findings of the survey will help us to develop and implement an action plan to enhance employee engagement.

By the end of September, 90% of employees had responded to the survey, giving us a clear picture of the employee experience in terms of the various factors that contribute to employee engagement. The specific score for the engagement survey is 7.5 out of 10, slightly above

the average achieved by similar companies, which is very encouraging for a first Group-wide engagement survey.

From 2023 onwards, SOCOMEC plans to repeat this survey every year to assess the impact of the action plans that have been put in place, measure progress and adapt priorities in line with the results.

Targets for 2023-2025

To achieve an engagement rate above the median benchmark.

Top Employer

This year, SOCOMEC has for the first time committed to obtaining the Top Employer label for the quality of its HR practices and its approach to quality of working life. The international Top Employers Institute certifies companies which commit to providing the best possible working conditions for their employees through innovative, people-centric HR practices.



As a new entrant, SOCOMEC had to go through a rigorous certification process, and the HR team was on hand to answer the auditors' many questions and queries. This certification process is part of our determination to be ever more virtuous in our HR practices. The Top Employer certification is awarded for our operations in France for a 3-year period but requires an annual renewal audit to monitor the progress of action plans and the improvement of performance indicators.

The aim is to embark on a process of improving our HR practices in the areas audited. These include QWL practices, work/life balance, diversity, inclusion and sustainability.

Targets for 2023

To obtain the Top Employer label to maintain and continuously improve our human resources practices and quality of working life.

100 years means 100 challenges!

To mark the Group's 100th birthday, the OUILive start-up offered an employee engagement smartphone app to get employees interacting during this festive period. 900 employees signed up for the app and took part in a wide range of fun and sporting challenges. The aim of the app is to create a group dynamic on an international scale, using game-based learning and collaborative features.

The challenges were divided into five cycles and were available throughout the year. All points won have been converted into a donation to the NGO *Electriciens sans Frontières*, which will go towards financing the electrification of a health centre and a school in a village in the north of Madagascar in 2023.

In keeping with SOCOMEC's CSR policy, the 4th cycle - "Get Committed" - tackled the subject of sustainable development, offering employees the chance to make an individual and collective commitment to more ecological and social practices. This 8-week key event revolved around 4 themes: general concepts relating to sustainable development, mobility, diversity and ecological responsibility.

A Global Compact conference was organised at the Benfeld site as part of the event, during which the United Nations Global Compact initiative and sustainable development goals were presented. Nearly a hundred employees attended the conference, providing them with an opportunity to find out more about this commitment, which has been in place for almost 20 years.



Social dialogue

SOCOMECE engages in regular social dialogue within each of the Group's entities. Practices and routines may differ from country to country, depending on the legislation in force - but they are all geared towards ensuring that employees' aspirations are taken into account as fully as possible.

The engagement survey, which was conducted in all the Group's entities, gives new impetus to our social dialogue. By enabling employees to express their expectations, points of attention ("irritants") and key points were identified at Group, country, site and even department level. The system used ensures that respondents remain completely anonymous. From 2023 onwards, managers and their teams will implement action plans based on this employee feedback. Drawing up action plans together and measuring progress and results is a very practical way of engaging in an ongoing and constructive social dialogue.

For our operations in France, there is a more institutional form which is also enhanced by the engagement survey. This concerns social dialogue with staff representative bodies.

Twenty-three collective agreements on working time, job and career management, social dialogue, health, bonuses and work/life balance were signed in 2022. SOCOMECE and its social partners are developing these subjects within the company to help employees achieve a better work/life balance.

The working conditions and terms of employment of 70% of the Group's employees are governed by at least one company-wide agreement and/or one industry-wide agreement. For the correct interpretation of this indicator, the following should be noted:

- the practice of company and/or industry agreements is not applicable in all countries,
- this indicator is only calculated for Group entities with more than 50 employees.

SOCOMECE endeavours to take collective aspirations into account and to facilitate dialogue through staff representative bodies and regular departmental meetings. News about the company's activities is regularly posted.

ACTION #2 Innovate to provide the best employee experience

SOCOMECE SAS France has encouraged the principle of participative trials in the implementation of new ways of working through: technological means (digitalisation of processes), work organisation (teleworking, chosen connection,) and working hours (also for production workshops). Before setting up a permanent system, negotiations are held to define the agreement that will govern the trials. This allows employees to be involved and their feedback taken into account.

Teleworking

Teleworking (working from home) has developed considerably over the last 3 years owing to the Covid health crisis, underscoring the advantages and limitations of this form of work organisation. In 2021, an agreement on teleworking was signed for our operations in France, allowing people with compatible jobs to work 2 days a week from home. A flat-rate allowance is paid for the days spent working from home. At the TCT site, an agreement was also signed in 2021 for a total of 22 days per year. SOCOMECE also ensures that it provides high-performance, up-to-date IT equipment to allow employees this organisational flexibility.

Other subsidiaries have also introduced this approach, the ultimate aim being to enable all of the Group's entities to adopt this form of work organisation by adapting it to their own specific circumstances. These include:

- North America, Asia and Italy (SICON). With the exception of Production personnel, employees can organise their working time between the worksite and their home.
- our European sales subsidiaries, where teleworking has become a normal way of working, in many cases to optimise travel to customer sites while always ensuring collective efficiency.

Target for 2025

An assessment of the practice will be carried out in other entities before it is implemented at Group level

Improving QWL on our production sites

At our production sites, various processes are in place to improve the quality of working life and to combat absenteeism. Initiatives include:

- Dedicated onboarding process for new employees (onboarding day, safety training, onboarding booklet, onboarding programme),
- Taking into account of medical conditions,
- Raising awareness of ergonomics and preventing the risk of RSIs,
- Continuous improvement in the ergonomics of workstations (adapted lighting, anti-fatigue mats, air pollution extraction-filtration, reduced load carrying, etc.),
- Organisation of support teams/helplines,
- Work on multi-skilling,
- Breaks tailored to the needs of workers,
- Interviews following an absence.

Inauguration of new offices in Singapore offering improved well-being

The Singapore offices have been refurbished and modernised to improve the working environment and conditions. The ergonomics of the offices have been redesigned to make them more open and modular, with social meeting areas to encourage interaction and promote cooperation and the sharing of ideas. Everything has been designed to ensure that employees feel comfortable in their workplace. It includes spaces for discussion and more private areas to provide a comfortable working experience for all. A gym has also been fitted out to enable physical activity.

Finally, the decor, colours and materials chosen help to project an innovative and dynamic image of the company, as well as making SOCOMEC'S employees and partners proud and happy to work for the company.

Other noteworthy projects that have been completed include the development of buildings, offices and work areas in general, such as:

- The development laboratory in Italy,
- The new premises in Mannheim.

QWL is also about social interaction and conviviality. In 2022 there was also a return to these informal occasions in the various departments and in different forms (the annual barbecue that used to be held in some places, end-of-year celebrations, etc.).

Target for 2025

- Completion of the new company restaurant at the Isola production site in Italy.
- The gradual introduction of Building Management Systems (BMS) as part of our energy conservation programme, known as the Energy+ Plan.
- New offices for our Supply Chain at Factory 2 in Benfeld, France.

Cultural and sports activities

In addition, SOCOMEC encourages its employees in their sporting, cultural and artistic activities.

The Social and Economic Committee (SEC) supports many in-house clubs that are run by employees: they can pursue their hobbies outside working hours, mainly between midday and 2pm or in the evening.

Cultural and sporting activities encourage employees from different departments to get together. At the head office, SOCOMEC has provided the "Relais des Energies", a building comprising several rooms where

sports enthusiasts, music lovers and gardeners can pursue their hobbies.



ACTION #3 Provide our employees with a best-in-class L&D offering

SOCOMEK is an international group that fosters innovation, its expertise and skill sets to ensure the creation of value for its customers.

The "People" pillar of the strategy involves working on attracting and retaining talent, bearing in mind the tight labour market. Identifying and strengthening our key professional skill sets is also a major priority of our learning & development policy.

Learning & Development (L&D)

Professional learning and development programmes are a major way of enabling employees to learn throughout their careers. At SOCOMEK, learning and development is an integral part of the HR strategy for the development of skill sets.

The Learning Centre is our learning and development centre. The team's mission is to support the development of skill sets across the Group through L&D programmes that meet the needs of all our jobs and activities. Our community of trainers run this network, which is one of the cornerstones of our offering. At SOCOMEK, almost 150 employees based in different parts of the world run L&D courses in addition to their day-to-day work. They play a very important role, as they are experts in their field with extensive knowledge of SOCOMEK'S processes and specificities, spread over several regions of the world.

The skills sets development plan enables employees to grow professionally and also strengthens the company's competitiveness by continually innovating. Our jobs, which are often technical, are constantly evolving, and to ensure that our employees can adapt, we need to train them and enable them to develop new skill sets.

We have developed a comprehensive learning strategy based on 4 core areas:

1. A clear, job-based learning & development programme: these range from exclusively technical training modules to "business-oriented" or "manager-oriented" courses, developing all the skill sets necessary for such a job (technical, markets, tools, behavioural, etc.).
2. New teaching methods: moving from traditional face-to-face teaching to a blended approach (digital/face-to-face), but also developing new teaching methods such as more opportunities for sharing knowledge (participative "serious games", virtual classes, tutoring).
3. Placing the learner at the heart of the process: this involves targeting profiles and key skill sets, assessing the skill sets of our experts, helping them to develop throughout the year, enabling them to develop self-learning, offering them user-friendly and high-quality digital classroom environments whilst being supported by their managers in the development of their skill sets (via Annual Performance Appraisal and Annual Professional Assessments, at the very least).
4. Learning & Development for all: to provide L&D for everyone and everywhere, in other words, in all our subsidiaries and for all our employees.

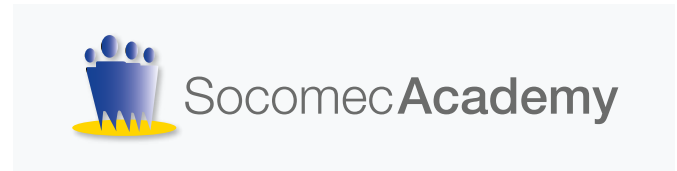
KEY FIGURES		
NUMBER OF HOURS OF LEARNING AND DEVELOPMENT: 61,263	% OF FACE-TO-FACE L&D HOURS/TOTAL NUMBER OF HOURS : 76%	AVERAGE NO. OF HOURS OF L&D / EMPLOYEE: 12.7

SOCOMEAC Academy

Some of these e-learning courses are compulsory, while others are open access, depending on the interests of employees. As the company is strongly committed to providing L&D for all, a digital learning platform has been made available to all employees. An extensive, diversified range of courses, available in multiple languages, means that everyone can develop at their own pace (job-related L&D, soft skills, safety, etc). Thanks to the "MyLearning" application, mobile learning is made even easier. As part of the implementation of the Group's new strategy this year, an e-learning course was rolled out on the SOCOMEAC Academy platform to help people

understand our new strategic cycle and is now part of our Onboarding programme.

In 2022, 14,508 hours of digital learning were completed across the Group, an average of 4.6 hours per learner.



SOCOMEAC Leadership Development programme

The first intake of the SOCOMEAC Leadership Development Programme (SLDP) began in November 2022. This is an annual skills set development programme offered to Group employees, selected on the basis of their potential. It is a real springboard for our employees and for our company, and its aim is to ensure the sustainable development of SOCOMEAC in terms of skills and succession planning in order to meet tomorrow's challenges.

In keeping with its values and with the aim of developing the skill sets of its employees over the long term, SOCOMEAC is using this programme to support the development of tomorrow's corporate leaders.

It's also a way of involving the programme's participants in our strategic development priorities by building on their expertise and skill sets. In this way, we give purpose to their mission, vision for their future, and recognition for their commitment.

Annual Performance Appraisal

The Annual Performance Appraisal (APA) is a compulsory Group-wide process for all employees. It takes place once a year for office staff, technicians, supervisors and managers, and every 2 years for blue-collar workers. It is digitalised for "administrative" staff via our human resources information system and is the starting point for the annual HR campaign. CCS, Boltswitch, Powersmiths and Algodue are not yet included in our HR information system: they conduct their APAs according to their own procedures and formats. They will soon be included in the Group system. An interim APA campaign is organised from the end of June to the end of September to review progress towards objectives, but SOCOMEAC encourages continuous feedback between managers and employees.

This performance assessment phase is an essential part of human resources management at SOCOMEAC. The APA enables objectives to be defined at the start of the cycle and an assessment to be made at the end of the period on whether objectives have been met, overall

performance, the events of the year, the collaborative relationship and workload, any wishes for mobility, and to draw up an individual and collective development plan. The APA is directly related to the gathering of information on learning & development needs and enables action plans to be put in place to improve the skill sets and knowledge of employees. In addition, performance assessment is closely linked to career management, particularly via the Talent Review, and also feeds into the salary review process.

Target for 2023-2024

- To integrate CCS, Boltswitch and Powersmiths into the Group's human resources information system in order to ensure a uniform process and monitoring of the APAs and ensure high-quality HR support for employees.

Career development interview

In 2022, the Human Resources department launched the Career Development Interview for all French employees.

Resulting from the French "Loi Avenir Professionnel" (freely translated as the Professional Future Act), the professional Career Development Interview is offered every three years or during specific events (e.g. a return from long-term absence, a term of office, etc.) in order to take time to discuss the employee's career path, balancing the employee's professional outlook with the company's development strategy.

Up until now, it had been part of the APA (Annual Performance Appraisal), but the social partners and senior management wanted to differentiate it from the APA, which is essentially concerned with the short term and focuses on the past year's performance of the employee. The Career Development Review is held every three years to allow employees to think about their medium- and long-term career prospects. This process is linked to the company's strategy and is carried out while ensuring that support resources are available (learning & development, missions, etc.).

Professional mobility charter

Attracting and retaining talent is a key strategic priority for SOCOMEC. This is why we have made internal mobility a key part of our Human Resources policy, helping to build our attractiveness and employee loyalty. In 2022, the Human Resources department drew up a professional mobility charter that embodies SOCOMEC'S determination to promote internal mobility, defining the key principles and setting out the conditions for success and the respective commitments of everyone involved.

Internal mobility is the movement of employees across positions or grades within the company or group. It allows them to use their talents and expertise while developing new skill sets and can take several forms: vertical, horizontal and geographical mobility.

Targets for 2023

- Creation of a learning & development catalogue on our intranet to facilitate access and improve the visibility of the programmes offered to employees.
- Learning & development programme for managers: A Group-wide learning & development programme will be rolled out to all managers over 3 years starting in Q3-2023. The aim of the programme is to lay the foundations of SOCOMEC's managerial image and to foster the development of a lasting international managerial community. As managerial practices and expectations have evolved, especially after the COVID pandemic, the aim is to apply the managerial principles based on the updated SOCOMEC Leadership Model to all managers. The programme also aims to create a managerial community around common practices. It is built around 4 cornerstones: (i) Being an Authentic Manager, (ii) Inspiring and Motivating, (iii) Being a Leader and (iv) Managing Performance.
- Launch of a "Certificate of Joint Qualification in Metallurgy" for cable fitters: This learning & development course, which begins in February 2023 and runs until September, will enable them to develop their skill sets and obtain a recognised qualification, especially in the metallurgy sector. SOCOMEC's objective is twofold: to support the career development of its employees and to meet recruitment needs in a job that is facing a shortage of skilled personnel.
- To organise a Career Development Day: One of the company's tasks is to provide training and support for career development. Whether through learning or mobility, developing skill sets is a strategic asset for supporting career paths and preparing for the jobs of the future. In order to respond to the expectations and questions of its employees, SOCOMEC is planning to organise a Career Development Day, to be held both face-to-face and remotely.

3. Strengthening diversity, equity and inclusion

Diversity and inclusion are valuable assets for any company. Here at SOCOMEC, we are convinced that they are key factors in better understanding the complexity of our economic, social and societal environment. It's a powerful driver of creativity, innovation and, more generally, the overall performance of the company. Raising employee awareness of equity issues and looking at the factors that promote a sense of belonging means creating an inclusive environment in which everyone can thrive and learn from others, while at the same time developing their own skill sets.

Policy and performance

SOCOMEC fosters a safe, inclusive and equitable working environment for all. It aims to preserve the individuality of each person and provides a working environment in which all employees can express themselves and act freely.

The Group is fully committed to ensuring gender equality in the workforce. This commitment extends beyond gender, as SOCOMEC is committed to promoting the diversity and mixed make-up of its teams and to fostering integration and a sense of belonging.

The same applies to the employment of young and older people in companies, as well as the inclusion of people with disabilities. We believe that diversity is an asset for SOCOMEC and we are committed to cultivating it. It allows us to embrace the growing complexity of our environment with much greater insight.

SOCOMEC rejects all forms of discrimination, including discrimination based on ethnic origin, gender, sexual orientation or gender identity, age, disability or membership of a political, trade union or religious organisation.

Recruitment Charter

The Group has drawn up a charter setting out the ethical and methodological principles which our recruitment teams, as well as any external party likely to carry out all or part of a recruitment process on behalf of SOCOMEC, undertake to respect: selection of applications, evaluation of candidates and processing of replies, etc.

Our recruitment teams are trained in anti-discrimination, especially in combating prejudice, stereotypes and cognitive bias.

Diversity Charter

We have also signed the Diversity Charter, committing ourselves to a voluntary initiative to implement concrete measures and make progress through innovative practices. Over and above the management of Human Resources, diversity permeates all the organisation's activities, involving all its employees and partners. Having an inclusive management style that respects individual differences as a lever for cohesion and well-being in the workplace makes diversity a source of economic and corporate social performance.

Targets for 2023

- We plan to renew our commitment to the Diversity Charter in 2023 and to draw up an action plan.
- A Diversity, Equity, Inclusion and Belonging (DEIB) policy is currently being formalised to ensure a uniform approach. It will enable us to assess the actions being organised at all the company's sites and to draw up a consolidated Group action plan for 2025.
- Our aim is to implement measures to promote the DEIB policy across the Group. Priorities adapted to our various entities will be carried out according to their level of maturity and the possibility of carrying out initiatives locally, before sharing feedback.

Governance

Several stakeholders, including Senior Management, play a role in shaping the Diversity, Equity, Inclusion and Belonging (DEIB) policy, as well as in its day-to-day administration. The DEIB approach is naturally in line with SOCOMEC'S values, but also with the CSR pillar in the new strategy that has been defined for the next three years and communicated to all the Group's personnel.

The Human Resources department recommends concrete actions for coordinating the DEIB policy, sharing its purpose and putting to advantage the progress that has been made. This involves very specific projects such as human resources policy in terms of recruitment, skills development, remuneration, learning and development, and inclusion.

Board of Directors	<ul style="list-style-type: none"> • Defines and monitors the implementation of the DEIB policy • Integrate the core aspects of the DEIB policy in the company's management processes
Human Resources department	<ul style="list-style-type: none"> • Puts in place concrete actions to coordinate the DEIB policy in conjunction with the CSR department • Ensures that the DEIB plan is applied to their site • Raises the awareness of managers and employees of DEIB through actions or learning and development programmes
Managers	<ul style="list-style-type: none"> • Make sure that the DEIB policy is applied on a daily basis in their teams
HR networks (local)	<ul style="list-style-type: none"> • Implement and adapt action plans, taking into account the situation on the ground and local legal and cultural factors • Apply the Group's standards • Share feedback and assess the impact of actions

ACTION #1 Ensure gender equality across the Group

The role of women in management positions

Having both genders represented in the Group's most senior management positions has been formally identified as a major area for improvement. This is a long-term project that requires an immediate commitment.

In addition to welcoming young secondary school pupils on work experience placements, our employees have gone out to meet young people to promote industrial and technical occupations and combat gender stereotypes.

SOCOMECEC has introduced awareness-raising initiatives on professional equality, disability and sexism. In this way, we are helping to change attitudes, both as employees and as parents.

For example, the SOCOMEC Leadership Development Programme, which aims to develop the skill sets of participants to prepare our company's future leaders, is evenly balanced between men and women.

Professional integration of women in technical jobs

A symbolic and at the same time decisive step has been taken: women have taken up highly technical positions that until now had been held exclusively by men. Such is the case for the after-sales service for our UPS in the UK in 2022. This has been made possible both by changes in British society, with young women entering these training programmes, and by SOCOMEC's openness to the subject. It's an example that everyone should follow. Partnerships with schools in Germany and Belgium, for example, could help in this respect.

Gender Equality Index

In 2022, SOCOMEC SAS France obtained a Gender Equality Index of 87/100. This score, which has remained constant over the last 3 years, rewards the proper management of pay, promotions and salary increases, by analysing them from a gender perspective.

While we can congratulate ourselves on this encouraging result, SOCOMEC still faces a challenge that will take time, despite our real determination: the proportion of women in senior management positions still requires more effort to improve the situation.

Still on the subject in France, an agreement has set out 5 criteria for progress in gender equality:

- To have a non-discriminatory management of remuneration,
- To develop a mix of jobs, particularly with action plans in terms of recruitment,
- To support parenthood and improve the work-life balance (involving an obligatory pay rise for employees returning from maternity leave),
- To improve working conditions,
- To ensure equal access to job promotions.

Targets for 2023

To maintain the gender equality index in France at 87/100 and, if possible, improve.

Target for 2025

To increase the percentage of women in management.

ACTION #2 Offer the best employee experience through a solid onboarding process to enhance belonging

SOCOMECS makes every effort to provide each employee with the best possible conditions for integration and a sense of belonging.

Inclusion of young people

Socomec is committed to attracting younger generations in order to encourage intergenerational work and to foster creativity and innovation within the Group. SOCOMEC SAS France encourages people to discover careers in industry by:

- Organising site visits for secondary school pupils and students,
- Presenting our jobs to schools at recruitment forums and fairs,
- Welcoming trainees (including work experience placements and professional reintegration internships),
- Work/study programmes have been developed over the last few years and SOCOMEC will continue to welcome and train young people. This year, SOCOMEC is also a sponsor of the 2022-2025 cohort of student engineers taking the Electrical Engineering course at INSA Strasbourg (National Institute of Applied Sciences).

KEY FIGURES

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TRAINEES AND WORK-STUDY STUDENTS HIRED AT THE END OF THEIR TRAINING PERIOD

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WORK EXPERIENCE PLACEMENTS IN 2021-2022.

Happy trainee

For several years now, SOCOMEC has been offering its trainees an assessment of their experience within the Group by means of the HappyIndex® Trainees questionnaire, offered by the ChooseMyCompany label. This ranking recognises companies that provide a warm welcome, support and management for their trainees and work-study students.

In 2022, the Group was awarded the "Happy Trainees" label in France for the 9th year running, with an overall rating of 4/5 and a record recommendation rate of 97.6%.



Ensuring that people with disabilities remain in work

The inclusion of people with disabilities is also one of the Group's key concerns which is demonstrated by:

- adapting workstations to keep employees with medical restrictions or disabilities in work;
- providing access and complying with the adaptations requested by occupational health doctors;
- providing epicondylar bracelets;
- raising awareness of disability, as well as providing support in the process leading to recognition of a disability.

Making diversity an asset

As part of the 100 Challenges CSR event, one of the phases was devoted to promoting diversity in order to raise awareness and mobilise employees around the rich variety of profiles that make up the strength of a team. All these forms of diversity (gender, age, ethnic origin, etc.) are all assets that enhance choices, values and skill sets. This theme was illustrated via photo and video challenges and a ten-question quiz to raise employees' awareness of this subject.

Pillar 2

Protecting the environment



7 AFFORDABLE AND
CLEAN ENERGY



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



Pillar 2

The second pillar of our CSR strategy, "Preserving the environment", underpins SOCOMEC's determination to reducing the environmental footprint of its sites and activities.

To this end, SOCOMEC commissioned the calculation of its carbon footprint in 2022, covering Scopes 1 to 3 for the entire Group. The results of this analysis enable us to identify various levers that will be prioritized and built into the Group's low-carbon strategy in 2023.

SOCOMECEC has already adopted an environmental management approach, and is pursuing its various actions: in particular, to obtain ISO 14001 certification for all its production sites by 2030, to reduce its waste and increase its recycling, and to reduce its energy consumption. The objectives and commitments of SOCOMEC are summarized in a new environmental policy published in 2022.

And in 2022 SOCOMEC also announced its new eco-design policy, which is itself an integral part of the Group's environmental policy. The Group is committed to reducing the environmental footprint of its products. SOCOMEC's products are designed to have an extended lifespan and to be more energy efficient. At the same time, since 2012 SOCOMEC has been issuing eco-declarations for its products, the "Product Environmental Profiles" (PEP) in order to provide transparent information on the environmental footprint to its customers.

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1.1 Promoting a strong health and safety culture

ACTION #1 Measure health & safety performance

ACTION #2 Assess and reduce occupational risks

1.2 Innovating in quality of life at work and employee well-being

ACTION #1 Strengthen our employees engagement and promote an open internal dialogue

ACTION #2 Innovate to provide the best employee experience

ACTION #3 Provide our employees with best-in-class L&D offering

1.3 Strengthening diversity, equity and inclusion

ACTION #1 Ensure gender equality across the Group

ACTION #2 Offer the best employee experience through a solid onboarding process to enhance belonging

1. Reducing our environmental footprint

The risks associated with climate change, pollution and the extinction of biodiversity are manifold. Today, we know the scale of the changes needed to preserve our ecosystems. This is why SOCOMEC is committed to reducing its environmental footprint. This involves a number of key actions:

- measuring and reducing our carbon footprint,
- obtaining ISO 14 001 certification for all our sites,
- reducing and recycling the waste generated by the Group,
- improving the energy performance of our facilities,
- offering our customers effective solutions for reducing their energy consumption,
- step up the eco-design of our products and integrate the principles of the circular economy into their design.

Policy and performance

Our environmental policy, updated in 2022, aims to reduce our environmental impact and carbon footprint.

Our commitments are as follows:

- To comply with legal and normative requirements relating to the environment and, more generally, to sustainable development.
- To reducing the environmental impact of our products through eco-design.
- To implement an effective environmental management system.
- To optimise energy consumption in our production and commercial sites, by
 - Giving priority to buildings with high energy performance, renewable energy sources and all actions that help to save energy.
 - Helping everyone to be aware of their ability to take action in this area.
- To manage our industrial waste in a rigorous manner, by:
 - Reducing the tonnage of waste from all industrial sites as much as possible,

- Collecting and sorting our waste and by increasing the rate of recovery of this waste,
- To raise awareness among the personnel of environmental issues and the impact of our products on the environment.

Our environmental performance is underpinned by a dedicated policy upheld by all our employees at all our sites. Our environmental performance is underpinned by a dedicated policy upheld by all our employees at all our sites. As such, this policy is managed, developed and implemented within each entity as part of an action plan that sets environmental goals.

The members of the Board of Directors monitor the implementation of this policy and require a responsible commitment from everyone involved.

Performance

Strategic priority	Key targets for 2030	Indicators	2021	2022	Variation
• Recycling our industrial waste	80%	Waste recycling rate	73.4% ⁽¹⁾	68.6% ⁽²⁾	-4.8%
• Reducing overall energy consumption and increasing the proportion of renewable energy		Proportion of renewable energy in total electricity consumption	12% ⁽³⁾	13% ⁽⁴⁾	1%
• Obtaining ISO 14001 for our production sites	100%	Rate of sites with ISO 14001 certification	42% ⁽⁵⁾	42% ⁽⁵⁾	–

⁽¹⁾ excluding international sales subsidiaries and excluding US production site CCS

⁽²⁾ excluding sales subsidiaries and CCS, Boltswitch and Gurgaon production sites

⁽³⁾ excluding international sales subsidiaries

⁽⁴⁾ excluding the Boston (US) sales subsidiary

⁽⁵⁾ excluding French branch offices and international sales subsidiaries

Governance of our low-carbon strategy

<p>Climate Steering Committee (CSC) Members: CEO Deputy CEO Financial Director New Building & Facilities Manager Human Resources Director Communications and CSR Manager Sales Director Products & Offerings Director Production Director Logistics Manager Purchasing Manager</p>	<ul style="list-style-type: none"> • Sets out the overall environmental approach • Approves the environmental strategy, policies, action plans and objectives proposed by the CSR team and their alignment with the Group's overall strategy
<p>Project Coordinator CSR Manager and their team</p>	<ul style="list-style-type: none"> • Coordinate the carbon assessment and the drafting of the low-carbon strategy in conjunction with all stakeholders
<p>Working Group 10 project managers in charge of data collection and the various action plans</p>	<ul style="list-style-type: none"> • Ensure data collection • Help draw up the action plan • Ensure the operational monitoring of project implementation
<p>Geographical area managers</p>	<ul style="list-style-type: none"> • Facilitate the mobilisation of staff and get them involved in the project • Keep track of team objectives
<p>Team of low-carbon strategy consultants</p>	<ul style="list-style-type: none"> • Bring their expertise to the table • Assist in building a climate strategy

ACTION #1 Measure and reduce our carbon footprint

Climate Strategy

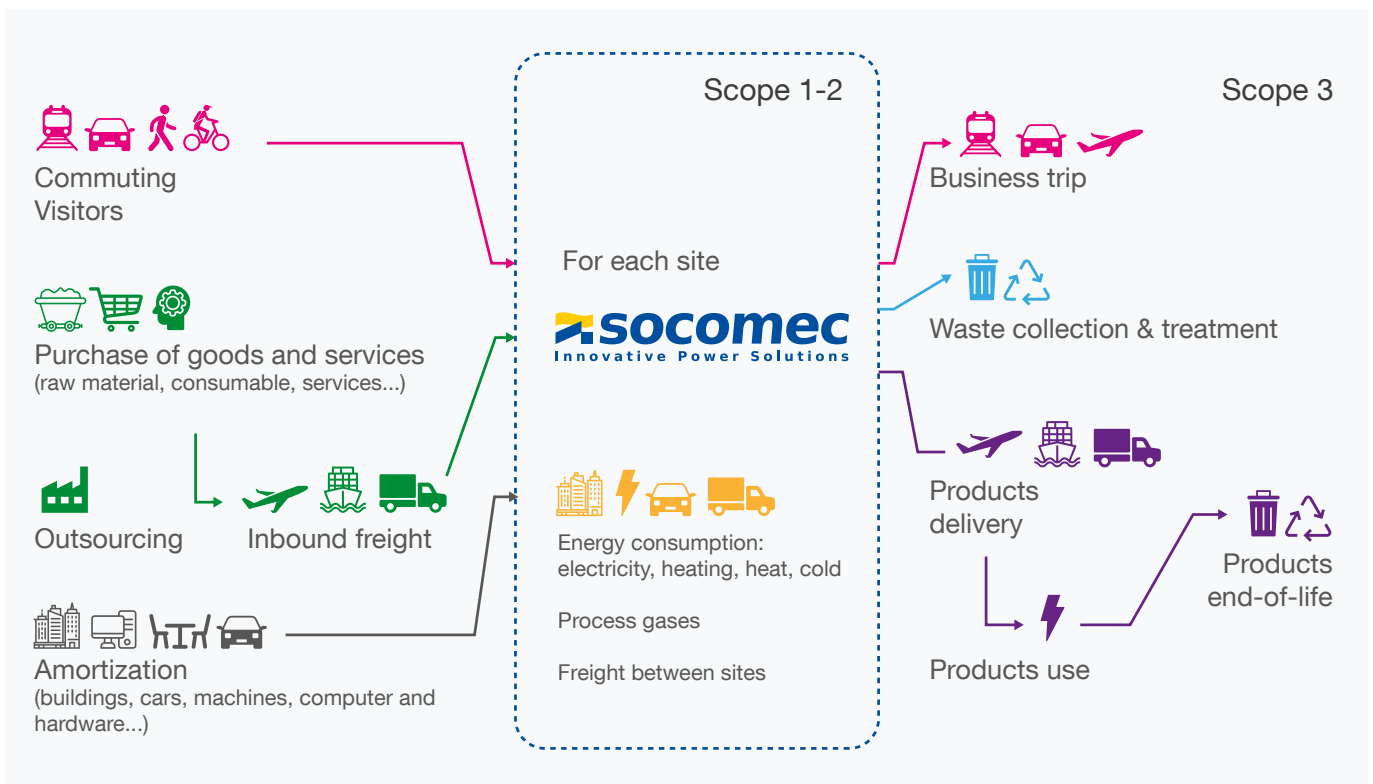
As a distributor of electrical equipment, we are fully aware of our environmental responsibilities and have been stepping up our environmental initiatives for several years. In 2022, we carried out a Group-wide carbon audit, covering all 3 scopes. This gave us an overall view of our greenhouse gas (GHG) emissions. By measuring our carbon footprint, we will be able to draw up a plan in 2023 for reducing our carbon emissions that are in line with the Paris Agreement.

An overview of our carbon footprint

In order to implement a robust and sustainable low-carbon strategy, the Group has chosen to follow the “Assessing Low Carbon Transition®” (ACT) benchmarking methodology developed by ADEME, the French environment and energy management agency. The ACT programme provides companies with tools for managing and monitoring their transition to a low-carbon economy. Between May and November 2022, SOCOMEC, assisted by a firm of climate experts, measured its greenhouse gas emissions across its entire value chain. The reference period chosen to calculate this footprint was 2021, which corresponds to a representative year for our business.

Included in this calculation are emissions linked to the following activities:

- The purchase of goods and services
- Capital assets
- Energy consumption
- Freight (inbound, internal and outbound transport)
- The waste produced
- The use of our products by our customers
- Product end-of-life
- Business trips
- Commuting to and from work



In 2021, SOCOMEC's activities generated emissions of 1,727,000 metric tons of CO₂ equivalent.

Breakdown of our GHG emissions:

- Scope 1: 2,236 MT CO₂e
- Scope 2: 2,750 MT CO₂e
- Scope 3: 1,721 MMT CO₂e

As a result, working groups will be organised in early 2023 to set carbon reduction targets and build a low-carbon strategy in line with the Paris Agreement.

Targets for 2023

To build a low-carbon strategy using the ADEME ACT "Step by Step" method to reduce the Group's greenhouse gas emissions (long-term vision and action plan).

Raising awareness of climate issues

This year, for the first time, we organised a "Climate Fresk" workshop with members of the Executive Committee, CSR coordinators and department managers. A second workshop was organised for the Sales Department

relationships between the various components of climate change. The workshop includes a discussion phase, a creative phase and a debriefing phase to collectively think about solutions that can be implemented to combat these phenomena.

The "Climate Fresk" is a recreational and collective workshop that helps us to better understand climate issues and in particular the cause-consequence



Mobility plan

Commuting to and from work is one of the company's main sources of carbon emissions. The Group wants to give more impetus to its travel policy by raising employees' awareness of the need for more environmentally-friendly mobility and, ultimately reduce CO₂ emissions linked to travel.



Mobility survey

As part of the company's Carbon Footprint approach, SOCOMEC organised its first Group-wide mobility survey in 2022 to assess how its employees travel for their work. Over 80% of employees took part in the survey. Using a simple questionnaire, the results of this survey were used to pinpoint areas for action to facilitate travel and reduce CO₂ emissions.

As part of the CSR component of the 100 Challenges organised to celebrate SOCOMEC's centenary, one of the highlights of the event was devoted to mobility. The aim was to raise awareness among employees through quizzes and photo and video challenges in order to encourage them to use alternatives to their own cars.

New "Company Car" policy

SOCOMEC has introduced a new policy to promote low-emission vehicles (100% electric or rechargeable hybrids) for employees with company cars. This year for our operations in France, the budget for company cars has been increased by 25% for low-emission vehicles. In 2022, 67% of vehicles that were ordered on a leasing with purchase option were electric or hybrid vehicles.

Target

Following the results of the carbon footprint assessment, working groups will be set up to promote an action plan to reduce travel-related GHG emissions.

In 2023, one of the CSR highlights will be dedicated to mobility via events such as the inter-company challenge called "I go to work in another way", which promotes the use of bikes and other forms of soft mobility to get to work. This year, we also plan to extend this initiative to other Group subsidiaries and to share best practice in eco-mobility in the different countries where we operate.

ACTION #2 Obtain ISO 14001 certification for 100% of our production sites

Through certification, SOCOMEC aims to maintain strong environmental governance at its production sites, in order to improve their environmental performance and reduce environmental risks. This objective is one of the Group's transformation projects.

SOCOMEC's objective is to obtain ISO 14001 Environmental Management System certification for 100% of its production sites.

To date, some 42% of our production sites have obtained this certification, as have 2 sales subsidiaries. Sites are audited annually and are required to assess their environmental risks and implement a strategy to address them. The topics studied are as follows: energy consumption, waste produced, CO₂ emissions, etc.

Since 2022, our production site in India has been preparing for certification in 2023. This initiative will enable SOCOMEC India to align itself with the Group's sustainable development objectives, meet its customers' expectations and to encourage more action on environmental issues at the site. The site is focusing in particular on improving its performance in terms of energy efficiency and waste management. One of the key indicators identified for the site is the measurement of its carbon footprint and the monitoring of related actions to reduce it.

In addition to ISO 14001, 75% of SOCOMEC's production sites have ISO 9001 certification. One production site has ISO 50001 certification in France.

Target for 2030

SOCOMEC aims to obtain ISO 14001 certification for all its production sites by 2030.

ACTION #3 Reduce and recycle the waste generated by the Group

SOCOMEK wants to increase the proportion of its industrial waste that is recycled by 2030. SOCOMEK therefore undertakes to:

- Collect and sort its waste and increase its recycling rate. The tonnage of waste from all our production sites is monitored with the intention of reducing it as much as possible.
- Encourage the recycling of bio-waste from some of its company restaurants into energy and fertiliser with the help of local service providers. This is already being done at some of our European production sites.

Waste is sorted as soon as it is produced and stored in specific skips before being removed. They are collected

and handled by specialist companies for transport and processing. The way in which this waste is managed is checked during field audits carried out at the production sites. Employees working at our production sites have been aware of the importance of waste sorting for many years. The industrial waste produced by SOCOMEK is stored, disposed of and recycled in accordance with current regulations and practices.

The Group ensures that the transport of hazardous waste does not pose a pollution risk. To this end, every removal of hazardous waste from our sites in Alsace is inspected. Every year, we carry out actions relating to the treatment of all types of waste.

A closer look: Lead-acid and lithium-ion batteries

The batteries SOCOMEK is responsible for are processed and recycled in accordance with current regulations by centres equipped with appropriate facilities to prevent environmental pollution.

Some of our products include lithium-ion batteries, which have a high energy density, a long service life and fewer cooling requirements.

Their manufacture has an impact on the environment, but even in terms of the energy transition, it is not yet possible to dispense with their use, as energy sources (particularly renewable sources such as solar and wind power) are not continuously available.

ACTION #4 Improve the energy performance of our facilities

Energy challenges

Socomec is committed to helping build a low-carbon economy: the Group promotes the construction high energy performance buildings, renewable energy sources and any initiatives that contribute to energy savings.

The Group not only wants to address, but also anticipate, the major environmental challenges of tomorrow. These include:

- The ever-accelerating pace of climate change and dependence on fossil fuels;
- The risk of power cuts that could affect business continuity;
- The sharp rise in energy costs (forecasts predict an eight-fold increase in energy bills for businesses in Europe by 2023);
- Regulatory changes and the French government's energy conservation plan.

Improving energy efficiency is also a core part of our product offering.

That's why all new buildings are designed for high energy performance: they comply with the criteria for reducing energy consumption.

At the same time, SOCOMEK is working on the upgrading of its old buildings so that they too meet these environmental criteria.

The Group is installing meters to monitor consumption in real time, adapt it accordingly and thus contribute to reducing its overall electricity consumption.

Furthermore, three of our production sites in France and Italy are equipped with photovoltaic panels. The energy produced this way is either consumed or fed back into the grid. In addition, one of our French production sites and some of our sales subsidiaries in Europe have signed green energy contracts.



Energy+ Plan

To tackle the energy crisis and speed up our energy transition, SOCOMEC launched the Energy+ Plan in 2022. It defines and promotes the implementation of action plans to reduce energy consumption.

In 2022 and 2023, the Energy+ plan will focus on European production sites. Over the course of the project, the scope will evolve towards European sales subsidiaries. To meet the challenges of the energy transition, we are backed by the E'nergys ecosystem of services, a subsidiary of the wider SOCOMEC Holding company.

The expert's opinion

“At E'nergys, we provide practical solutions to help our customers make the transition to a greener, more energy-efficient future, by offering them a complete value chain: from auditing and consultancy to engineering and a whole range of integrated, financed solutions. That's the expert role we have in the Energy+ Plan: we support SOCOMEC across all their projects. We are responsible for analysing their energy consumption and acting as SOCOMEC's preferred partner in defining and implementing solutions including, for example, building management systems and photovoltaic and geothermal facilities. ”

Louis Steyert, Executive Manager of E'nergys

Governance of the Energy+ Plan

Energy+ Plan Steering Committee Members: CEO Production, Purchasing, Human Resources, Communications and CSR departments Building & Facilities Manager General administration External consultant (E'nergys)	<ul style="list-style-type: none"> Approves choices/decisions Monitors action plans
Project teams	<ul style="list-style-type: none"> Manage 7 short and long-term projects (self-generation, buildings, energy conservation, purchasing, etc.)
Energy+ ambassadors Local contacts	<ul style="list-style-type: none"> Ensure that the actions decided by the project teams are properly implemented, Monitor energy performance indicators Report difficulties encountered in their area

Following an analysis of the various solutions available to SOCOMEC, the company, with the assistance of E'nergys, has prepared 7 projects, divided into immediate actions and medium- and long-term projects. The analysis was given added value by the 95 suggestions submitted by employees in the areas concerned via a suggestion box. SOCOMEC has therefore determined its 3 main levers of action:

- Consume less: this lever includes both technical actions and actions aimed at supporting and giving a sense of responsibility to employees to aim for greater energy conservation. In particular, the following three elements have been selected:
 - Controlling energy consumption by means of building management systems;
 - Improving the energy efficiency of buildings and process equipment in the production and laboratory facilities;
 - Supporting and giving a sense of responsibility to employees.
- Buy less and more cheaply, with targets for self-production of energy (production and installation of photovoltaic panels and storage batteries) and taking particular care when subscribing to energy contracts.
- Invest in new equipment, particularly solar power systems, to change our energy mix in favour of renewable energy.

Test phase for analysing new guidelines for reducing energy consumption

At the end of 2022, a test phase covering a selected part of our operations in France was carried out. The idea is to gradually introduce measures to reduce the temperature and the heating periods during the day. The aim of this test phase is to analyse the impact of the measures on savings and the comfort of employees. Clearly, the priority for our company is to ensure that our employees can work in the best possible conditions.

The results have been conclusive: almost 21% in savings on gas and 22% in savings on electricity have been achieved on our utility bills for November and December 2022 compared with November and December 2021.

Targets

For 2023, SOCOMEC France has signed new green energy contracts for three production sites and 2 sales offices. These contracts represent SOCOMEC's determination to increase the use of renewable energy and to control its risks where resources are concerned. Several feasibility studies are underway to coordinate medium/long-term projects that will help SOCOMEC to decarbonise its operations and reduce its energy costs. The studies focus in particular on increasing the self-production of electricity through the installation of solar panels and energy storage systems, as well as converting our gas boilers into heat pumps.

The targets for the Energy+ Plan are as follows:

- In 2023, to reduce energy consumption by 25% at our European production sites.
- To make our buildings more energy efficient, adopt more energy-conservation practices and produce more renewable energy by 2023.

2. Promoting energy efficiency

By virtue of its sector and international profile, SOCOMEC faces different types of risk: regulatory, technological, reputational, climatic and also from its markets.

By virtue of its sector and international profile, SOCOMEC faces different types of risk: regulatory, technological, reputational, climatic and also from its markets. To counter these risks, the Group is committed to reducing the environmental footprint of our products on every level. We carry out design and development projects to improve the energy efficiency of our products. We optimise the service life of our products through their rugged construction and via preventive maintenance to reduce malfunctions and extend the life of key components.

We incorporate the principles of the circular economy into the design of new products and services, giving priority to sustainable materials compatible with the levels of safety and performance required by our applications. SOCOMEC provides transparent information on the environmental impact of its products (PEP). The PEP eco-declaration documents can be found on our website. An environmental committee monitors the eco-design policy and its application during product development. An environmental committee monitors the eco-design policy and its application during product development.

Policy and performance

SOCOMEC's commitments to limiting the environmental impact of its products are formalised in the SOCOMEC Group's environmental policy.

Our company's purpose is to constantly innovate in order to reduce our environmental footprint by improving the energy efficiency of products and promoting the circular economy, thereby helping our customers to design facilities that are less energy-intensive, better managed and more respectful of the environment.

The Group's eco-design process is geared towards the following objectives:

- To incorporate the principles of the circular economy into the design of new products and services;
- To promote longer product lifetimes;

- To facilitate the use of responsibly sourced materials that are compatible with the safety and performance requirements of our products;
- To devise and design solutions to further improve the energy efficiency of our products and services;
- To provide our customers with transparent information on the environmental impact of our products throughout their life cycle, in particular by means of product environmental profiles.

To achieve this, SOCOMEC undertakes to constantly monitor, anticipate and comply with environmental regulations and customer expectations relating to its products, and to ensure that all those involved adhere to and take responsibility for its commitments.

Performance

Strategic priority and key objective	Indicators	2021	2022	Variation
<ul style="list-style-type: none"> • Strategic priority : Promoting energy efficiency and eco-design • Key target : To have 100% of our product ranges covered by PEPs 	Percentage of turnover generated by manufactured product ranges covered by a Product Environmental Profile (PEP)	54.7% ⁽¹⁾	56.9% ⁽¹⁾	+ 2.2%

⁽¹⁾ excluding CCS, Boltswitch, Powersmiths, Algodue and TCT (for these entities, only SOCOMEC brand products are taken into account)

Governance

Eco-design committee Members: Business lines manager R&D Director R&D, product development and marketing managers Certification manager	<ul style="list-style-type: none"> Identifies eco-design issues Sets out the eco-design policy and defines the strategic workstreams Drives action plans within business lines Provides guidance and recommendations on eco-design
R&D and Product Development departments Marketing managers	<ul style="list-style-type: none"> Set up and implement action plans in line with the eco-design policy Design our products to meet our environmental policy and agreed specifications Determine the product ranges to be covered by a PEP
Marketing managers	<ul style="list-style-type: none"> Set eco-design targets for each business line, in keeping with the Group's strategic priorities and market expectations
R&D department	<ul style="list-style-type: none"> Produce PEP certifications
All business lines and employees involved in eco-design projects	<ul style="list-style-type: none"> Integrate and comply with eco-design objectives in the specifications for product-related projects

ACTION #1 Offer our customers effective solutions to reduce their energy consumption



OUR PRODUCTS AND SOLUTIONS FOR MONITORING ELECTRICAL FACILITIES ARE DESIGNED TO IMPROVE ENERGY PERFORMANCE.

Management of energy efficiency

Being able to measure energy is an essential first step in any process that aims to improve energy efficiency. Our wide range of products, from sensors and monitoring systems to energy meters, all contribute to the continuous improvement of the energy efficiency process.

Our AC and DC measurement systems play an active role in identifying potential energy-saving actions to reduce or improve electricity consumption. The measurement accuracy offered by our systems (Class 0.5 overall) provides energy or facility managers with reliable information that is precise enough to back up their operating decisions and validate the savings they subsequently make.

Energy savings

All our devices with display screens come with a backlit standby mode, reducing energy consumption when not in use locally. Our DIRIS B measurement and monitoring range is also available without a display, minimising the carbon footprint in both manufacture and use.

Analysis of the quality of electrical power to prevent premature ageing of facilities

Our equipment enables our customers to analyse the quality of the power distributed within electrical facilities and to identify any potential pollutants. Having this continuous monitoring in place means that action can be taken to prevent over-consumption or premature ageing of certain devices.

Circular economy

We use 25% recycled plastic in the manufacture of our products and 45% of the components used are recyclable.

Modular design for a smaller carbon footprint

Sharing key electrical monitoring functions (display, voltage measurement) between all circuits is one of the core features of our Digiware modular system. This means our customers can optimise component sizing and selection, and therefore minimise the carbon footprint of both the manufacture and use of the measurement system. Modular design also means that measurement systems can be adapted to meet future requirements, with fewer additional components needed.

Our wide range of measurement sensors (ferromagnetic or Rogowski) can be easily added to existing electrical systems; this reduces the need to modify the electrical panel and therefore reduces component waste.



OUR ELECTRIC ARC-EXTINCTION SWITCHGEAR HELPS TO OPTIMISE ENERGY CONSUMPTION

Reducing power losses

A large part of the carbon footprint of products comes from their use. As well as reducing the use of materials, our design and construction rules include the reduction of power dissipation. Our latest DC offerings - the Inosys and Sirco PV, switch disconnectors for photovoltaic and energy storage applications - reduce power losses by 50% by increasing switching performance to 1,500Vdc and by minimising the need to connect power poles in series.

Extending the service life of equipment

Particular emphasis has been placed on the durability of our equipment; this helps to meet our customers' expectations of equipment lasting 20 years.

Reducing the number of on-site inspections by our technicians

Our mains changeover switches perform continuous diagnostics that can be accessed remotely to improve the operation of the device and reduce the need for a technician to visit the site.

Product ranges designed for renewable energy sources (photovoltaics, energy storage, e-mobility)

Renewable energy sources require specific technical features and levels of performance in order to guarantee safety and, throughout the operating life of the facility, to ensure that the customer is able to run their business and get a return on their investment.



POWER
CONVERSION

OUR UPS EQUIPMENT IS DESIGNED WITH FUNCTIONALITIES TO IMPROVE ENERGY PERFORMANCE

A "Forever Young" design concept to extend the life time of equipment

The MODULYS range of Uninterruptible Power Supplies (UPS) incorporates the exclusive "Forever Young" concept, designed to extend the life time of the UPS. It completely eliminates system end-of-life by using a chassis with no electronics and power modules that can be replaced while the system is running.

The "Forever Young" concept keeps the system open to future technological improvements. All it takes is to replace obsolete electronic parts without modifying the electrical infrastructure or changing the UPS.

Aging or obsolete modules can be easily replaced while the UPS is in operation and reconditioned in our maintenance centres (Repair Centres).

The principle is based on the compatibility and availability of power modules and spare parts. The concept is unique to SOCOMEC, which has guaranteed the compatibility and availability of these products for more than 20 years, and is backed up by an official declaration available on request.



EXPERT
SERVICES

ADDITIONAL SERVICES TO EXTEND THE LIFE TIME OF OUR PRODUCTS

We can guarantee reduced failure rates for our equipment through voluntary certification issued by third-party organisations following resistance and endurance/reliability tests.

Now, with the Internet of Things (IoT), our UPS can be operated remotely by SOCOMEC technicians for commissioning, operation or servicing. This reduces the number of on-site visits, thereby reducing our carbon footprint while improving the operational performance of our teams. What's more, thanks to connected services, it is possible to anticipate the ageing of certain components so as to plan for their early or delayed replacement.

Energy savings

Our UPS equipment is classified as "Elite" under the European Code of Conduct for UPS (High Energy Efficiency). The "Energy Saver Mode" function enables operation in energy-saving mode (low operating losses) while maintaining a high level of protection for the load.



POWER
CONVERSION

ENERGY STORAGE SYSTEMS (ESS) PLAY AN ACTIVE ROLE IN THE ENERGY TRANSITION

ESS systems make it easier to integrate renewable energy by maximising consumption from local production (self-consumption) while limiting the injection of renewable energy into the electricity grid.

They also supply reliable and clean multi-source power for disconnected micro-grids and meet new electricity needs by improving the resilience of electricity grids (for example, by increasing the capacity of recharging facilities for electric vehicles).

ACTION #2 Strengthen the eco-design of our products

SOCOMECC acts on the various stages of a product's life in order to introduce the principles of the circular economy into the product life cycle. Actions range from raising employee awareness to extending the lifespan of equipment.

Choosing responsibly sourced materials that are compatible with the safety and performance requirements of our products

As well as complying with regulations, the Group also applies internationally recognised environmental benchmarks to continually improve the environmental performance of its products.

Compliance with international regulations on limiting and restricting hazardous substances, such as *RoHS*¹ and *REACH*²

The Group designs its new products in compliance with the European and international regulations on the limitation of hazardous substances, especially hexavalent chromium, mercury, cadmium, lead, polybrominated biphenyls (PBBs) and polybrominated diphenyl ethers (PBDEs).

SOCOMECC gives preference to materials and components which do not contain substances of very high concern under the REACH regulation.

Charter for implementing the European directive on Waste Electrical and Electronic Equipment (*WEEE*)

To ensure responsible management of the end-of-life of electrical and electronic equipment for its customers, SOCOMECC has undertaken to help develop collective recycling channels in France, by working with other manufacturers in trade associations.

More generally, it identifies relevant collection and recycling channels in the other main Member States where SOCOMECC is concerned by the WEEE Directive and contributes to them through its commercial subsidiaries or local partners.

This means we comply with all applicable international regulations in this matter, as follows:

- Europe: ROHS, REACH and WEEE
- USA: California Proposition 65
- Asia: China RoHS

(1) EU RoHS Directive (Restriction of Hazardous Substances)

(2) EU REACH Directive (Regulation on the registration, evaluation, authorisation and restriction of chemicals)

Raising awareness among our employees via a learning & development module on eco-design

Following the publication of our new environmental policy, a learning & development module on eco-design has been prepared and will be deployed in 2022. A wide range of functions, including Marketing, R&D and the supply chain, contribute to eco-design, from the specification of a requirement right through to its launch on the market. The aim of the module is to raise awareness among the company's employees of the eco-design approach and to provide information on the following:

- The stakes involved in eco-design;
- Our company's commitment;
- The role to be played by employees in this approach;
- Avenues of inquiry for eco-design.

This learning module is compulsory for project and specialist teams in charge of product development. It can also be taken by all SOCOMEC employees via the online learning and development platform.

Packaging and product assembly & user guides

In France, the final packaging and assembly instructions/user guides for SOCOMEC products are made exclusively from recycled paper or paper, cardboard and wood from sustainably managed forests.

Our final packaging is designed to use single-materials such as recyclable cardboard without colouring or bleaching, or in wood. The padding (or dunnage) for the packaged product uses recycled polystyrene-free cardboard.

In 2022, one of our two production sites in China launched the use of reusable plastic boxes in collaboration with its suppliers, the aim being to reduce the tonnage of cardboard packaging and thus contribute to the circular economy.

Target

A larger-scale eco-packaging project is underway, extending best practice to all production sites.

Reducing the transport of goods and trips made by our technicians

In line with its environmental objectives, SOCOMEC is increasing the local production of its products to be as close as possible to its customers and to reduce the transport of goods. The targets it has set vary, depending on the geographical region and on market requirements.

SOCOMEC's IoT innovations also offer an opportunity to reduce the number of visits by our technicians to customer sites. All new SOCOMEC UPS products can be connected and accessed remotely by our certified technicians. Commissioning, troubleshooting and preventive visits can be carried out without the technician having to travel. SOCOMEC's objective is to reduce the trips made by its technician by 20% between now and 2025.

Limiting on-site visits means we can reduce our carbon footprint, reduce safety risks for our operators whilst on the road, and at the same time improve our operational performance.

Offer retrofit and upgrading solutions via our operations and maintenance centres (Repair Centres)

To further extend the life time of our products and equipment, SOCOMEC has built up its expertise in the repair and reconditioning of modular products and power bricks in its state-of-the-art laboratories, known as Repair Centres.

SOCOMEC has set up 5 Repair Centres around the world capable of repairing, reconditioning, retrofitting and updating its products. Proven, high-quality repair and reconditioning procedures are standardised in all SOCOMEC Repair Centres. Their geographic locations have been chosen to be close to the final buyer in order to reduce response times, costs and environmental impact. It is a strategic approach that has been in operation for over 20 years.

SOCOMEC uses what is called a “Swap process”. Defective modules are replaced directly at the customer's site by a new certified module (new or reconditioned). Defective modules are then sent to the nearest Repair Centre for repair and technological upgrades, before being resold on the market as reconditioned products. There are several advantages to this process:

- It reduces costs and the environmental footprint by replacing a defective module with a reconditioned one. 98% of our customers choose this option.
- It reduces repair times: the defective module is immediately replaced at the customer's site.
- SOCOMEC guarantees the reparability of modules it has sold for up to 10 years after the end of their production.
- Data collection and analysis: Each product is identified by a unique serial number which tracks the history of the product's life (its use, repairs, components replaced, etc.). All the data is collected and analysed, meaning that SOCOMEC can manage and optimise the replacement of consumables and monitor the performance of its products beyond the initial installation at the customer's site.

Target

The target for 2023 is to extend the reconditioning capabilities of SOCOMEC's Repair Centres to include SUNSYS converters from the "Energy Storage Systems" (ESS) Business Line and new power modules.

ACTION #3 The environmental impact of our products

A Product Environmental Profile (PEP), also known as Environmental Product declaration (EPD), is a document communicating the environmental impact and performance of the product. It qualifies the environmental performance of products in an objective and reliable manner, in order to help customers and consultant specifiers (“prescribers”) make a fair and reasoned choice, in accordance with international standard ISO 14025. The PEP is the product’s environmental identity card, based on an analysis of its life cycle in accordance with international standard ISO 14040: material composition of products, manufacture, transport used, energy consumption and end of life.

SOCOMEC's aim is to have PEP sheets for every product range. The Group is also committed to providing reliable and transparent information to its customers. The Group is also committed to providing reliable and transparent

information to its customers. All of SOCOMEC's PEP sheets can be accessed via our website: <https://www.socomec.co.uk/en-gb/resource-center>

Since 2011, SOCOMEC has been a member of PEP ecopassport®, an association whose mission is to develop an international reference programme for declaring the environmental impacts of electrical, electronic and HVAC equipment.

In 2022, SOCOMEC created 6 new PEP sheets for its manufactured products, including a PEP sheet for the Energy Storage System (ESS) business line.

Pillar 3

Investing in responsible partnerships



8 DECENT WORK AND ECONOMIC GROWTH

17 PARTNERSHIPS FOR THE GOALS

11 SUSTAINABLE CITIES AND COMMUNITIES

Pillar 3

When it comes to our value chain, SOCOMEC ensures that all the issues relating to people and the environment are taken into account at every possible level. This includes everything from sourcing to the distribution of our products, for our employees and customers, and distributors and suppliers. The company's wish is to build lasting relationships with all its partners, based on trust.

As a world player in the energy sector, it is possible that SOCOMEC could be exposed to risks of corruption and influence peddling. This is why we are committed to ensuring responsible purchasing and business ethics in all our subsidiaries.

Contents

3.1 Ensuring responsible purchasing throughout our value chain

ACTION #1 Assess and require our suppliers to meet CSR performance standards

ACTION #2 Undertake to source minerals responsibly

3.2 Ensuring ethical business practices

ACTION #1 Maintain the values of trust and transparency in our commercial partnerships

3.3 Applying our social commitments at the next level

ACTION #1 Pursue an active policy of cultural, solidarity-based and regional sponsorship

ACTION #2 Contribute to the development of our profession through teaching and research

1. Ensuring responsible purchasing throughout our value chain

The manufacture of raw materials, products or purchased components may cause environmental degradation or pollution, or fail to respect the human rights and fundamental freedoms of workers and local populations.

In addition, since 2021, companies have been facing tight conditions on the raw materials market and in their supplies.

SOCOMECE aims to establish healthy and lasting relationships with its partners in order to strengthen its CSR performance and its resilience in the face of unstable supplies.

The Group has set out its social, environmental and ethical values in its CSR strategy and its rules in its Code of Conduct. These values and rules apply to SOCOMECE's employees, but also concern its suppliers and subcontractors, as they too are key stakeholders in SOCOMECE's value chain. Sharing the same values and the CSR input of its suppliers helps the Group to limit its environmental footprint and ensure respect for human rights in its value chain.

Certain minerals are used to produce metals such as tin, tantalum, tungsten and gold, which are frequently used in electrical and electronic products. The extraction of these minerals in conflict zones or high-risk areas is often correlated with human rights abuses and local environmental degradation. SOCOMECE strongly condemns the continuing human rights violations in conflict or high-risk areas.

SOCOMECE complies with regulations in Europe and North America, such as the Dodd Frank Act, which have been introduced to bring greater transparency to the supply chains concerned. The Group participates in the transparency process developed by the Responsible Minerals Initiative (RMI).

Policy and performance

Sustainable development is one of the four main cornerstones of the Group's purchasing policy. Our aim is to share our commitment with all our suppliers so that we can work with responsible suppliers and are able source eco-responsible raw materials.

Our Responsible Purchasing policy focuses on two priorities for sustainable development:

- To assess and require our suppliers to meet CSR performance standards;
- To undertake to source minerals responsibly.

SOCOMECE asks its suppliers and partners to commit to the following fundamental principles:

- To be open and transparent in their social and environmental policy;
- To comply with the fundamental conventions of the International Labour Organisation (ILO), the guiding principles of the Organisation for Economic Co-operation and Development (OECD) and the principles of the Global Compact, and to ensure that their own subcontractors comply with them;
- To agree to receive internal or external auditors appointed by the SOCOMECE to check that our Purchasing policy is being applied, and if need be, to implement corrective measures;
- To implement actions aimed at achieving best practices in terms of social and environmental regulations.

SOCOMECE also has a responsible minerals sourcing policy and requires the suppliers involved to comply with the Group's expectations (see Action #2).

We are also signatories to the "Responsible Supplier Relations" Charter. This French charter encourages companies to adopt responsible practices towards their suppliers by raising awareness among all the economic players involved about the challenges of responsible purchasing and the quality of customer-supplier relations.

Performance

Strategic priority	Key target	Indicators	2021	2022	Variation
Giving priority to committed suppliers	100% (2030)	Amount of turnover covered by suppliers who have signed our Code of Conduct	84% ⁽¹⁾	93.7% ⁽¹⁾	-
	100% (2025)	Key suppliers who have been assessed by EcoVadis	-	24% ⁽²⁾	N/A

(1) Suppliers covering 85% and 80% of SOCOMEC's turnover in 2021 and 2022 respectively
 (2) Excluding Algodue, Boltswitch, CCS, Powersmiths and TCT

Governance

Group level	<p>Group Purchasing Director</p> <ul style="list-style-type: none"> Sets out the Group's purchasing strategy; Sets out the objectives and monitors their attainment. <p>Purchasing Manager</p> <ul style="list-style-type: none"> Coordinates CSR actions with suppliers
Committee	<ul style="list-style-type: none"> The Business Partner Integrity Committee deals with alerts about business partners (suppliers and customers)
Local level	<p>Buyers</p> <ul style="list-style-type: none"> All new buyers are briefed on SOCOMEC's sustainable purchasing policy as soon as they join the company. They sign the "Responsible Supplier Relations Charter" and take note of the company's Code of Conduct.

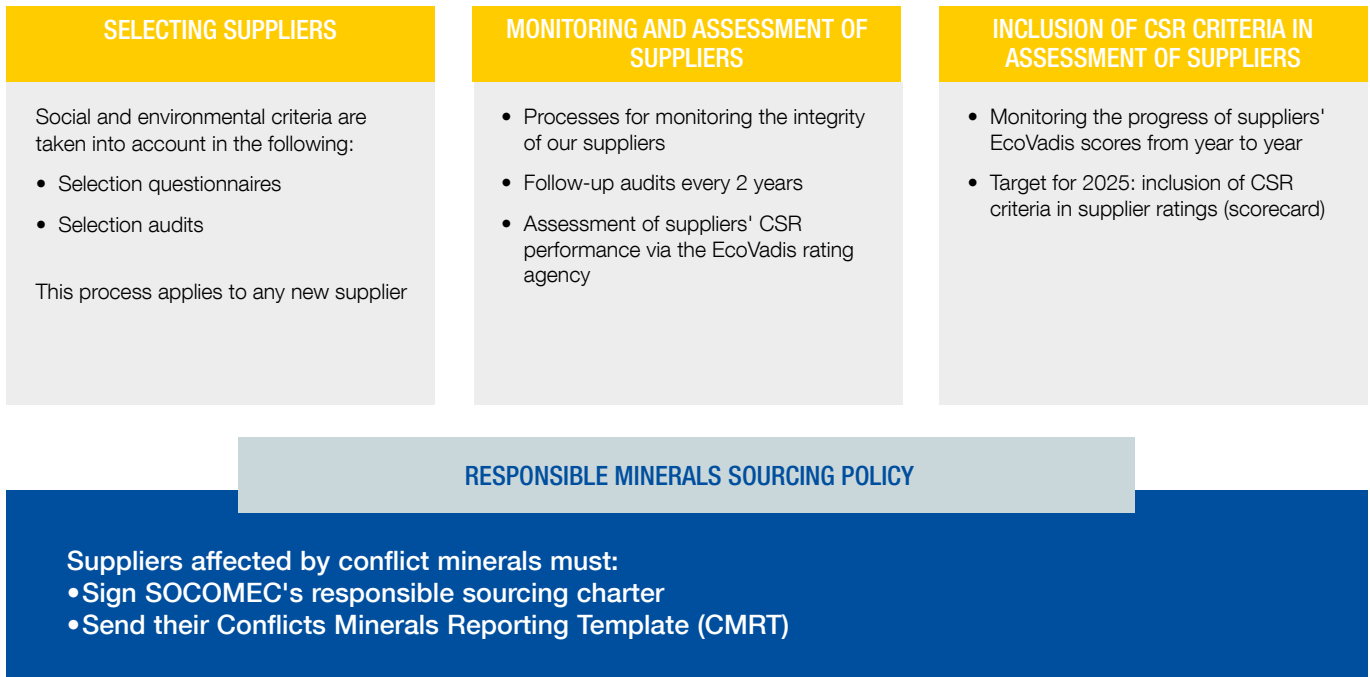
ACTION #1 Assess and require our suppliers to meet CSR performance standards

SOCOMECE aims to build healthy and lasting relationships with its suppliers in order to better deal with economic, social, environmental and ethical challenges. This means ensuring that our partners share the same values.

The Group's commitments and expectations of its suppliers are formalised in our responsible purchasing policy. SOCOMEC's ethical principles, which are summarised in the Code of Conduct, must be signed and observed by suppliers.

SOCOMECE subscribes to an application (Refinitiv World-Check) developed by Reuters to assess its business partners. This programme, known in-house as "Business Partner Integrity", continuously scans information on more than 3,000 of SOCOMEC's partner businesses and alerts us if necessary (particularly in the event of suspected wrongdoing). Our "Business Partner Integrity" committee meets up on a monthly basis to deal with the alerts received and to correspond with our business partners to rectify their situation.

CSR criteria that are integrated at every stage of the supplier relationship



Pillar 3

Assessment of suppliers' CSR performance with EcoVadis

In 2022 SOCOMEC entered into a partnership with the non-financial agency EcoVadis to assess the CSR performance of its main business partners. Our aim in doing so is to improve our value chain and develop a supplier base that is committed to meeting sustainable development objectives. We have noted that nearly 40 of our main suppliers have already been assessed by EcoVadis.

Targets

- We have set the following targets to ensure a balance between progress over time and managing the workload for our main suppliers:
- 2025: Ensure that 100% of our top 150 suppliers have an EcoVadis score, aiming for progress of 50% in 2023 and 75% in 2024.
 - 2025: Additionally, to include the EcoVadis score as a CSR criterion alongside the traditional criteria of cost, quality, service, innovation and risk management in the annual supplier performance measurement document.
 - From 2025 onwards: draw up an improvement plan for our suppliers' EcoVadis scores over 18-month periods, based on the average of our suppliers' scores.

ACTION #2 Undertake to source minerals responsibly

SOCOMECE condemns the ongoing human rights violations in conflict or high-risk areas. The Group has formalised its commitments to responsible sourcing of minerals in its policy. This covers the minerals known as the “3TGs” - tin, tungsten, tantalum and gold - as well as cobalt.

When these minerals are mined in high-risk or conflict zones, they cause environmental degradation. They can also finance, directly or indirectly, armed groups engaged in civil war or terrorist actions.

SOCOMECE is committed to purchasing from responsible suppliers who themselves have a policy against the sourcing of minerals from conflict or high-risk areas. The Group does not maintain direct relationships with mines or smelters nor does it purchase minerals directly from them. In the interests of transparency, in compliance with the relevant legislation and human rights and in

keeping with the expectations of its customers, the Group every year completes the Responsible Minerals Initiative (RMI) reporting document. The Conflict Minerals Reporting Template (CMRT) is an international standard that provides precise information on the country of origin of the minerals used and the origins of the smelters and refineries that produce them.

In addition, SOCOMECE asks its direct suppliers, where they are involved in the use of these minerals, to:

- Comply with existing regulations;
- Source from responsible suppliers who themselves have a policy against sourcing minerals from conflict areas;
- Sign its responsible sourcing policy;
- Provide their CMRT report.

2. Ensuring ethical business conduct

Policy and performance

The main risk identified by the Group lies in business practices influenced by acts of corruption, conflicts of interest, influence peddling, anti-competitive practices and facilitation payments. Such risks can have a number of different impacts: damage to SOCOMEC's reputation and therefore to its long-term survival (loss of turnover, difficulties in finding personnel or business partners), information leaks (breach of data confidentiality).

As part of its policy on social and environmental responsibility, SOCOMEC undertakes to promote rigorous ethical conduct within its businesses and towards its partners.

Respect for fundamental rights

SOCOMECE recognises and respects the fundamental principles set out in reference documents, especially the Universal Declaration of Human Rights, the conventions of the International Labour Organisation (ILO), the United Nations Global Compact and the guiding principles of the Organisation for Economic Co-operation and Development (OECD). Leading on from this, in the countries where SOCOMEC operates, the company:

- Prohibits all forms of forced or compulsory labour;
- Forbids child labour and discrimination based on age, race, gender, nationality, religion, or beliefs;
- Recognises freedom of association and the right to collective bargaining;

- Works to improve working conditions and prevent accidents and risks to the health of its employees;
- Fights against all forms of harassment in the workplace.

The Group undertakes to monitor any changes in national or international regulations and to promote the respect of rights in its sphere of influence, in particular with its suppliers and partners.

Target

To draw up a formal Human Rights policy

Fair and equitable practices

SOCOMECE's ethical policy is in line with its commitments and values and is based on the following principles and practices:

- Open governance that takes account of social, societal and environmental considerations in its decision-making and ensures that it communicates on a regular basis;
- Constructive and open social dialogue with elected staff representatives;
- Fair treatment of every employee in their career and salary advancement, based on an objective assessment of the performance achieved, the skill sets acquired and the aptitudes developed in the course of their duties;
- Management practices based on contractual and collaborative relationships. Such practices encourage initiative and engagement on the part of employees and respect people's individuality and differences;
- A duty of professional discretion for all employees, who must refrain from harming the Group's reputation by taking a critical or defamatory stance via the media or social networks;
- Respect for confidentiality, which obliges the company to respect the privacy of its employees and requires them not to divulge confidential information about

SOCOMECE, its customers, suppliers and partners to anyone outside the company;

- Recognition of free and open competition, which is essential to the development of national economies and upholds consumer rights. Furthermore, as part of its promotional and commercial activities, SOCOMEC refrains from any erroneous criticism that may be considered detrimental to the reputation of its competitors;
- The rejection of any form of corruption. As such, our commercial practices prohibit any form of illicit payments. In addition, invitations, business gifts and other miscellaneous benefits must be of reasonable value and are only tolerated to the extent that they do not give rise to any unjustified compensation. Such favours must also be known to and approved by the employee's line manager;
- The prevention of conflicts of interest in our business relations with external suppliers and partners. These relationships should not be influenced, or likely to be influenced, by personal interests to the obvious detriment of the Group's interests;
- Respect of intellectual property, particularly patents, brand names, copyrights/royalties and various designs and developments.

Performance

Key target	Indicators	2021	2022	Variation
To keep 100% of employees trained in Ethics and Compliance by 2025	Employees trained up on the Ethics and Compliance policy	81.2% ⁽¹⁾	88.3% ⁽¹⁾	7.13%

(1) Excluding Algodue, Boltswitch, CCS and Powersmiths

Governance

Governance	<p>Corporate Legal Officer</p> <ul style="list-style-type: none"> • Sets out the Group's legal strategy • Sets out the objectives and monitors their attainment
Committees	<p>Business Partner Integrity Committee (Sales Director, Corporate Legal Officer, Lawyer specialising in the French Sapin II Directive, Finance Director, Production Director, Customs & Flows Manager, Key Account & Distributor Managers, Treasury Manager, Sales Assistant))</p> <ul style="list-style-type: none"> • Deals with alerts concerning sales partners <p>Ethics & Compliance Committee (Sales Director, Human Resources Director, Social Dialogue Manager, Corporate Legal Officer, Lawyer specialising in the French Sapin II Directive, Finance Director, Production Director, Communications and CSR Manager, CSR Officer)</p> <ul style="list-style-type: none"> • Ensures the application of the Group's Ethics and Compliance policy
Local level	<p>Employees</p> <ul style="list-style-type: none"> • Receive Learning & Development courses followed by the signing of the Code of Conduct

ACTION #1 Uphold the values of trust and transparency in our commercial partnerships

SOCOMECC resolutely applies measures to combat the risk of corruption and any unethical business practices.

The Group has implemented preventive measures against the risks of corruption, conflicts of interest, anti-competitive practices, influence peddling and facilitation payments, including the following:

- Corruption risk mapping
- Internal and external Code of Conduct
- Warning system
- Employee learning & development courses on the Group's ethics policy
- "Business Partner Integrity" platform

Corruption risk mapping

Corruption risk mapping, in the form of regularly updated documentation, is intended to identify, analyse and rank the risks of exposure of the company to external approaches made for the purposes of corruption. The Group assesses the level of risk in 6 areas: conflicts of interest, supplier collusion, public collusion, information leaks, customer collusion and misappropriation of assets. Each theme covers the description of the risk (its type and cause), the existing controls and the impacts. The level of risk is assessed using a matrix that analyses the severity and probability of the risk. The mapping

also analyses the level of exposure of countries and departments according to risk.

The aim is to implement an action plan and reduce the frequency and potential impact of these risks.

The aim is to implement an action plan and reduce the frequency and potential impact of these risks. The risks that have been identified are reviewed every year at the Annual General Meeting.

Code of Conduct

A code of conduct based on precise guidelines sets out our requirements in terms of integrity, compliance with rules and respect for people. It has been implemented across the Group and is appended to SOCOMEC's internal company rules and regulations. The Code of Conduct has been translated into several languages to ensure that it can be understood by all Group employees. In 2022, Belgium and Switzerland were the pilot countries for this project. Translation into the other languages in the Group will continue in 2023.

An external code of conduct was also drawn up for our commercial partners. The general sales and purchasing conditions, as well as any contract signed with a partner, contain a clause committing them to the principles set out in the code of conduct.

Targets

Translation of the Code of Conduct into other languages is continuing. A country-by-country roll-out campaign will be carried out to ensure that all Group employees are familiar with this code of conduct, in their working language. New translations have already been made and will be sent to the countries for confirmation of receipt in the first half of 2023.

Warning system

A warning system has been set up to encourage employees and partners to report any conduct or situation that might threaten SOCOMEC's general interests: corruption, conflicts of interest, falsification of documents, manipulation of accounting and auditing, theft, fraud, misappropriation of funds, environmental pollution, child labour, forced labour, human trafficking, health and safety, harassment, discrimination, etc.



Target

SOCOMECE is looking into outsourcing the warning system to a service provider. An initial assessment will be carried out at the end of the first half of the year.

Learning & development on business ethics

The Group has introduced a learning & development programme for employees on SOCOMEC's business ethics policy. The course presents the principles of the Group's code of conduct and uses situations of risk to make it easier to identify them on a day-to-day basis. It also explains the warning system.

This year, the course was supplemented by a second online learning sequence, comprising videos illustrating real-life situations.

Target

Keep 100% of employees trained in our business ethics policy.

The programme has been delivered in an e-learning format wherever possible. A special effort has been made to enable all employees who do not have a computer to access this course (either by access from a PC in a room equipped for employees who have been granted access to our "SOCOMECE Academy" online learning platform, or via classroom learning sessions for others).

“Business Partner Integrity” platform

Our commercial partners are also affected by our ethics and compliance policy, as they are required to comply with our Code of Conduct. They are also constantly monitored by our Business Partner Integrity programme for any involvement in unfair practices.

Targets for 2023

Compliance Officers

We plan to set up a network of Compliance Officers (or ethics coordinators) to ensure that our business ethics policy is properly implemented at all our production sites and sales subsidiaries.

3 Applying our social commitments at the next level

Policy and performance

SOCOMECEC is a responsible, open and committed company that supports associative and cultural development within civil society through its patronage and sponsorship policies.

Our choice of partnership is in line with SOCOMECEC's values (open-mindedness, local roots, support for our professions, etc.) and the Group's HR, Communications and CSR policies. The support we provide can take the form of memberships, multi-year programmes or one-off donations.

This commitment opens up the company to its wider environment and strengthens its citizenship and involvement in the region. It also fosters a sense of pride and belonging among its employees.

Governance

Governance of our actions for social and societal engagement is as follows:

Group level	Senior management, Communications and CSR Manager <ul style="list-style-type: none">• Set out the Group's social and societal engagement policy• Examine and approve partnership and sponsorship proposals• Check that they are consistent with the company's values and CSR policy development priorities
Local level	Subsidiary managers <ul style="list-style-type: none">• Select and approve local partnerships and commitments in line with the Group's values and CSR policy development priorities

ACTION #1 Pursue an active policy of cultural, solidarity-based and regional sponsorship

Street art – 4th edition of Colors Urban Art Festival

In 2022, the Group renewed its partnership with the Urban Art collective. SOCOMEC is the historical partner and main sponsor of the Alsace-based association COLORS Urban Art powered by Socomec, which organises Street Art events in Strasbourg and the Grand Est region of France.

The fourth edition of the Colors festival was held in September, attracting more than 10,000 visitors to this urban art festival in Strasbourg.

Street art is a contemporary and universal form of artistic expression that perfectly illustrates SOCOMEC's ability to be both open to its environment and in tune with younger generations. By actively supporting street art, SOCOMEC is helping to make art accessible to as many people as possible and to brighten up the urban environment.



Targets for 2023

SOCOMECE has an endowment fund project called "Imagin'act" aimed at financing initiatives for young people from disadvantaged backgrounds, to raise their awareness of the arts, culture, sport and the outdoors. The idea is to open young people up to new horizons, to awaken their curiosity and kindle interest in different vocations. This project, created and financed on the initiative of SOCOMEC and E'nergys, meets our objectives in terms of employer brand and societal engagement by promoting the inclusion of young people.

The fund is open to other donors and administered in collaboration with active managers of associations working to promote the inclusion of young people.



Partnership with *Electriciens sans Frontières*

Marking its 100th birthday and as part of its internal engagement programme, SOCOMEC has renewed its partnership with *Electriciens sans Frontières*. This French international NGO and registered charity fights against inequalities of access to electricity and water throughout the world. With the support of 1,200 volunteers and through partnerships with local actors, it carries out over 120 projects in around thirty countries each year.

SOCOMECE has pledged to donate funds to *Electriciens sans Frontières* for each participation in the "100 Challenges". These funds have been used to finance the electrification of a health centre and a school in Mazava, a village in northern in the north of Madagascar, through the installation of photovoltaic power plants. The project therefore directly ties in with SOCOMEC's core business and values.



Solidarity initiatives in India

Our sites in India are committed to protecting young girls and children in difficulty via support for local charities. In 2022, employees in India visited young girls in the care of the Tara Girls organisation, which works to protect and empower young girls. They also worked with children with disabilities looked after by the Helping Hands NGO, serving them a meal and sharing some time together.

In addition to the activities and financial support for the 2 charities mentioned above, the Indian sites also support 3 organisations working to protect children, particularly girls. Support for the Blind Welfare Society has helped to pay for food for 30 blind girls. The sites provided medical aid kits for HIV-infected children via the non-profit Desire Society organisation. Finally, the sites support the Solidarity organisation in its mission to educate and coach children with learning difficulties.

Other activities marking the centenary celebrations

Other charitable initiatives took place in Asia throughout the year, including tree planting and waste collection on a beach in Singapore. Thirty-two Singapore employees also volunteered to give their time to the Willing Hearts charity, which prepares and distributes meals to people in need.



ACTION #2 Contribute to the development of our profession through teaching and research

A commitment to education and science

SOCOMEC has been involved in the educational field for a number of years, promoting science. The Group is an active member of the University of Strasbourg Foundation, providing sponsorship in particular for the Artificial Intelligence Chair and the Inventive Design Chair. The company is one of the Foundation's major donors.

In 2022, SOCOMEC strengthened its partnership with the INSA Strasbourg Foundation by signing a new three-year sponsorship agreement and as well as sponsoring the Electrical Engineering class. SOCOMEC has thus become the institute's leading partner and will support the engineers in this year's intake for 3 years, creating a bridge between the worlds of industry and higher education. SOCOMEC has joined the circle of patrons of the INSA Strasbourg Foundation and becomes a Bronze Sponsor of the educational innovation programme.

Sharing and monitoring developments in our industry

SOCOMEC is a member of the "Sustainability" working group of the CEMEP UPS (European Committee of Manufacturers of Electrical Machines and Power Electronics), representing manufacturers of Uninterruptible Power Supplies (UPS). Its missions are to monitor global environmental initiatives affecting the UPS sector and to define positions for the profession and users.

SOCOMEC also participates in the environmental commissions of the French Electrical and Digital Industry Consortium (GIMELEC) and in the CSR working group

of the French Federation of Electrical, Electronic and Communication Industries (FIEEC). The commissions cover a wide range of subjects, including the circular economy, business ethics, responsible purchasing, human rights and new legislation.

Finally, as part of its involvement in the circular economy, SOCOMEC is a member of international standards committees. These contribute to the framing of future European standards governing the circular economy for electrical products: recyclability, reparability, maintainability.

Appendices

This Non-Financial Performance Statement will be submitted to the Board of Directors on 9 May 2023 and to the Annual General Meeting on 25 June 2023. Further to the commissioning of an Independent Third-Party Body (ITB), a series of audits were carried out on 16 March, 22 March and 28 March 2022 at the Timelec (Tunisia) and Gurgaon (India) sites, as well as at the head office in Benfeld. The ITB's statement on the fairness and accuracy of the information published is included at the end of the report.

Scope

The scope of the data covers SOCOMEC Holding, including all its subsidiaries and the companies it controls pursuant to Article L. 233-3 of the French Commercial Code. Details of the scope chosen for the indicators are given at the end of the report in the section entitled "Our CSR Performance"

Non-financial risks not covered by the SOCOMEC Group

Given the nature of our business activities, we consider that the issues of food waste, the fight against food insecurity, respect for animal welfare and responsible, fair and sustainable food do not constitute a non-financial risk linked to the activities and sector of the SOCOMEC Group and do not merit inclusion in this sustainable development report.

Risks associated with water consumption

Water consumption has not been identified as a priority risk either. In point of fact, Socomec does not use water in its production processes, except for cleaning purposes in the workshops and for sanitary facilities. Furthermore, there is no discharge of water into the environment: industrial water is in closed channels and is not discharged either into the natural environment or via the municipal collection network.

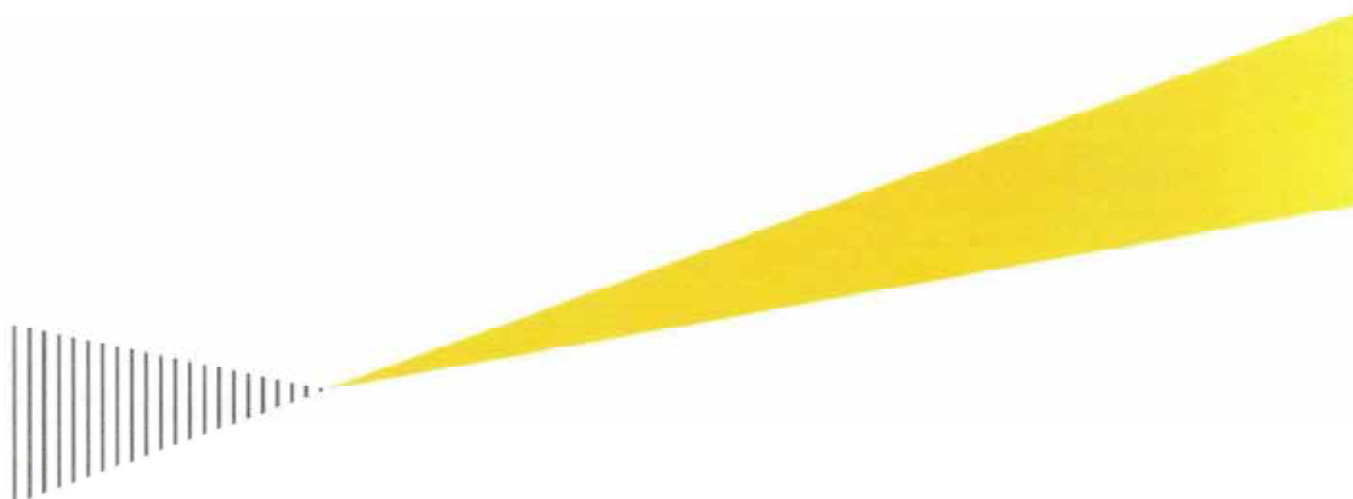
Global Reporting Initiative - Index

SOCOMECC complies with the standards of the Global Reporting Initiative (GRI).
The list below is non-exhaustive, as we also monitor other indicators for our EcoVadis audit.

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200 ECONOMIC TOPICS		
GRI 201: Economical performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	II.1 Reducing our environmental footprint / Environmental policy 3.3 Our CSR performance: Risk of contributing to climate change --> Reduce our environmental footprint and Promote energy efficiency
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	III.3. Societal commitment
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	III.1 Ensuring responsible purchasing
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	III.2 Ensuring ethical business conduct
	205-2 Communication and training about anticorruption policies and procedures	III.2 Ensuring ethical business conduct
300 ENVIRONMENT TOPICS		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	II.2.2 Promoting energy efficiency / Eco-design
	301-2 Recycled input materials used	II.2.2 Promoting energy efficiency / Eco-design
	301-3 Reclaimed products and their packaging materials	II.2.2 Promoting energy efficiency / Eco-design
	302-1 Energy consumption within the organization	II.1.4 Improving the energy performance of our facilities
	302-2 Energy consumption outside of the organization	II.1. Reducing our environmental footprint
GRI 302: Energy 2016	302-3 Energy intensity	II.1.2. Reducing our environmental footprint / Obtaining ISO14001 certification for 100% of our industrial sites plus one site with ISO 50001 certification II.1.4 Improving the energy performance of our facilities
	302-4 Reduction of energy consumption	II.1 Reducing our environmental footprint / Environmental policy II.1.4 Improving the energy performance of our facilities
	302-5 Reduction in energy requirements of products and services	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Appendices: Risks associated with water consumption
	303-2 Management of water discharge related impacts	Appendices: Risks associated with water consumption
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	II.1.1 Measuring and reducing our carbon footprint
	305-2 Energy indirect (Scope 2) GHG emissions	II.1.1 Measuring and reducing our carbon footprint
	305-3 Other indirect (Scope 3) GHG emissions	II.1.1 Measuring and reducing our carbon footprint
	305-4 GHG emissions intensity	II.1.1 Measuring and reducing our carbon footprint
	305-5 Reduction of GHG emissions	II.1.1 Measuring and reducing our carbon footprint

GRI 306: Effluents and waste 2016	306-1 Water discharge by quality and destination	Appendices: Risks associated with water consumption
	306-2 Waste by type and disposal method	II.1.3 Reducing and recycling the waste generated by the Group
	306-3 Significant spills	II.1.3 Reducing and recycling the waste generated by the Group
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	III.1.1 Ensuring responsible purchasing / Assessing the CSR performance of our suppliers
	308-2 Negative environmental impacts in the supply chain and actions taken	III.1.1 Ensuring responsible purchasing
400 SOCIAL TOPICS		
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	I.1 Promoting a strong health and safety culture / Policies, Governance, tools and procedures
	403-2 Hazard identification, risk assessment, and incident investigation	I.1.1 Measure health & safety performance I.1.2. Assess and reduce occupational risks
	403-3 Occupational health services	I.1. Promoting a strong health and safety culture
	403-4 Worker participation, consultation, and communication on occupational health and safety	I.1. Promoting a strong health and safety culture
	403-5 Worker training on occupational health and safety	I.1.1 Measure health & safety performance / Safety training
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	I.1.2 Assess and reduce occupational risks
	403-9 Work-related injuries	I.1.1 Measure health & safety / Performance
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	I.2.3. To provide our employees with a best-in-class L&D offering
	404-2 Programs for upgrading employee skills and transition assistance programs	I.2.3. Providing our employees with a best-in-class L&D offering / professional mobility charter
	404-3 Percentage of employees receiving regular performance and career development reviews	I.2.3. To provide our employees with a best-in-class L&D offering / annual performance assessment
GRI 405: Diversity and equal opportunity	405-1 Diversity of governance bodies and employees	I.3 Strengthening diversity, equity and inclusion
	405-2 Ratio of basic salary and remuneration of women to men	I.3.1 Ensuring gender equality across the Group
GRI 408: Child labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	III.2 Ensuring ethical business conduct / warning system III.1 Ensuring responsible purchasing / committing to responsible sourcing of minerals
GRI 409: Forced or compulsory labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	III.2 Ensuring ethical business conduct III.1 Ensuring responsible purchasing / committing to responsible sourcing of minerals
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	III.1.1 Ensuring responsible purchasing / Assessing the CSR performance of our suppliers
	414-2 Negative social impacts in the supply chain and actions taken	III.1.1 Assess and require our suppliers to meet CSR performance standards
GRI 415: Public policy 2016	415-1 Political contributions	III.2 Ensuring ethical business conduct

Independent third-party report



The Socomec Holding Company

Financial year ending 31 December 2022

Independent third-party report on the audit of the consolidated statement of non-financial performance

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The Socomec Holding Company

Financial year ending 31 December 2022

Independent third-party report on the audit of the consolidated statement of non-financial performance

To the General Assembly,

In our capacity as an independent third-party body (hereinafter the "Third Party") certified by the French Accreditation Committee COFRAC under the number 3-1681, (visit www.cofrac.fr for more information on the scope of accreditation) and as one of your company's statutory auditors (your company referred to hereinafter as "the Entity"), we have carried out work intended to provide a conclusion expressing a moderate level of assurance on the compliance of the consolidated statement of non-financial performance for the year ending 31 December 2022 (hereinafter the "Statement"). The foregoing has been done in accordance with the provisions of Article R. 225-105 of the French Commercial Code (Code de commerce) and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to section 3 of paragraphs I and II of article R. 225-105 of the French Commercial Code (hereinafter the "Information") prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), as set out in the management report pursuant to the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures performed, as described in the section "Nature and scope of our work", and on the elements we have collected, no material misstatements have come to our attention that would call into question the fact that the consolidated statement of non-financial performance complies with the applicable regulatory requirements and that the Information, taken as a whole, is presented fairly, in accordance with the Guidelines, in all material respects.

Without modifying our conclusion above and in accordance with article A. 225-3 of the French Commercial Code, we have the following comments:

The indicators related to waste cover a partial scope (the majority of production sites and branch offices in France), representing 70% of the consolidated workforce.

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of information allows for the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

S.A.S. à capital variable
817 729 687 R.G.S. Nanterre
Société de Commissaires aux Comptes
Société d'expertise comptable inscrite au Tableau
de l'Ordre de la Région Paris - Ile-de-France
Siège social : 1-2, place des Saisons - 92400 Courbevoie - Paris-La Défense 1



Therefore, the Information should be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement.

Limitations inherent in the preparation of the Information

The information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

The Entity's responsibility

It is the responsibility of the Board of Directors to:

- select or establish appropriate criteria for the preparation of the Information;
- prepare a Statement in accordance with legal and regulatory provisions, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key performance indicators;
- and to implement the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been drawn up by applying the Guidelines of the Entity as mentioned above.

Responsibility of the independent third-party body

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of Article R. 225-105 of the French Commercial Code;
- the fairness of the historical information (whether observed or extrapolated) provided pursuant to section 3 of paragraphs I and II of article R. 225 105 of the French Commercial Code, i.e., the outcomes of policies, including key performance indicators, and the actions taken concerning the principal risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information, as this could compromise our independence.

Furthermore, it is not our responsibility to comment on:

- the Entity's compliance with other applicable legal and regulatory provisions, in particular with regard to due diligence plans and the fight against corruption and tax evasion;
- the compliance of products and services with applicable regulations.



Regulatory provisions and applicable professional standards

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidelines of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with the international standard ISAE 3000 (revised)¹.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a quality control system that includes documented policies and procedures designed to ensure compliance with applicable laws and regulations, ethical rules and the professional guidelines of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements.

Means and resources

Our work involved the skill sets of three people and was carried out between January 2023 and May 2023 over a total duration of six weeks.

To assist us in our work, we called on our experts in sustainable development and corporate social responsibility. We conducted seven interviews with the people responsible for preparing the Statement, in particular representatives from the Purchasing, Ethics, Environment, Human Resources, Sustainable Development, Eco-design and Health & Safety departments.

Nature and scope of the work

We planned and carried out our work taking into account the risks of material misstatement of the Information.

In our opinion, the procedures we have performed in the exercise of our professional judgment enable us to provide a limited level of assurance:

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we have assessed the appropriateness of the Guidelines in terms of its relevance, completeness, reliability, neutrality and comprehensibility, taking into account, where applicable, best practices in the sector;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III of the French Commercial Code;

¹ ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information



- we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of the principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated with the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1. Concerning certain risks (responsible purchasing, eco-design of products and anti-corruption) our work was carried out on the consolidating entity; for the others risks, our work was carried out on the consolidating entity and on a selection of entities listed here: the Timelec site (Tunisia) and the Gurgaon site (India);
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures the Entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques or other means of selection, in order to verify the proper application of the definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing entities and covers between 14% and 18% of the consolidated data selected for these tests (14% of headcount, 18% of energy consumption);
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.



Paris-La Défense, 23rd May 2023

The independent third-party body
EY & Associés

A handwritten signature in blue ink, appearing to read 'CS', with a long horizontal line extending to the right.

Christophe Schmeitzky
Partner, Sustainable Development



Appendix 1: The most important information

Social information	
<i>Quantitative Information (including key performance indicators)</i>	<i>Qualitative Information (actions or outcomes)</i>
Frequency rate of accidents at work (Nb/ thousands of working hours). Rate of engagement (%). Proportion of Annual Performance Appraisal carried out (%).	Health & Safety of the employees. Employee engagement. Measures relating to quality of working life. Measures to promote diversity, equity and inclusion.
Environmental information	
<i>Quantitative Information (including key performance indicators)</i>	<i>Qualitative Information (actions or outcomes)</i>
Proportion of turnover achieved by product ranges covered by a PEP (%). Rate of waste recycling at production sites (%). Proportion of renewable energy used in overall electricity consumption (%). Proportion of manufacturing sites with ISO 14001 certification (%).	Eco-design of products. Measures to improve energy performance and the fight against climate change. Waste management.
Societal information	
<i>Quantitative Information (including key performance indicators)</i>	<i>Qualitative Information (actions or outcomes)</i>
Proportion of turnover covered by suppliers who have signed the code of conduct (%). Proportion of main suppliers assessed by EcoVadis (%). Proportion of employees trained in Ethics and Compliance policy (%).	Social and environmental practices of suppliers and sub-contractors. The fight against anti-corruption.

Socomec: our innovations supporting your energy performance

1 independent manufacturer

3,900 employees
worldwide

8 % of sales revenue
dedicated to R&D

400 experts
dedicated to service provision

Your power management expert



POWER
SWITCHING



POWER
MONITORING



POWER
CONVERSION



ENERGY
STORAGE



EXPERT
SERVICES

The specialist for critical applications

- Control, command of LV facilities
- Safety of persons and assets
- Measurement of electrical parameters
- Energy management
- Energy quality
- Energy availability
- Energy storage
- Prevention and repairs
- Measurement and analysis
- Optimisation
- Consultancy, commissioning and training

A worldwide presence

12 production sites

- France (x3)
- Italy (x2)
- Tunisia
- India
- China (x2)
- USA (x2)
- Canada

30 subsidiaries and commercial locations

- Algeria • Australia • Austria • Belgium • China
- Canada • Dubai (United Arab Emirates) • France (x2)
- Germany • India • Indonesia • Italy • Ivory Coast
- Netherlands • Poland • Portugal • Romania • Serbia
- Singapore • Slovenia • South Africa • Spain • Sweden
- Switzerland • Thailand • Tunisia • Turkey • UK • USA

80 countries

where our brand is distributed

HEAD OFFICE

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